

05-11-2006

Form PTO-1595 (Rev. 07/05)  
OMB No. 0651-0027 (exp. 6/30/2008)

U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office



103235644

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

5-9-09

**1. Name of conveying party(ies)**

Millennium Biotechnologies, Inc.

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

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

Name: Michael B. Zidell, 1997 Exempt Lifetime Trust

Internal Address: Suite 200

Street Address: 5421 Alpha Road

City: Dallas

State: Texas

Country: U.S.A. Zip: 75240

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

**3. Nature of conveyance/Execution Date(s):**

Execution Date(s) February 1, 2006

- Assignment  Merger
- Security Agreement  Change of Name
- Joint Research Agreement
- Government Interest Assignment
- Executive Order 9424, Confirmatory License
- Other \_\_\_\_\_

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

This document is being filed together with a new application.

A. Patent Application No.(s)

B. Patent No.(s)

6,503,506 B1

Additional numbers attached?  Yes  No

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

Name: John A. Thomas

Internal Address: 2200 One Galleria Tower

Street Address: 13355 Noel Road, L.B. 48

City: Dallas

State: Texas Zip: 75240-1518

Phone Number: (972) 419-8378

Fax Number: (972) 419-8329

Email Address: jathomas@gpm-law.com

**6. Total number of applications and patents involved:** 1

**7. Total fee (37 CFR 1.21(h) & 3.41) \$ 40.00**

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed
- None required (government interest not affecting title)

**8. Payment Information**

a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number \_\_\_\_\_

Authorized User Name \_\_\_\_\_

**9. Signature:**

Signature

5-5-06  
Date

DBYRME 00000082 6503506

40.00 John A. Thomas

Name of Person Signing

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

5

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

05/10/2006  
01 FC:002

FINANCE SECTION  
MAY -9 AM 10:57  
RECORDS

**PROMISSORY NOTE**

\$100,000.00

February 1, 2006

**FOR VALUE RECEIVED**, the undersigned, Millennium Biotechnologies, Inc., a wholly owned subsidiary of Millennium Biotechnologies Group, Inc. both Delaware Corporations havin its principle place of business at 665 Martinsville Road, Suite 219, Basking Ridge, New Jersey 07920 ("Borrower"), promises to pay to Michael B. Zidell, 1997 Exempt Lifetime Trust ("Lender"), the principal sum of One-Hundred Thousand Dollars (\$100,000) (the "Loan"), with interest on the unpaid principal balance thereof at the rates herein set forth for the period commencing on the date hereof and ending on March 31, 2006 (the "Maturity Date"). Interest shall be computed and payable as follows: monthly interest shall be payable at the rate of 10% per annum computed from the date hereof through March 31, 2006; provided, however, that from and after (i) the Maturity Date, whether upon stated maturity, acceleration or otherwise or (ii) the date on which the interest rate hereunder is increased to the Default Rate (as hereinafter defined) as provided herein, such additional interest shall be computed at the Default Rate.

As used herein, the term "Default Rate" shall mean a rate of interest equal to fourteen percent (14.00%) per annum retroactive to the date of the Loan.

If any payment of principal or interest is not paid within five (5) days of the due date for such payment, a late charge equal to the lesser of ten percent (10%) of such overdue payment or the maximum amount permitted by applicable law shall automatically become due to the holder of this Note, subject, however, to the limitation that late charges may be assessed only once on each overdue payment. In addition, if any payment of principal or interest is not paid when due, the holder of this Note shall have the right, upon written notice to Borrower, to increase the rate of interest per annum on the entire principal balance of this Note then outstanding to the Default Rate and, upon said notice such rate increase shall be effective retroactively as the date the of the loan. This paragraph shall not be construed as an agreement or privilege to extend the due date of any payment, nor as a waiver of any other right or remedy accruing to the holder of this Note by reason of any default.

Subject to and upon compliance with the provisions of this Note, the Holder of this Note is entitled, at its option, at any time on or before the Maturity Date, to convert all or a portion of the Principal and Interest, into shares of Common Stock of the Company ("Securities") at a price per share equal to \$0.25. In compliance with the Securities Act of 1933 the holding period for the Securities will be one year from the funding of the Convertible Note. The Borrower is responsible for all SEC Filings, Registrations, and Compliances. In addition the Borrower will be granted 400,000 common stock purchase warrants exercisable at a rate of \$0.25 per share. This Note is hereby granted piggyback registration rights and will be included in the next registration statement the Company files with the SEC. Upon the effectiveness of said Registration

Statement the underlying shares of this note will be free-trading securities pursuant to the existing guidelines of SEC law.

This is a balloon Note. The entire Interest and Principle hereunder shall be payable on March 31, 2006. All principal, interest and other sums due hereunder shall be due and payable on the Maturity Date.

