



FORM PTO-1619A
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OMB 0651-0027

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

Handwritten: 12.12.00

**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
- License
- Merger
- Security Agreement
- Change of Name
- 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
Execution Date
Month Day Year

Name (line 1)

Name (line 2)

Second Party

Name (line 1)

Name (line 2)

Receiving Party

Mark if additional names of receiving parties attached

Name (line 1)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)

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.)

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

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

Correspondent Name and Address Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

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

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)		
<input type="text" value="09/377,108"/>	<input type="text" value="09/497,670"/>	<input type="text" value="09/516,190"/>	<input type="text" value="5,954,194"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

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

Number of Properties Enter the total number of properties involved. #

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

Method of Payment: Enclosed Deposit Account

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.

Gregory M. Stone
 Name of Person Signing Signature Date

**ASSIGNMENT OF INTERESTS
AND RELEASE OF CLAIMS**

This ASSIGNMENT OF INTERESTS AND RELEASE OF CLAIMS (the "Assignment") is entered into by and between Henry L. Hillman Jr. ("Hillman") and William Simpson ("Simpson") effective this 11 day of August 2000 (the "Effective Date").

RECITALS

WHEREAS, on or about February 29, 2000, Hillman loaned \$250,000 (the "Debt") to Gem Master, Inc. dba Greeting Gifts, Inc. (the "Company") pursuant to that certain Promissory Note Agreement (the "Agreement"). Simpson is the former President and Chief Executive Officer of the Company.

WHEREAS, pursuant to the Agreement, the Company issued to Hillman a promissory note in the amount of \$250,000 (the "Note") and a common stock purchase warrant to acquire 5,000,000 shares of the Company's common stock (the "Warrant") and granted to Hillman a senior security interest (the "Security Interest") in certain of the Company's assets (the "Secured Assets").

WHEREAS, on or about April 3, 2000, the Company ceased operations as it lacked the necessary funds to continue operating.

WHEREAS, the Company has no means for discharging its obligations under the Note and Hillman does not desire to foreclose on the Security Interest and secure title to the Secured Assets.

WHEREAS, Simpson desires to acquire Hillman's interests in the Agreement, Debt, Note, Warrant, Security Interest and Hillman's interest in the Secured Assets (collectively, the "Hillman Interests") and Hillman desires to transfer the Hillman Interests to Simpson on the terms and conditions set forth herein.

NOW, therefore, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. Transfer of Hillman Interests

(a) At Closing, as defined below, Hillman will transfer all of his rights, title and interest in the Hillman Interests. Hillman represents and warrants that he is the sole owner of the Hillman Interests and since February 29, 2000, he has not transferred any interest therein to any other party.

(b) At Closing, Hillman shall execute and all documents necessary to transfer the Hillman Interests to Simpson.



(c) At Closing, Simpson will deliver to Hillman a check in the amount of \$7,500 as partial consideration for the transfer of the Hillman Interests.

2. Release of Claims

(a) Simpson's Release of Claims Against Hillman. Simpson hereby waives any legal rights and releases and forever discharges Hillman, any entity in which Hillman owns an interest, including but not limited to The Hillman Company, and any directors, officers, employees, shareholders, members, insurers, consultants, attorneys, agents or assigns of all the above (collectively, the "Hillman Group") from any and all liability, demands, claims, suits, actions, damages, or judgments, accruing on or before the Closing Date, whether known or unknown, liquidated, fixed, contingent, direct or indirect, which have been, could have been or could be raised against any member of the Hillman Group, including but not limited to those arising from the original execution of the Agreement and the issuance of the Agreement, Debt, Note, Security Interest or Warrant.

(i) Simpson acknowledges the full and final waiver and release of all claims that Simpson has or may have against all members of the Hillman Group, specifically including but not limited to all claims for relief or remedy of any type under any state or federal laws, including but not limited to claims based on alleged breach of contract, breach of fiduciary duty, misrepresentation, fraud, defamation, tortious conduct of any type arising from or relating to Simpson's relationship with any member of the Hillman Group, or any other common law theories, and including but not limited to any claims for additional sums of money, any claim for attorney fees or costs, or for compensatory or punitive damages under any applicable statutes or common law theories.

