

MRD 4/4/01

FORM PTO-1619A  
Expires 06/30/99  
OMB 0651-0027

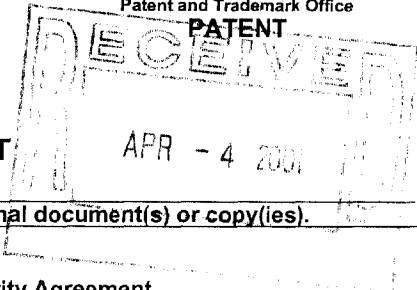
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RECORDATION FORM COVER SHEET  
PATENTS ONLY

U.S. Department of Commerce  
Patent and Trademark Office



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

Name (line 1)  Execution Date  
Month Day Year

Name (line 2)

Second Party

Execution Date  
Month Day Year

Name (line 1)

Name (line 2)

Receiving Party

Mark if additional names of receiving parties attached

Name (line 1)

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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.)

Address (line 1)

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Address (line 3)     
City State/Country Zip Code

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

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Address (line 3)

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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: 011667 FRAME: 0947

**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="5474176"/>	<input type="text" value="5390788"/>	<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"/>	<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 **only if a U.S. Application Number has not been assigned.**

PCT	<input type="text"/>	PCT	<input type="text"/>	PCT	<input type="text"/>
PCT	<input type="text"/>	PCT	<input type="text"/>	PCT	<input type="text"/>

**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

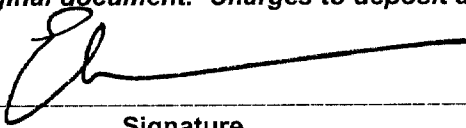
Deposit Account      (Enter for payment by deposit account or if additional fees can be charged to the account.)

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.*

Eli W. Mansour            March 2, 2001

Name of Person Signing      Signature      Date

## FOUNDER'S CONTRIBUTION AGREEMENT

This Founder's Contribution Agreement ("Agreement") is made and entered into as of the 1<sup>st</sup> day of September, 2000, by and between Eurovation, Inc., a Delaware corporation ("Company"), and Robert Schenckan ("Purchaser").

### RECITALS

A. The Company has duly authorized the issuance to Purchaser of Three Million Seven Hundred Fifty Thousand (3,750,000) shares of Common Stock of the Company (the "Shares").

B. The Company desires to sell to Purchaser and Purchaser desires to purchase the Shares pursuant to the terms and subject to each of the limitations and restrictions set forth in this Agreement.

### AGREEMENT

In consideration of the foregoing and the representations, warranties, covenants and agreements set forth in this Agreement, the parties agree as follows:

1. Sale and Issuance of Shares. In consideration of Purchaser's contribution to the Company as provided in Section 2 below, the Company hereby sells and issues to Purchaser the Shares. The Company hereby agrees to deliver to Purchaser a stock certificate representing the Shares.

2. Contribution of Property.

(a) In exchange for the Company's issuance of the Shares to Purchaser, Purchaser hereby contributes, assigns and transfers to the Company all of Purchaser's right, title and interest in and to the property listed on Exhibit A attached hereto. Such contribution is valued at Three Hundred Seventy-Five Thousand Dollars (\$375,000).

(b) Purchaser hereby agrees to execute the form of Assignment of Patent attached hereto as Exhibit B.

3. Representation and Warranty of Purchaser. Purchaser represents and warrants to the Company that Purchaser is acquiring the Shares for his own account for investment and not with a view to or for sale in connection with any distribution thereof to any other person. Purchaser acknowledges that he is familiar with the Company's business affairs and financial condition and has acquired sufficient information about the Company to enable Purchaser to make an informed decision regarding an investment in the Shares.

4. Securities Laws. Purchaser understands that the Shares will be issued by the Company without registration under the Securities Act of 1933, as amended (the "Act"), and without qualification under the California Corporate Securities Law of 1968, as amended ("CSL"), pursuant to exemptions from registration contained in the Act and exemptions from

qualification contained in the CSL. Purchaser agrees that the Shares will not be sold, transferred or otherwise disposed of by Purchaser without registration under the Act and qualification under the CSL or other applicable state securities laws unless Purchaser first demonstrates to the satisfaction of the Company that specific exemptions from such registration and qualification requirements are available with respect to such resale or disposition and the Company is advised by legal counsel satisfactory to the Company that a completed transfer may be made without violation of the Act, the CSL or other applicable state securities laws.