Each payment shall be credited first to costs and late charges then to accrued and unpaid interest, and the balance, if any, to the reduction in principal. The interest on this note shall be calculated on the basis of a 365-day year. No prepayment of this Note nor limitation of Lenders right to convert to common stock is allowed.

Borrower hereby waives presentment, demand for payment, protest, notice of protest and notice of dishonor. Borrower further waives trial by jury. No extension of time for payment of this Note or any installment hereof, no alteration, amendment or waiver of any provision of this Note and no release or substitution of any collateral securing Borrower's obligations hereunder shall release, modify, amend, waive, extend, change, discharge, terminate or affect the liability of Borrower under this Note

Any forbearance by the holder of this Note in exercising any right or remedy hereunder or under any other agreement or instrument in connection with the Loan or otherwise afforded by applicable law, shall not be a waiver or preclude the exercise of any right or remedy by the holder of this Note. The acceptance by the holder of this Note of payment of any sum payable hereunder after the due date of such payment shall not be a waiver of the right of the holder of this Note to require prompt payment when due of all other sums payable hereunder or to declare a default for failure to make prompt payment.

If this Note is placed in the hands of an attorney for collection, Borrower shall pay all costs incurred and reasonable attorney's fees for legal services in the collection effort whether or not suit be brought.

At the election of the holder of this Note, all payments due hereunder may be accelerated, and this Note shall become immediately due and payable without notice or demand, upon the occurrence of any of the following events: (1) Borrower fails to pay on or before the date due or within five (5) days thereafter, any amount payable hereunder; (2) Borrower fails to perform or observe any other term or provision of this Note; Should the Borrower default on this Note the Lender will be entitled to a first lien on the Company as outlined in Schedule A below.

If this Note is transferred in any manner, the right, option or other provisions herein shall apply with equal effect in favor of any subsequent holder hereof.

Notwithstanding anything to the contrary contained herein, under no circumstances shall the aggregate amount paid or agreed to be paid hereunder exceed the highest lawful rate permitted under applicable usury law (the "Maximum Rate") and the payment obligations of Borrower under this Note are hereby limited accordingly. If

under any circumstances, whether by reason of advancement or acceleration of the maturity of the unpaid principal balance hereof or otherwise, the aggregate amounts paid on this Note shall include amounts which by law are deemed interest and which would exceed the Maximum Rate. Borrower stipulates that payment and collection of such excess amounts shall have been and will be deemed to have been the result of a mistake on the part of both Borrower and the holder of this Note, and the party receiving such excess payments shall promptly credit such excess (to the extent only of such payments in excess of the Maximum Rate) against the unpaid principal balance hereof and any portion of such excess payments not capable of being so credited shall be refunded to Borrower.

The Note is guaranteed by the guaranty of even date herewith ("Guaranty") and reference is made to the Guaranty for the respective rights and obligations of the parties thereunder. Borrower hereby agrees to indemnify, defend and hold harmless Lender from and against any and all claims, loss, cost, damage or expense (including, without limitation, reasonably attorneys' fees and costs) which may be incurred by Lender in connection with or as a result of any default by the Borrower or by guarantors under the Guaranty or a default under or misrepresentation contained in any other agreement, document or certificate of Borrower or the guarantors in connection with the Loan.

All payments of principal and interest hereunder are payable in lawful money of the United States of America at the office of Lender at 5421 Alpha Road #200 Dallas, Texas 75240 or such other place as the holder hereof shall designate to Borrower in writing.

Borrower is hereby prohibited from exercising against Lender or Agent any right or remedy which it might otherwise be entitled to exercise against any one or more (but less than all) of the individual parties constituting Lender, including, without limitation, any right of set-off or any defense.

This Note shall be binding on the parties hereto and their respective heirs, legal representatives, executors, successors and assigns.

This Note shall be construed without any regard to any presumption or rule requiring construction against the party causing such instrument or any portion thereof to be drafted.

This Note shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflicts of laws considerations. Venue for purposes of any dispute shall be Dallas County, Texas.

#### SCHEDULE "A"

Describe items of collateral, the address where each item will be located and describe any prior liens, etc., and the amounts of due thereon. If items are crops or goods


affixed or to be affixed to real estate and state the name and address of the owner of record thereof.

1) All personal property and fixtures of the Debtor wherever located and whether now owned or in existence or hereafter acquired or created, of every kind and description, tangible or intangible, including, without limitation, all inventory, goods, equipment, patents, patents pending, documents, instruments, chattel paper, accounts bank accounts, cash, contract rights and general intangibles, such terms as defined by the uniform commercial code, and more particularly all of which are presently located at: 665 Martinsville Road, Suite 219, Basking Ridge, New Jersey 07920;

This Note may not be changed or terminated orally.

IN WITNESS WHEREOF, the undersigned have executed this Note this 1st Day of February 2006.

Millennium Biotechnologies, Inc.