(ii) Simpson promises not to prosecute, maintain or institute any action, suit, administrative charge or complaint, or proceeding of any kind or nature against any member of the Hillman Group for any reason.

(b) Hillman's Release of Claims Against Simpson. Hillman hereby waives any legal rights and releases and forever discharges Simpson, any other business entity in which Simpson own an interest, including but not limited to Gem Master, Inc. dba Greeting Gifts Inc., and directors, officers, employees, shareholders, members, insurers, consultants, attorneys, agents or assigns of all the above (collectively, the "Simpson Group") from any and all liability, demands, claims, suits, actions, damages, or judgments, accruing on or before the Closing Date, whether known or unknown, liquidated, fixed, contingent, direct or indirect, which have been, could have been or could be raised against any member of the Simpson Group relating in any way to Hillman's dealings with members of the Simpson Group, including but not limited to those arising from the original execution of the Agreement and the issuance of the Agreement, Debt, Note, Security Interest or Warrant.

(i) Hillman acknowledges the full and final waiver and release of all claims which Hillman has or may have against all members of the Simpson Group, specifically including but not limited to all claims for relief or remedy of any type under any state or federal laws, including but not limited to claims based on alleged breach of contract, breach of fiduciary duty, misrepresentation, fraud, defamation, tortious conduct of any type arising from or relating

to Hillman's relationship with any member of the Simpson Group, or any other common law theories; and including but not limited to any claims for additional sums of money, any claim for attorney fees or costs, or for compensatory or punitive damages under any applicable statutes or common law theories.

(ii) Hillman promises not to prosecute, maintain or institute any action, suit, administrative charge or complaint, or proceeding of any kind or nature against any member of the Simpson Group for any reason.

(c) Simpson further agrees that he will not initiate any action against any member of the Hillman Group on behalf of the Company and agrees not to assist the Company or any successor in interest thereto or any officer, director, employee, shareholder, consultant, attorney, agent or creditor (or assignees thereof) of the Company in asserting any claim against any member of the Hillman Group unless compelled by court to do so.

3. Closing

(a) The closing of the transactions described herein (the "Closing") shall take place on August 11, 2000 at 6:00 p.m. at the offices of Davis Wright Tremaine, LLP, or at such other time and place as the parties may mutually agree (the "Closing Date").

(b) At the Closing, Simpson shall deliver to Hillman a cashier's or bank check in the amount of \$7,500.00 and any and all other documents reasonably requested by Hillman to effect the transactions described herein.

(c) At the Closing, Hillman shall deliver to Simpson the Note and Warrant, properly endorsed (or accompanied by necessary documents) to effect the transfer thereof to Simpson, a properly executed UCC-3 transferring Hillman's interest in the Security Agreement and Secured Assets, and any and all other documents reasonably requested by Simpson to effect the transactions described herein.

(d) After the Closing Date, each party agrees to execute such further documents and take such further actions as are reasonably requested by the other party to effect the transactions described herein. The requesting party shall pay all reasonable costs incurred by the other party in complying with such request.

4. Miscellaneous

(a) Governing Law. This Assignment shall be governed in all respects by the laws of the State of Oregon as such laws are applied to agreements between Oregon residents entered into and performed entirely in Oregon.

(b) Survival. The representations, warranties, covenants and agreements made herein shall survive the closing of the transactions contemplated hereby. All representations and warranties as to factual matters set forth herein or other instrument delivered in connection with the transactions contemplated hereby shall be deemed to be representations and warranties solely as of the date thereof. (ll)

(c) Successors and Assigns. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

(d) Entire Agreement. This Assignment and the documents referred to herein and the other documents delivered pursuant hereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and no party shall be liable or bound to any other in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein and therein.

(e) Separability. In case any provision of the Assignment shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.


(f) Amendment and Waiver. This Assignment may be amended or modified only upon the written consent of Hillman and Simpson.

(g) Delays or Omissions. It is agreed that no delay or omission to exercise any right, power or remedy accruing to any party, upon any breach, default or noncompliance by another party under this Assignment shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach, default or noncompliance, or any acquiescence therein, or of or in any similar breach, default or noncompliance thereafter occurring. All remedies, either under this Assignment or otherwise afforded to any party, shall be cumulative and not alternative.

