

06-08-1999

U.S. Department of Commerce
Patent and Trademark Office
PATENT



101058143

**RECORDATION FORM COVER SHEET
PATENTS ONLY**

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

☒ **New**

☐ **Resubmission (Non-Recordation)**
Document ID#

☐ **Correction of PTO Error**
Reel # Frame #

☐ **Corrective Document**
Reel # Frame #

Conveyance Type

☐ Assignment ☒ **Security Agreement**

☐ License ☐ **Change of Name**

☐ Merger ☐ **Other**

U.S. Government
(For Use ONLY by U.S. Government Agencies)

☐ **Departmental File** ☐ **Secret File**

Conveying Party(ies)

☒ Mark if additional names of conveying parties attached

Name (line 1) <input type="text" value="HUGHES, PATRICK"/>	Execution Date Month Day Year <input type="text" value="06"/> <input type="text" value="03"/> <input type="text" value="99"/>
Name (line 2) <input type="text"/>	
Second Party	
Name (line 1) <input type="text" value="HUGHES, MICHAEL"/>	Execution Date Month Day Year <input type="text" value="06"/> <input type="text" value="03"/> <input type="text" value="99"/>
Name (line 2) <input type="text"/>	

Receiving Party

☐ Mark if additional names of receiving parties attached

Name (line 1) <input type="text" value="TYSONS NATIONAL BANK"/>	<input type="checkbox"/> If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment.)
Name (line 2) <input type="text"/>	
Address (line 1) <input type="text" value="8200 GREENSBORO DRIVE"/>	
Address (line 2) <input type="text"/>	
Address (line 3) <input type="text" value="MCLEAN"/> <input type="text" value="VA"/> <input type="text" value="22102"/>	
<small>City State/Country Zip Code</small>	

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

FOR OFFICE USE ONLY

06/08/1999 DNGUYEN 00000044 4918603

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Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

PATENT

REEL: 009996 FRAME: 0079

Correspondent Name and Address

Area Code and Telephone Number **703-556-0015**

Name **WANDA DODSON**

Address (line 1) **TYSONS NATIONAL BANK**

Address (line 2) **8200 GREENSBORO DRIVE**

Address (line 3) **MCLEAN, VA 22102**

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

16

Application Number(s) or Patent Number(s)

☐ Mark if additional numbers attached

Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)

Patent Number(s)

4918603

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor.

Month Day Year

Patent Cooperation Treaty (PCT)

Enter PCT application number

only if a U.S. Application Number has not been assigned.

PCT PCT PCT

PCT PCT PCT

Number of Properties

Enter the total number of properties involved.

1

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$ **40.00**

Method of Payment:
Deposit Account

Enclosed ☒

Deposit Account ☐

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes ☐

No ☐

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Nancy J. O'Reilly

Name of Person Signing

Nancy J. O'Reilly
Signature

6/7/99
Date

**RECORDATION FORM COVER SHEET
CONTINUATION
PATENTS ONLY**

U.S. Department of Commerce
Patent and Trademark Office
PATENT

Conveying Party(ies)

☐ Mark if additional names of conveying parties attached

Enter additional Conveying Parties

Name (line 1) YAGER, DAVID

Execution Date
Month Day Year

06 03 99

Name (line 2)

Execution Date
Month Day Year

Name (line 1)

Name (line 2)

Name (line 1)

Execution Date
Month Day Year

Name (line 2)

Receiving Party(ies)

☐ Mark if additional names of receiving parties attached

Enter additional Receiving Party(ies)

Name (line 1)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Name (line 1)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment.)

☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment.)

Application Number(s) or Patent Number(s)

☐ Mark if additional numbers attached

Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)

Patent Number(s)

LOAN MODIFICATION AND SECURITY AGREEMENT

THIS LOAN MODIFICATION AND SECURITY AGREEMENT (the "Agreement") is made and effective as of the 3rd day of June, 1999, by and among TYSONS NATIONAL BANK, a national banking association (hereinafter referred to as the "Bank"); FANTASY SPORT PROPERTIES, INC., a Virginia corporation having its principal place of business located at 12355 Sunrise Valley Drive, Suite 230, Reston, Virginia 20191 (hereinafter "Borrower"); and Patrick Hughes, individually, Michael Hughes, individually, and David Yager, individually (collectively hereinafter "Patent Owners").