5. Legend. All certificates representing the Shares subject to the provisions of this Agreement shall have endorsed thereon the following legend:

"THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR HYPOTHECATED UNLESS THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT COVERING SUCH SECURITIES, OR THE COMPANY RECEIVES AN OPINION OF COUNSEL FOR THE HOLDER OF THESE SECURITIES REASONABLY SATISFACTORY TO THE COMPANY STATING THAT SUCH SALE, TRANSFER, ASSIGNMENT OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SUCH ACT."

6. Inventions Agreement. In connection with the execution of this Agreement by the parties, Purchaser and the Company hereby agree to execute the form of Employee Innovations and Proprietary Rights Assignment Agreement attached hereto as Exhibit C.

7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8. Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and Purchaser and his legal representatives, heirs, legatees, distributees, assigns and transferees by operation of law, whether or not any such person shall become a party to this Agreement and have agreed in writing to have joined herein and to be bound by the terms and conditions hereof.

9. Entire Agreement. The terms of this Agreement, together with the exhibits attached hereto, are intended by the parties as a final expression of their agreement with respect to such terms as are included in this Agreement and the exhibits attached hereto and may not be contradicted by evidence of any prior or contemporaneous agreement.

10. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

11. Incorporation by Reference. Each of the Exhibits attached hereto are hereby incorporated in this Agreement by this express reference thereto.

The parties have executed this Agreement as of the date first shown above.

**"COMPANY"**

EUROVATION, INC., a Delaware corporation

By: Howie Watkin

Print Name: Howie Watkin

Title: President/CEO

**"PURCHASER"**

Robert Schenkan  
Robert Schenkan

Address: 47200 SKYVIEW DR.  
BIG BEAR CITY  
CA. 92314

**EXHIBIT A**

**CONTRIBUTED PROPERTY**

U.S. Patent Number: 5,474,176 5,390,788 and all inventions in such patent.

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**SCHEDULE II**  
**LIMITED EXCLUSION NOTIFICATION**

THIS IS TO NOTIFY you in accordance with Section 2872 of the California Labor Code that the foregoing Agreement between you and Company does not require you to assign or offer to assign to Company any invention that you developed entirely on your own time without using Company's equipment, supplies, facilities or trade secret information except for those inventions that either:

- A. Relate at the time of conception or reduction to practice of the invention to Company's business, or actual or demonstrably anticipated research or development of Company; or
- B. Result from any work performed by you for Company.

To the extent a provision in the foregoing Agreement purports to require you to assign an invention otherwise excluded from the preceding paragraph, the provision is against the public policy of this state and is unenforceable.

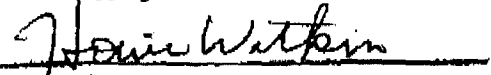
This limited exclusion does not apply to any patent or invention covered by a contract between Company and the United States or any of its agencies requiring full title to such patent or invention to be in the United States.

I ACKNOWLEDGE RECEIPT of a copy of this notification.

By:   
Robert Schenkan

Dated: 11/1/00

Witnessed by:

  
Howie Watkins  
(Printed Name of Company Representative)

Date: 11/1/00

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transmission; or (d) by certified or registered mail, return receipt requested, upon verification of receipt. Notices to me shall be sent to any address in Company's records or such other address as I may specify in writing. Notices to Company shall be sent to Company's Chief Executive Officer or to such other address as Company may specify in writing.

17. Governing Law. This Agreement shall be governed in all respects by the laws of the United States of America and by the laws of the State of California, as such laws are applied to agreements entered into and to be performed entirely within California between California residents.

18. Severability. If any provisions of this Agreement is held by a court of law to be illegal, invalid or unenforceable, (i) that provision shall be deemed amended to achieve as nearly as possible the same economic effect as the original provision, and (ii) the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby.

19. Waiver, Amendment, Modification. The waiver by Company of a term or provision of this Agreement, or of a breach of any provision of this Agreement by me, shall not be effective unless such waiver is in writing signed by Company. No waiver by Company of, or consent by Company to, a breach by me, will constitute a waiver of, consent to or excuse of any other or subsequent breach by me. This Agreement may be amended or modified only with the written consent of both me and Company. No oral waiver, amendment or modification shall be effective under any circumstances whatsoever.

20. Entire Agreement. This Agreement represents my entire understanding with Company with respect to the subject matter of this Agreement and supersedes all previous understandings, written or oral.

I certify and acknowledge that I have carefully read all of the provisions of this Agreement and that I understand and will fully and faithfully comply with such provisions.

"Employee"



ROBERT H. SCHENKKAN  
(Print Name)

Dated: 11/01/00

1/20/01 12050-00001

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