(h) Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified; (ii) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient, if not, then on the next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the parties at the address on the signature page hereto or at such other address as a party may designate by ten (10) days advance written notice to the other party hereto.

(i) Expenses. Each party shall pay all costs and expenses that it incurs with respect to the negotiation, execution, delivery and performance of the Assignment.

(j) Attorneys' Fees. In the event that any dispute among the parties to this Assignment should result in litigation, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Assignment, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

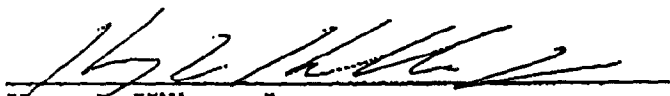
(k) Titles and Subtitles. The titles of the sections and subsections of the Assignment are for convenience of reference only and are not to be considered in construing this Assignment. 


(1) Counterparts. This Assignment may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

Dated effective the date first set forth above.

HILLMAN

SIMPSON


Henry L. Hillman, Jr.
Address:
3304 S.E. Biddle Road
Vancouver, Washington 98684



William Simpson
Address: 18813
Willamette Drive
West Linn, OR
97068

For value received, the receipt and sufficiency of which is hereby acknowledged, I hereby assign to CDcoupon, LLC all of my right, title and interest in the "Hillman Interests," as such term is herein above defined, and direct the delivery to CDcoupon, LLC of such instruments of assignment as may reasonably be required to effect an assignment of such interests contemporaneously with the execution of the above Assignment of Interests and Release of Claims this 11th day of August, 2000.

Witness: Leonard Downing

Assignor: William E. Simpson


8-11-00


8-11-00

WHITEFORD, TAYLOR & PRESTON
L.L.P.

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FAX 703 856-0265

GREGORY M. STONE
DIRECT NUMBER
410 659-6402
gstone@wtplaw.com

December 12, 2000

VIA EXPRESS MAIL NO.: EF068517518US

Box Assignment
Commissioner of Patents and Trademarks
Washington, D.C. 20231

Re: U.S. Patent Application Serial Nos. 09/377,108 filed 8/18/99 and entitled "Personalized Greeting Card With Electronic Storage Media and Method of Personalizing Same"; 09/497,670 filed 2/4/00 and entitled "Method of Preventing Software Piracy"; and 09/516,190 filed 3/1/00 and entitled "Card Accessory for CD Jewel Case"; U.S. Patent No. 5,954,194, issued 9/21/99 and entitled "Gemstone Gift Card with Video or Audio Device Carrier."

Dear Sir:

Enclosed please find the following:

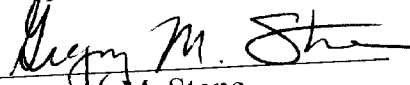
1. Patent Recordation Form Cover Sheet (2 pp. total) and Conveyance Document (5 pp. total) reflecting assignment of security interest.
2. Our post card. Please date stamp and return.
3. Our check in the amount of \$40.00 (small entity) to cover the filing fee.

Please charge any unanticipated fees, or credit any overpayment, to our Deposit Account No.: 50-1479 (a duplicate copy of this charge authorization is attached).

Date

12/12/00

Respectfully submitted,


Gregory M. Stone
Attorney for Applicant
Reg. No. 43,165

PATENT
REEL: 011379 FRAME: 0066

To The Honorable Commissioner

December 12, 2000

Page 2

I HEREBY CERTIFY that the above-referenced documents are being deposited with the United States Postal Service as Express Mail in an envelope addressed to: Box Assignment, Commissioner For Patents And Trademarks, Washington, D.C. 20231, on this date.

12/12/00 Gregory M. Stone
Date Signature

1318742

WHITEFORD, TAYLOR & PRESTON
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GREGORY M. STONE
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December 12, 2000

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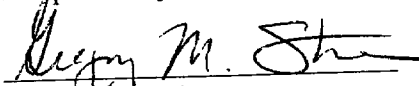
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Date

12/12/00

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Gregory M. Stone
Attorney for Applicant
Reg. No. 43,165

PATENT
REEL: 011379 FRAME: 0068

To The Honorable Commissioner

December 12, 2000

Page 2

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12/12/00 Gregory M. Stein
Date Signature

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