

04-17-2003



Docket No.:

HEET

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

Tab settings → → → ▼

102423198

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

1. Name of conveying party(ies):
Sharp Holding Corporation

44503

2. Name and address of receiving party(ies):

Name: **Frank A. Leo**

Address: **44 Minebrook Road**

Additional names(s) of conveying party(ies)

☐ Yes ☒ No

3. Nature of conveyance:

☐ Assignment

☐ Merger

☒ Security Agreement

☐ Change of Name

☐ Other

City: **Colts Neck**

State/Prov.: **NJ**

Country: **USA**

ZIP: **07722**

Execution Date: **April 2, 2003**

Additional name(s) & address(es)

☐ Yes ☒ No

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

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

Patent Application No.

Filing date

B. Patent No.(s)

~~08/911,796~~

09/400,380

5,892,825

6,438,232

5,937,164

6,463,467

6,035,329

6,185,306

Additional numbers

☐ Yes ☒ No

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

Name: **Gerald E. Hespos**

Registration No. **30,066**

Address: **274 Madison Avenue - Suite 1703**

04/16/2003 LMUELLER 00000202 031030 08911796

01 FC:8021 105.00 CH 215.00 DP

City: **New York**

State/Prov.: **NY**

Country: **USA**

ZIP: **10016**

6. Total number of applications and patents involved:

8

7. Total fee (37 CFR 3.41):.....\$ **215.00**

☒ Enclosed - Any excess or insufficiency should be credited or debited to deposit account

☐ Authorized to be charged to deposit account

8. Deposit account number:

03-1030

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

DO NOT USE THIS SPACE

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.

Gerald E. Hespos

Name of Person Signing

Signature

April 11, 2003

Date

Total number of pages including cover sheet, attachments, and

7

PROMISSORY NOTE AND SECURITY AGREEMENT

FOR VALUE RECEIVED, **SHARP HOLDING CORPORATION**, a Delaware Corporation, whose principal place of business is located at 13135 Champions Drive, Suite 100, Houston, Texas 77060 (hereinafter "the Debtor") **PROMISES TO PAY TO THE ORDER OF FRANK A. LEO** or his assignee, located at 44 Minebrook Road, Colts Neck, New Jersey 07722, (hereinafter the "the Lender") the sum of ONE HUNDRED TWENTY THOUSAND AND 00/100 DOLLARS (\$120,000.00) with no interest thereon from the date of this Promissory Note and Security Agreement, (hereinafter the "Agreement"), payable in full on the earlier of: (i) June 1, 2003; or (ii) the execution of a Definitive Agreement between Debtor and Lender for the purchase by Lender of HyperCD Intellectual Property.

1. **Interest.** After the due date, interest shall accrue at the rate of twelve percent (12%) per annum on the principal balance until paid in full. All payments will be made to the Lender at the address above or to such other address as the Lender may designate from time to time in writing.

2. **Prepayment.** The Debtor shall have the right to pay the outstanding principal balance due hereunder at any time prior to maturity without penalty.

3. **Security Agreement.** As security for the debt and all the other obligations of the Debtor under this Agreement, the Debtor hereby gives the Lender a security interest in the property (hereinafter "Collateral") described in Schedule A attached hereto and made a part hereof. If the Debtor does not pay the debt or other obligations under this Agreement when due, the Collateral may be sold, at either public or private sale, in order to satisfy the debt and obligations.

4. **Additional Security.** As additional security for the debt, simultaneously with the execution and delivery of this Agreement to Lender, Debtor shall deliver to Lender a "Zip disk" which shall contain the source code(s) and operational documentation for the HyperCD Technology acquired by Debtor from John Galt Media, Inc., et als. by Bill of Sale dated February 28, 2003. The Zip Disk shall be retained in the possession of Lender without disclosure to third parties, except to agents of Lender to review and determine the genuiness of the information contained on the disk, which agents shall be held to the same non-disclosure restriction. The Lender shall not otherwise utilize the disk or the information contained therein without the written consent of the Debtor. In the event of a default by the Debtor, the Lender shall have such rights as set forth in Section 3 and elsewhere in this Agreement. Upon the payment of the debt and other obligations contained in this Agreement, the disk shall be returned to the Debtor or released to the Lender upon the execution of a Definitive Agreement for the purchase of the HyperCD Technology as hereinabove provided

5. **Title.** The Debtor warrants and guarantees that it is the owner of the Collateral and that no other entity or person has any interest in the Collateral or claim against the Collateral. The Debtor further warrants and represents that it will not sell, lease, transfer, pledge, hypothecate or otherwise give anyone else a security interest in or lien on the Collateral.

6. **Filing.** Simultaneously with the execution of this Agreement, the Debtor authorizes the filing of UCC-1 Financing Statements with the filing officers of the States of Delaware and Texas and this Agreement shall act as an authorization to the Lender to file the UCC-1 Financing Statements and to perfect the security interest of the Lender. The Debtor further authorizes the Lender to record this Agreement with the U.S. Patent and Trademark Office evidencing the Lender's security interest in the Patent and Trademarks as contained in Schedule A. Upon the Debtor making payment in full of the debt and other obligations under this Agreement, the financing statements and Patent and Trademark Office filings shall be terminated.

7. **Events of Default.** The Debtor shall be in default if:

(i) the Debtor fails to pay any of the principal or interest on the debt when it becomes due;

(ii) the Debtor fails to perform any promise contained in this Agreement;

(iii) the Debtor is insolvent;

(iv) in the event of default, the Lender shall have the right to require the Debtor to immediately pay the principal and accumulative interest due under this Agreement and other charges or fees due under this Agreement, including the Lender's cost of collection and reasonable attorney's fees. If the Lender does not declare the Debtor in default on any particular occasion, even though the Lender has the right to do so, this will not prevent the Lender from declaring the Debtor in default thereafter. The Lender may extend the time for payment of the debt and release any security it may have for the debt without affecting the Lender's security interest in the Collateral.