W I T N E S S E T H :

WHEREAS, the Borrower is now indebted to the Bank in connection with a certain Note dated April 20, 1998, in the original principal amount of TWO HUNDRED SEVEN THOUSAND AND NO/100 DOLLARS (\$207,000.00) (the "Note"); and

WHEREAS, the SBA has guaranteed the Note pursuant to a Guaranty Authorization and Loan Agreement dated April 20, 1998; and

WHEREAS, the Patent Owners are related to Borrower by ownership and other financial arrangements; and

WHEREAS, the Note is secured by, among other things, a Patent and Copyright Assignment dated January 17, 1997, from Patent Owners as Assignors to Bank as Assignee, and recorded in the registration office of the U.S. Patent and Trademark Office, relating to a certain patent more particularly described in Exhibit A attached hereto and made a part hereof (hereinafter the "Patent"); and

WHEREAS, the parties hereto desire to modify the form of the Bank's security interest in the Patent Rights, as more particularly spelled about below, and to assign the Patent Rights back to Patent Owners in connection therewith; and

WHEREAS, the Borrower hereby ratifies, renews and reaffirms all of the terms, conditions, and covenants of the Note and all of the other and related contracts, agreements and other undertakings entered into by the Borrower in connection therewith (hereinafter the "Loan Documents"); and

WHEREAS, the SBA has consented to and concurred with such modification by its concurrence dated June 2, 1999, a copy of which is attached hereto as Exhibit B and made a part hereof; and

WHEREAS, the Borrower desires to unconditionally and irrevocably release, remise and forever discharge the Bank, and any and all affiliates, parent corporations, subsidiary

corporations, successors or assigns of the Bank, and their officers, directors, employees, agents and attorneys of and from any and all claims and demands, as hereinafter set forth; and

WHEREAS, this Agreement is not intended as an accord and satisfaction, novation or forgiveness of the indebtedness owed to the Bank under the terms of the Note;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, subject to the terms and conditions hereinafter set forth, hereby covenant and agree as follows:

1. Security Agreement: Borrower and Patent Owners hereby grant to Bank a security interest in the Patent to secure the payment of the principal and interest on and all obligations under the Note, all renewals and extensions of the Note, and all costs, expenses, advances and liabilities which may be made or incurred by Bank in the disbursement, administration and collection of the loan evidenced by the Note and in the protection, maintenance and liquidation of the security interest hereby granted with interest at the maximum legal rate on such costs, expenses and liabilities. Borrower and Patent Owners shall maintain the Patent, shall promptly pay all taxes, judgments, or changes of any kind levied or assessed thereon, keep current all rent due on premises where the Patent is located, and maintain insurance on the Patent against such hazards and in such amounts and with such companies as Bank may demand, all such insurance policies to be in the possession of Bank and to contain a Lender's loss payable clause naming Bank in a manner satisfactory to Bank. Borrower and Patent Owners hereby assign to Bank any proceeds of such policies and all unearned premiums thereon and authorize and empower Bank to collect such sums and to execute and endorse in Borrower and/or Patent Owners' name all proofs of loss, drafts, checks and any other documents necessary to accomplish such collections, and any persons or entities making payments to Bank under the terms hereof are hereby relieved absolutely from any obligation to see to the application of any sums so paid. In the event of Default, as hereinafter defined, Borrower and Patent Owners shall assemble and make available the Patent at any place designated by Bank. Borrower and Patent Owners acknowledge being advised of a constitutional right to a court notice and hearing to determine whether, upon Default, there is probable cause to sustain the validity of the Bank's claim and whether the Bank is entitled to possession of the Patent and being so advised, Borrower and Patent Owners hereby voluntarily give up, waive and surrender any right to a notice and hearing to determine whether there is probable cause to sustain the validity of Bank's claim. Any notices required pursuant to any state or local law shall be deemed reasonable if mailed by Bank to the persons entitled hereto at their last known addresses at least ten days prior to disposition of the Patent, and in reference to a private sale, need state only that Bank intends to negotiate such a sale. Disposition of Patent shall be deemed commercially reasonable if made pursuant to a public offering advertised at least twice in a newspaper of general circulation in the community where the Patent is located or by a private sale for a sum equal to or in excess of the liquidation value of the Patent as determined by Bank.

