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Form PTO-1595
(Rev. 03/01)

RECORDED

OMB No. 0651-0027 (exp. 5/31/2002)

Tab settings → → →

3. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Paradigm Sales, Inc. and
Asset Software, Inc.

2-19-03

2. Name and address of receiving party(ies)

Name: Vertical Computer Systems, Inc.

Internal Address: _____

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:



Assignment



Merger



Security Agreement



Change of Name



Other _____

See Attached Asset Protection Agreement

Execution Date: November 14, 2001

Street Address: 6336 Wilshire Boulevard

City: Los Angeles State: CA Zip: 90048

Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s)

09/410,334

B. Patent No.(s)

Additional numbers attached? ☐ Yes ☒ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Ivan M. Posey

Internal Address: Brown Raysman Millstein Felder

& Steiner, LLP

Street Address: 1880 Century Park East

Suite 711

City: Los Angeles State: CA Zip: 90067

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00

☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit account number:

02-4270

(Attach duplicate copy of this page if paying by deposit account)

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9. 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.

Ivan M. Posey

Name of Person Signing

Signature

Date

Total number of pages including cover sheet, attachments, and documents: 5

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Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments
Washington, D.C. 20231PATENT
REEL: 013766 FRAME: 0901

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement dated as of November 14, 2001 ("Agreement") sets forth the terms under which Vertical Computer Systems, Inc. ("Vertical") agrees to purchase from Paradigm Sales, Inc. ("Paradigm") certain property formerly owned by Adhesive Software, Inc., which Paradigm has acquired through a foreclosure sale by Silicon Valley Bank ("Bank").

1. Paradigm hereby quitclaims and transfers to Vertical all of the title and interest that Paradigm received from the Bank in the following assets ("Purchased Property"):

- (a) The data and files for SiteFlash;
- (b) The data and files for NewsFlash;
- (c) The patent pending for the underlying object management framework on which SiteFlash and NewsFlash are based;
- (d) The patent application, Serial No. 09/410,334, entitled System and Method for Generating Web Sites on an Arbitrary Object Framework;
- (e) Any rights in a technology license agreement with Enfacet, Inc.; and
- (f) The furniture, equipment and hardware listed on Exhibit "A" attached hereto.

2. Except as expressly provided herein, Paradigm disclaims any and all warranties on the Purchased Property, including (without limitation) any warranties of title or any implied warranties of merchantability or fitness for a particular purpose.

3. The purchase price for the Purchased Property assets is FIVE MILLION ONE HUNDRED THOUSAND AND NO/100 DOLLARS (\$5,100,000.00), payable as follows:

- (a) \$100,000.00
("Cash Payment") \$ 100,000.00

(b) 50,000 Class C Preferred Stock,
\$100 par \$5,000,000.00

4. The Cash Payment of \$100,000.00 shall be deposited into Paradigm's account or as otherwise credited to Paradigm's account concurrently with the sale and transfer of the Purchased Property.

5. Concurrently with the delivery of the Purchased Property, Vertical shall deliver the 50,000 Shares of Preferred Stock to Paradigm. Paradigm acknowledges and agrees that Paradigm and any successor-in-interest to the Preferred Stock of the 50,000 Preferred Shares will be bound by (a) Vertical's standard "piggy-back" terms, a copy of which is attached hereto as exhibit "B", and incorporated by this reference, and (b) Vertical's standard lock-up agreement, a copy of which is attached hereto as Exhibit "C" and incorporated by this reference.

6. Unless otherwise specified, all notices or other communications required herein must be in writing and will be deemed to have been duly served if hand-delivered, sent by registered mail, return receipt requested, first class mail postage prepaid and properly addressed, or sent by overnight delivery. Notices shall be delivered to the address of each party as set forth below or as otherwise designated by the respective party, as applicable.

7. The parties will execute and deliver such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the rights, responsibilities and obligations created by this Agreement.

8. Waiver by either party of any provision or any breach of this Agreement will not constitute a waiver of any other provision or any other breach. No waiver of any term of this Agreement will be effective unless contained in writing signed by an authorized representative of the waiving party.

9. This Agreement and all the rights and obligations of the parties contained herein shall be binding on each party's representatives, assignees and successors and shall

FROM : FARIASJETT

FAX NO. : 8182484381

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inure to the benefit of each party's representatives, assignees and successors.

10. If any material provision of the Agreement is determined to be invalid, inoperative, unenforceable or illegal by operation of law, regulation, judgment or otherwise, then such provision will be deemed to be superseded and the Agreement modified with a provision which most nearly corresponds to the intent of the parties and is valid, enforceable and legal.

11. This Agreement does not constitute and may not be construed as creating or constituting a partnership or joint venture between the parties. Neither party may obligate or bind the other party in any manner whatsoever except as expressly provided herein.

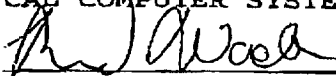
12. This Agreement shall be governed by and construed in accordance with the laws of the State of California and subject to the jurisdiction and venue of the state and federal courts of the County of Los Angeles in the State of California.

13. If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees, court costs and expenses.

14. This Agreement constitutes the sole understanding of the parties about the subject matter hereof and may not be amended or modified except in writing and signed by authorized representatives of each of the parties to this Agreement.

ACCEPTED TO AND AGREED:

VERTICAL COMPUTER SYSTEMS, INC.

By: 
Richard Wade, President

Address:
6336 Wilshire Boulevard
Los Angeles, CA 90048

PARADIGM SALES, INC.

By: 
Gerald R. Whitt

Address:
520 South Grand Avenue
7th Floor
Los Angeles, CA 90071

GRW\ASSET PURCHASE AGM.VERTICAL-PARADIGM.11.01