8. **Waivers.** The Debtor and other party responsible for payment or other agreements under this Agreement waives demand, presentment, notice of dishonor and protest.

9. **Modification.** This Agreement can only be modified by a written agreement signed by the Lender and the Debtor.

10. **Other Rights and Remedies.** This Agreement will be governed by the law of the State of New Jersey without regard to principles of conflict of laws. The Lender will have all the

rights and remedies of a secured party under New Jersey law. The Debtor agrees to submit to the jurisdiction of the Superior Court of New Jersey for any action to enforce the Lender's rights under this Agreement. The Debtor agrees to submit the jurisdiction of the Superior Court of New Jersey or Federal District Court of New Jersey, at Lender's option, for any action to enforce the Lender's rights under this Agreement.


11. **Jury Trial Waiver.** THE PARTIES TO THIS AGREEMENT, UPON THE ADVICE OF THEIR RESPECTIVE ATTORNEYS, HEREBY KNOWINGLY, INTENTIONALLY, VOLUNTARILY, EXPRESSLY AND MUTUALLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AGREEMENT OR IN ANY WAY CONNECTED WITH OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO AND OR ANY OF THEM WITH RESPECT TO THIS AGREEMENT IN ANY LITIGATION ARISING FROM THIS AGREEMENT, WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE, AND EACH PARTY HEREBY AGREES AND CONSENTS THAT EACH SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY THE COURT WITHOUT A JURY TRIAL.

12. **Notices.** All notice under this Agreement shall be in writing and shall be delivered personally or by certified mail, return receipt requested to the address stated above for the party to receive the notice. If the law requires that the Lender notify the Debtor that the Collateral is being sold after the default, the Debtor agrees that five days notice is sufficient.

13. **Execution.** By signing below, the Debtor acknowledges that it has read this Agreement and agrees to the terms contained herein. The Debtor is a Delaware Corporation and this Agreement is being signed by the proper officer pursuant to an authorizing Resolution of the Corporation, a copy of which is attached hereto as Exhibit "A".

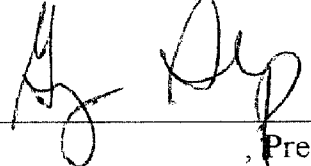
Dated: April 2, 2003

Attest:



, Secretary

SHARP HOLDING CORPORATION

By: 

, President

STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared GEORGE SHARP, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this 2 day of April, 2003.

Alice M. Fox
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS



STATE OF TEXAS
COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared GEORGE SHARP, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN under my hand and seal of office this 2 day of April, 2003.

Alice M. Fox
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS



Schedule A

To that Certain Promissory Note Dated April, 2, 2003
in the Principal Amount Of \$120,000.00
Whose Maker Is Sharp Holding Corporation and
Whose Payee is Frank A. Leo

Certain Patents and Trademarks of Sharp Holding Corporation:

US TRADEMARKS:

"HYPERCD" (stylized)	Reg#: 2,098,352	16-Sep-97
"BroadBridgeMedia" (and design)	Reg#: 2,607,916	6-Feb-01
"HyperDVD"	Reg#: 2,333,517	21-Mar-00
"hyperLOCK" (and design)	Reg#: 2,426,393	6-Feb-01

US TRADEMARK APPLICATIONS:

"HyperGAME"	Ser#: 76/051,913	7-Sep-00	abandoned app.
"broadbridge.net" (and design)	Ser#: 75/858,566	26-Nov-99	abandoned app.
"HyperCD-R"	Ser#: 76/200,977	29-Jan-01	abandoned app.
"HyperBROADCAST"	Ser#: 75/502,212	15-Jun-98	abandoned app.
"DoublePing"	Ser#: 75/717,932	1-Jun-99	abandoned app.

FOREIGN TRADEMARK APPLICATIONS:

Canada - "HyperCD" - App#: 1,058,258	9-May-00	abandoned app.
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US PATENTS:

#5,892,825 - "Method of Secure Server control..."	4/6/99	main. fees due
#5,937,164 - "Method and Apparatus of secure..."	8/10/99	
#6,035,329 - "Method of securing the playback..."	3/7/00	
#6,185,306 - "Method of secure server control..."	2/6/01	
#6,438,232 - "Method of securing the playback..."	8/20/02	
#6,463,467 - "Method and Apparatus of secure..."	10/8/02	

US PATENT APPLICATIONS:

#08/911,796 - "Method of securing the playback..."
#09/400,380 - "Method of securing the playback..."

FOREIGN PATENT APPLICATIONS:

Canada - #2271012 - "Method of Secure Server control..."	main. fees due
Europe - #97947544.9 - "Method of Secure Server control..."	main. fees due
Hong Kong - #00104681.6 - "Method of Secure Server control..."	main. fees due

E:\VCHFILES\RDados\0138.000\Chm-Pat\Schedule A.doc

Apr-02-03 11:12A

PATENT
REEL: 013957 FRAME: 0150

INTERNET DOMAIN NAMES:

broadbridge.com
broadbridge.net
broadbridgemedia.com
broadbridgemedia.net
hypercd.net
hypercd.org
hyperbroadcast.com
hyperbroadcast.net
hyperdvd.net
hyperlock.net
piratethis.com
Piratethis.net
Piratethis.tv
hypercd.com

EXPIRATION

February 03 2006
August 16 2003
August 16 2003
August 16 2003
March 27 2003
March 27 2003
July 22 2003
March 29 2004
March 29 2003
March 29 2003
May 25 2003
May 25 2003
May 25 2003
March 22 2003

REGISTRAR

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