2. Financing Statements: At the time of Closing, the Borrower and Patent Owners shall execute, enter into and deliver to the Bank Financing Statements in the form attached hereto as Exhibit C relating to the Patent.

3. Patent and Copyright Assignment: At the time of Closing, the Borrower, Patent Owners, and the Bank shall execute and enter into a Patent and Copyright Assignment in the form attached hereto as Exhibit D.

4. Reaffirmation of Liabilities and Obligations of Borrower to Bank. Except for the modifications expressly set forth herein, this Agreement shall not modify, discharge, release, or waive any of the liabilities or obligations of the Borrower to the Bank. All of the obligations and liabilities of the Borrower to the Bank, as modified hereby, are expressly reaffirmed, and the Borrower acknowledges that except as expressly set forth herein, the Bank has not waived, released, modified or compromised any of its rights or remedies pursuant to the documents evidencing, connected with, or relating to the indebtedness due and owing to the Bank, all of which are expressly reserved.

5. Payment of Expenses. Borrower shall pay and reimburse to the Bank all of the costs and expenses which have been or shall be incurred by the Bank in connection with the review of these matters, the negotiation and preparation of this Agreement and the Exhibits attached hereto, and all other costs and expenses necessary to complete the transaction contemplated hereunder. The Borrower unconditionally and irrevocably stipulates, acknowledges and agrees that all of the foregoing fees, expenses and costs are fair, reasonable and appropriate, due and owing to the Bank under the terms of the Loan Documents, and that the Borrower has no defenses, counterclaims, set-offs or claims of recoupment, or other facts, circumstances or events which would constitute a good, valid or adequate defense to the Bank's claim to be reimbursed and paid all of the foregoing amounts. The foregoing amount due shall be paid to the Bank at Closing. The Borrower's payment of the foregoing amount does not limit, reduce, restrict or otherwise impair the Borrower's unconditional obligation to pay and reimburse to the Bank any costs, expenses, attorneys' fees or other amounts paid or incurred by the Bank in connection with the consummation of the transactions contemplated hereby or as a result of any default or breach hereof by the Borrower.

6. Release. The Borrower hereby unconditionally and irrevocably releases, remises, waives, acquits, and discharges the Bank, and any and all parent corporation(s), subsidiary corporation(s), affiliates, successors or assigns of the Bank, and any and all of their officers, directors, employees, agents and attorneys, of and from any and all claims, demands, injuries, causes of action, contracts, agreements or suits of any kind, nature or extent whatsoever, whether known or unknown, liquidated or contingent, relating to any transaction, event, circumstance, action, failure to act, or occurrence of any sort or type.

7. Financial Disclosure: Upon demand by the Bank, the Borrower shall deliver to the Bank certain financial disclosure and shall provide the Bank with updated and current financial and/or business statements and other disclosure relating to the financial condition of the Borrower in such form and setting forth such financial and business information as may be requested by the

Bank at any time and from time to time in its sole discretion. Such financial statements, or other financial disclosure, shall contain such certifications or other assurances of accuracy and completeness as may be required by the Bank in its sole discretion. All of the foregoing financial statements, or other financial disclosure, shall be prepared at the sole cost of the Borrower. The Borrower hereby waives the benefit of any accountant/client privilege which may be lawfully waived and that may be available under the laws of any jurisdiction relating to the Bank's request for the production of any financial statements or other financial disclosure.

8. Representations and Warranties of the Borrower: The Borrower hereby represents, warrants and covenants to the Bank as follows:

a. The Borrower has full power and authority to own its assets, to conduct the activities in which it is engaged, to own the Patent Rights, and to enter into this Agreement and each of the other documents, contracts and agreements associated herewith; and is in full compliance with all governmental and regulatory requirements applicable to it or its activities;

b. The Borrower has full power and authority to enter into this Agreement and each of the other documents, contracts, and agreements associated herewith or contemplated hereby, and the execution, delivery and performance of this Agreement and each of the other documents, contracts and agreements associated herewith do not require the consent or approval of any other person, financial institution, other creditors of Borrower, trustee, conservator, receiver or administrator or any attorney or governmental body of the United States of America or any state thereof, except as may be required by the U.S. Small Business Administration under the Loan Documents, which consent and approval is acknowledged by the U.S. Small Business Administration by its signature below; and that the execution and delivery hereof will not violate any provision of law or conflict with, result in a breach of, or constitute a default under any other contract, agreement or undertaking by which the Borrower is or may be bound or to which it may be a party;

c. There is no action, suit or proceeding pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower that may result in any material adverse change in the business, properties, affairs or assets, or in the condition, financial, business or otherwise, of the Borrower;

d. The execution, delivery and performance by the Borrower of this Agreement and the Loan Documents are (i) within the power of the Borrower; and (ii) duly authorized by the Borrower;

e. The Obligors do not hereby intend to hinder, delay or defraud any creditor in anticipation of seeking relief under the Bankruptcy Code;

f. All of the financial and business disclosure tendered to the Bank in connection herewith was and is, as of the date of the execution hereof, true, accurate and correct in all respects and presents fairly the financial condition, and changes in financial condition, of the Borrower as of the date or dates thereof and for the period or periods stated and, except as

expressly disclosed to the Bank in writing, no material change, either in any case or in the aggregate, shall have occurred in the condition, financial, business or otherwise, of the Borrower that would have a material positive or adverse impact upon the financial or business condition of the Borrower;

g. This Agreement and the Loan Documents to which the Borrower is a party do not and will not (a) violate any contract, agreement, instrument, or bylaw, or any ordinance, rule or regulation of any governmental authority to which the Borrower is subject; (c) violate any governmental regulation; or (d) result in the creation or the imposition of any lien upon any property of the Borrower, other than those provided by this Agreement and the Loan Documents;

9. Reaffirmation of Liabilities and Obligations of Borrower to Bank: Except for the modifications expressly set forth herein, this Agreement shall not modify, discharge, release, or waive any of the liabilities or obligations of the Borrower to the Bank. All of the obligations and liabilities of the Borrower to the Bank, whether or not set forth herein, are expressly reaffirmed, and the Borrower acknowledges that except as expressly set forth herein, the Bank has not waived, released, modified or compromised any of its rights or remedies pursuant to the documents evidencing, connected with, or relating to the Borrower's indebtedness to the Bank, all of which are expressly reserved. Except as expressly set forth herein, the Borrower agrees to perform all covenants, and comply with all conditions, of any kind or nature whatsoever, set forth in the documents evidencing, connected with, or related to their indebtedness with the Bank, including, but not limited to, the Note, the Security Agreement, and any and all Loan Documents.

10. No Novation: This Agreement is not a novation or an accord and satisfaction of the amounts due and owing to the Bank under the Note, it being the specific intention of the parties hereto that the above-referenced obligations are not extinguished by the execution of this Agreement and that the Borrower shall remain liable to the Bank thereunder and the rights and remedies of the Bank thereunder are hereby modified, renewed, extended and brought forward but not terminated hereby. The Borrower expressly acknowledges that the Bank shall not, and has not hereby agreed, to permit any other or further draws or extensions or renewals of credit to the Borrower, pursuant to the terms hereof, except as expressly set forth herein.

11. Events of Default: The occurrence of any one or more of the following shall constitute an event of default under this Agreement:

a. Failure to Pay: The failure by Borrower to pay when due any sums required to be paid under this Agreement, the Note and/or any other note, contract, agreement, extension of credit, or other undertaking with the Bank, or any parent, subsidiary or affiliate of the Bank.

b. Other Non-Monetary Defaults: The following events are non-monetary defaults: (i) the failure by the Borrower to perform or observe, as and when required, any material covenant, agreement, warranty, obligation or condition required to be performed or observed under this Agreement or under the Note, or any other document, contract or agreement entered into in connection herewith; (ii) the existence of any material breach or inaccuracy in any

of the representations, warranties or covenants set forth in this Agreement or in any of the other documents entered into or delivered or to be delivered in connection herewith; (iii) the institution of any complaint, action, suit or proceeding (whether state or federal) challenging the validity, lawfulness, propriety, or enforceability, or otherwise seeking to set aside or declare void or voidable any of the undertakings, agreements or covenants contained herein; or (v) the filing of a petition for relief under the United States Bankruptcy Code by or against the Borrower.

c. Judgment or Attachment as to Borrower: The entry by any court of a judgment against the Borrower that, in the opinion of Bank, in its sole and absolute discretion, would have a material adverse effect upon the Borrower's ability to fully meet and satisfy all of its debts and obligations under this Agreement or under any other agreement entered into in connection herewith that shall not be satisfactorily stayed or discharged within thirty (30) days from the date thereof, or any attachment of any security or collateral that shall not be released, stayed or otherwise provided for to Bank's sole and exclusive satisfaction within thirty (30) days after the occurrence thereof.

d. False Representation: If any representation or warranty made by the Borrower under or pursuant to this Agreement or any of the other loan documents shall be false or misleading in any material respect as of the date when made, or if any material inaccuracy shall exist in any of the documents or other information furnished to the Bank to induce the Bank to enter into this Agreement.

e. Material Adverse Change: If there occurs a material adverse change in the assets or the business or financial condition or prospects of the Borrower from and after the date hereof which affects materially their ability to meet any of their obligations hereunder or under any of the other loan documents associated herewith, all as may be determined by the Bank in its sole discretion.

f. Failure to Notify Bank of Default or False Representation: If the Borrower shall fail to notify the Bank in writing as soon as practicable upon learning of the occurrence of any event which with the passage of time or the giving of notice or both would constitute an Event of Default hereunder or to otherwise notify the Bank of any other fact, circumstance or event that is required to be disclosed to the Bank pursuant to the terms of the Agreement.

g. Failure to Provide Financial Disclosure: If the Borrower shall fail to provide to the Bank such financial disclosure required to be provided to the Bank pursuant to the terms of this Agreement.

h. Failure to Pay Expenses: If the Borrower fails to pay when due any of the costs and expenses due and owing to the Bank under the provisions of Section 5 hereof.

12. Closing: The Closing of the execution of this Agreement shall occur on June 7, 1999 (herein referred to as the "Closing") at the offices of Rees, Broome & Diaz, P. C., 8133 Leesburg Pike, Ninth Floor, Vienna, Virginia 22182.

13. Notices: All waivers, notices, consents, demands, requests, approvals, and other communications which are required or may be given hereunder shall be deemed to have been duly given if hand delivered or mailed by certified mail, return receipt requested, as follows

(a) If to the Bank, to it at:

Tysons National Bank
8200 Greensboro Drive
McLean, Virginia 22102
Attention: Wanda Dodson, Vice President

with a copy to:

Rees, Broome & Diaz, P.C.
Ninth Floor
8133 Leesburg Pike
Vienna, Virginia 22182
Attention: Joel M. Birken

(b) If to the Borrower or Patent Owners, at the address set forth at the beginning of this Agreement.

Any party hereto may designate an alternative address by giving written notice thereof to the other parties hereto.

14. Choice of Law: This Agreement shall be construed, interpreted, and administered in accordance with the laws of the Commonwealth of Virginia, exclusive of its conflict of laws provisions.

15. Merger and Integration. This Agreement sets forth the full, final, and entire agreement and understanding of the parties with respect to the subject matter herein, superseding all prior representations, understandings and agreements not expressly incorporated herein, and any such prior terms and conditions not expressly set forth in this Agreement are not a part hereof, or the understanding or undertakings of the parties hereto. Each of the parties hereto has had the opportunity to have this Agreement reviewed by legal counsel of their own choosing and, therefore, the normal rule that ambiguities in an agreement are construed against the drafter shall not be applied in connection with the interpretation or construction hereof.

16. Binding Effect: This Agreement shall be binding upon, and shall inure to the benefit of the parties hereto, and their respective successors and assigns. The recitals set forth at the beginning of this Agreement are incorporated herein by this reference. **TIME IS OF THE ESSENCE WITH REGARD TO ALL PROVISIONS HEREOF.**

17. Amendments: This Agreement may be amended or altered only in writing signed by all of the parties to be charged.

18. Severability: In case one or more provisions contained in this Agreement shall be determined to be invalid, illegal, or unenforceable in any respect under any law, the validity, legality or enforceability of the remainder of the provisions set forth herein shall remain effective and binding and shall not be affected or otherwise impaired thereby.

19. Waiver of Jury Trial: The Borrower hereby irrevocably, and as an independent covenant, waives any right to a jury trial in any action or proceeding, whether hereunder or under the terms and conditions of any of the other documents or agreements associated herewith.

20. Further Assurances: The Borrower agrees to promptly execute, acknowledge and deliver such other and further documents, instruments, contracts, certificates, affidavits or other agreements as may be requested by the Bank in connection with effecting the provisions of this Agreement.

21. Counterparts: This Agreement may be executed in counterpart copies, each of which shall constitute an original, and all of which together shall constitute one and the same document.

22. Year 2000 Compatibility: The Borrower shall take all action necessary to assure that the Borrower's computer based systems are able to operate and effectively process data including dates on or after January 1, 2000. At the request of Bank, Borrower shall provide Bank assurance acceptable to the Bank of Borrower's Year 2000 compatibility.

23. Performance by Borrower: The Borrower hereby appoints the Bank as the attorney-in-fact for the Borrower for the purpose of carrying out the provisions of this Agreement, and taking any action and executing any instrument which the Bank may deem necessary and advisable to accomplish the purposes hereof, which appointment is irrevocable, and coupled with an interest.

24. Course of Dealing: No course of dealing between the Bank and the Borrower shall be effective to amend, modify or change any provision of this Agreement or the other Loan Documents. The Bank shall have the right at all times to enforce the provisions of this Agreement and/or the other Loan Documents in strict accordance with the provisions hereof and thereof, notwithstanding any conduct or custom on the part of the Bank in refraining from doing so at any time or times. The failure of the Bank at any time or times to strictly enforce its rights under the provisions hereof, in accordance with the terms and conditions hereof, shall not be construed as having created a custom, course of dealing, or in any way or manner having modified or waived the same.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals on the day and date first above written.

TYSONS NATIONAL BANK

By: Wanda H. Dodson [SEAL]
Name: Wanda H. Dodson
Title: Assistant Vice President

FANTASY SPORT PROPERTIES, INC.

By: Patrick J. Hughes [SEAL]
Name: PATRICK J. HUGHES
Title: PRESIDENT

PATENT OWNERS:

Patrick J. Hughes
Patrick Hughes, Individually

Michael Hughes
Michael Hughes, Individually

David Yager
David Yager, Individually

STATE OF Virginia :
COUNTY OF Fairfax :

I, the undersigned Notary Public of and for the county and state aforesaid, do certify that Wanda H. Dodson, Assistant Vice President of Tysons National Bank, whose name is signed to the foregoing Loan Modification and Security Agreement bearing the date of the 3 day of June, 1999, has acknowledged the same before me in my county aforesaid.

Given under my hand this June 3 day of JUNE, 1999.

Theresa A. Wise
Notary Public

My Commission Expires: 9/30/2000

I was commissioned a Notary as Theresa A. Theofilos

STATE OF Virginia :
COUNTY OF Saunder :

I, the undersigned Notary Public of and for the county and state aforesaid, do certify that Patrick Hughes, President of Fantasy Sport Properties, Inc., whose name is signed to the foregoing Loan Modification and Security Agreement bearing the date of the 7th day of June, 1999, has acknowledged the same before me in my county aforesaid.

Given under my hand this 7th day of June, 1999.

Lisa A. Gray
Notary Public

My Commission Expires:

Nov. 30, 2001

STATE OF Virginia :
COUNTY OF Saunder :

I, the undersigned Notary Public of and for the county and state aforesaid, do certify that Patrick Hughes, whose name is signed to the foregoing Loan Modification and Security Agreement bearing the date of the 7th day of June, 1999, has acknowledged the same before me in my county aforesaid.

Given under my hand this 7th day of June, 1999.

Lisa A. Gray
Notary Public

My Commission Expires:

Nov. 30, 2001

STATE OF Virginia :
COUNTY OF Fairfax :

I, the undersigned Notary Public of and for the county and state aforesaid, do certify that Michael Hughes, whose name is signed to the foregoing Loan Modification and Security Agreement bearing the date of the 7th day of June, 1999, has acknowledged the same before me in my county aforesaid.

Given under my hand this 7th day of June, 1999.

Sisa A. Gray
Notary Public

My Commission Expires:

Nov. 30, 2001

STATE OF Virginia :
COUNTY OF Fairfax :

I, the undersigned Notary Public of and for the county and state aforesaid, do certify that David Yager, whose name is signed to the foregoing Loan Modification and Security Agreement bearing the date of the 7th day of June, 1999, has acknowledged the same before me in my county aforesaid.

Given under my hand this 7th day of June, 1999.

Sisa A. Gray
Notary Public

My Commission Expires:

Nov. 30, 2001

SCHEDULE A

Patent Number: 4,918,603

Date of Patent: April 17, 1990

Name: Hughes, et al.

: \WPDATA\CLIENT\20\20328\961216.ASG

TYSON'S NATIONAL BANK

TYSONS CORNER
8200 Greenbriar Drive
McLean, Virginia 22102
(703) 556-0015
✓ FAX: (703) 556-0023 ✓
Email: info@tysonsbank.com

RESTON
12355 Sunrise Valley Drive
Reston, Virginia 20191
(703) 620-2000
FAX: (703) 620-3527

MCLEAN
6661-C Old Dominion Drive
McLean, Virginia 22101
(703) 556-1111
FAX: (703) 556-0107

FAIRFAX
11180 Lee Highway
Fairfax, Virginia 22030
(703) 452-4700
FAX: (703) 452-8302

April 27, 1999

RECEIVED

JUN 2 1999

VIA TELEFAX TO: (202) 686-4285 SBA/CLSU

Mr. Bob Carpenter
SBA Washington District Office
1110 Vermont Avenue, NW
Washington, DC 20005

Re: Tysons National Bank/Fantasy Sport Properties, Inc.
SBA Loan No. GP 186 852 4008

Dear Mr. Carpenter:

Tyson's National Bank is the lender with respect to the referenced SBA loan. The loan is secured, in part, by an assignment of certain patent rights to the Bank on behalf of Fantasy Sport Properties, Inc., the borrower. At this time we are requesting SBA approval for a change in the form of this collateral. Rather than having the patent rights assigned to the Bank, we will instead obtain a perfected security interest in the patent rights by the execution of a Security Agreement and the recording of a financing statement with the U.S. Patent and Trademark Office and with the appropriate localities in Virginia. The Bank will reassign the patent rights back to the borrower.

We recommend SBA approval of this modification, as the proposed change maintains our collateral position.

We will be happy to provide you with copies of any necessary documents you may require.

Please feel free to contact me should you need additional information. Thank you for your assistance in resolving this matter.

Very truly yours,

Wanda Dodson
Wanda Dodson
Assistant Vice President
Tysons National Bank

Cc: Joel M. Birken, Esq., Rees, Broome & Diaz, P.C. (via telefax to: (703) 848-2530)
Patrick Hughes, Fantasy Sports (via telefax to: (703) 391-0481)
Jon Grossman, Esq., Dickstein Shapiro Morin Oshinsky (via telefax to: (202) 887-0689)
Robert Green, Esq., Howrey & Simon (via telefax to: (202) 383-6610)

Member FDIC

— sub back —

Borrower filing Complaint
 Friday 6/4/99 and to prevent
 the Lender ^{from} becoming
 involved request is to
 reassign patent rights
 back to borrower so they may be
 enforced by the lawsuit. This action will
 not effect collateral coverage. See
 Attached attorneys letter.

U.S. SMALL BUSINESS ADMINISTRATION
 We agree with this request.

Handwritten: 6/2/99

Loan Spec. / LSA _____ Date _____

APPROVED: *[Signature]* Date *6/2/99*

Supv. Loan Spec. _____ Date _____

COMMENTS: *Jan 13 June 6-2-99*

Center Counsel / Asst. Adv. _____ Date _____

Action taken pursuant to: *508 52509*

508 52509 Form 5-5 Action 8 *02*

Jun 3 99 9:12 P.03

TYSON'S NATIONAL BANK Fax: 703-5566268

PATENT

**THE SECURED PARTY DESIRES THIS FINANCING STATEMENT TO BE INDEXED AGAINST
THE RECORD OWNER OF THE REAL ESTATE NO (XX) YES ()**

NAME OF RECORD OWNER:

U.S. PATENT AND TRADEMARK OFFICE

(Uniform Commercial Code Division)

FORM FOR ORIGINAL FINANCING STATEMENT AND SUBSEQUENT STATEMENTS

The Clerk stamps the File Number :
on the Original Financing :
Statement. The secured party must :
reference this number on all :
subsequent statements. :

Index number of subsequent statements (For office use)

Name & Mailing address of all	:	Check the box indicating the
debtors, trade styles, etc. No	:	kind of statement. Check only
other name will be indexed.	:	one box.
Patrick Hughes	:	
Michael Hughes	:	(XX) ORIGINAL FINANCING STATEMENT
David Yager	:	
c/o Fantasy Sport Properties, Inc.	:	
12355 Sunrise Valley Drive, Suite 230	:	() CONTINUATION-ORIGINAL STILL
Reston, Virginia 20191	:	EFFECTIVE
	:	() AMENDMENT
	:	() ASSIGNMENT
	:	() PARTIAL RELEASE OF COLLATERAL
	:	() TERMINATION

Name & address of Secured Party	:	Name & Address of Assignee
Tysons National Bank	:	
8200 Greensboro Drive	:	
McLean, Virginia 22102	:	

Date of maturity if less than	:	Check if proceeds of collateral
five years	:	are covered (XX)

DESCRIPTION OF COLLATERAL – Patent Number 4,918,603 dated April 17, 1990 and filed under the name
of Hughes, et al.

DESCRIPTION OF PROPERTY - Not Applicable.

SIGNATURES ON FOLLOWING PAGE

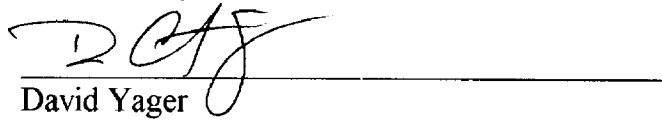
Signature of Debtor(s)

Signature of Secured Party

TYSONS NATIONAL BANK


Patrick Hughes


Michael Hughes


David Yager

By: 

Name Wanda H. Dodson

Title: Assistant Vice President

Date: 6-3-99

Date: 6-3-99

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