BY:   
Name: Frank Guarino  
Title: CFO

**PROMISSORY NOTE**

\$100,000.00

February 1, 2006

**FOR VALUE RECEIVED**, the undersigned, Millennium Biotechnologies, Inc., a wholly owned subsidiary of Millennium Biotechnologies Group, Inc. both Delaware Corporations havin its principle place of business at 665 Martinsville Road, Suite 219, Basking Ridge, New Jersey 07920 ("Borrower"), promises to pay to Michael B. Zidell, 1997 Exempt Lifetime Trust ("Lender"), the principal sum of One-Hundred Thousand Dollars (\$100,000) (the "Loan"), with interest on the unpaid principal balance thereof at the rates herein set forth for the period commencing on the date hereof and ending on March 31, 2006 (the "Maturity Date"). Interest shall be computed and payable as follows: monthly interest shall be payable at the rate of 10% per annum computed from the date hereof through March 31, 2006; provided, however, that from and after (i) the Maturity Date, whether upon stated maturity, acceleration or otherwise or (ii) the date on which the interest rate hereunder is increased to the Default Rate (as hereinafter defined) as provided herein, such additional interest shall be computed at the Default Rate.

As used herein, the term "Default Rate" shall mean a rate of interest equal to fourteen percent (14.00%) per annum retroactive to the date of the Loan.

If any payment of principal or interest is not paid within five (5) days of the due date for such payment, a late charge equal to the lesser of ten percent (10%) of such overdue payment or the maximum amount permitted by applicable law shall automatically become due to the holder of this Note, subject, however, to the limitation that late charges may be assessed only once on each overdue payment. In addition, if any payment of principal or interest is not paid when due, the holder of this Note shall have the right, upon written notice to Borrower, to increase the rate of interest per annum on the entire principal balance of this Note then outstanding to the Default Rate and, upon said notice such rate increase shall be effective retroactively as the date the of the loan. This paragraph shall not be construed as an agreement or privilege to extend the due date of any payment, nor as a waiver of any other right or remedy accruing to the holder of this Note by reason of any default.

Subject to and upon compliance with the provisions of this Note, the Holder of this Note is entitled, at its option, at any time on or before the Maturity Date, to convert all or a portion of the Principal and Interest, into shares of Common Stock of the Company ("Securities") at a price per share equal to \$0.25. In compliance with the Securities Act of 1933 the holding period for the Securities will be one year from the funding of the Convertible Note. The Borrower is responsible for all SEC Filings, Registrations, and Compliances. In addition the Borrower will be granted 400,000 common stock purchase warrants exercisable at a rate of \$0.25 per share. This Note is hereby granted piggyback registration rights and will be included in the next registration statement the Company files with the SEC. Upon the effectiveness of said Registration

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Each payment shall be credited first to costs and late charges then to accrued and unpaid interest, and the balance, if any, to the reduction in principal. The interest on this note shall be calculated on the basis of a 365-day year. No prepayment of this Note nor limitation of Lenders right to convert to common stock is allowed.

Borrower hereby waives presentment, demand for payment, protest, notice of protest and notice of dishonor. Borrower further waives trial by jury. No extension of time for payment of this Note or any installment hereof, no alteration, amendment or waiver of any provision of this Note and no release or substitution of any collateral securing Borrower's obligations hereunder shall release, modify, amend, waive, extend, change, discharge, terminate or affect the liability of Borrower under this Note

Any forbearance by the holder of this Note in exercising any right or remedy hereunder or under any other agreement or instrument in connection with the Loan or otherwise afforded by applicable law, shall not be a waiver or preclude the exercise of any right or remedy by the holder of this Note. The acceptance by the holder of this Note of payment of any sum payable hereunder after the due date of such payment shall not be a waiver of the right of the holder of this Note to require prompt payment when due of all other sums payable hereunder or to declare a default for failure to make prompt payment.

If this Note is placed in the hands of an attorney for collection, Borrower shall pay all costs incurred and reasonable attorney's fees for legal services in the collection effort whether or not suit be brought.

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If this Note is transferred in any manner, the right, option or other provisions herein shall apply with equal effect in favor of any subsequent holder hereof.

Notwithstanding anything to the contrary contained herein, under no circumstances shall the aggregate amount paid or agreed to be paid hereunder exceed the highest lawful rate permitted under applicable usury law (the "Maximum Rate") and the payment obligations of Borrower under this Note are hereby limited accordingly. If

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1) All personal property and fixtures of the Debtor wherever located and whether now owned or in existence or hereafter acquired or created, of every kind and description, tangible or intangible, including, without limitation, all inventory, goods, equipment, patents, patents pending, documents, instruments, chattel paper, accounts bank accounts, cash, contract rights and general intangibles, such terms as defined by the uniform commercial code, and more particularly all of which are presently located at: 665 Martinsville Road, Suite 219, Basking Ridge, New Jersey 07920;

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IN WITNESS WHEREOF, the undersigned have executed this Note this 1st Day of February 2006.

Millennium Biotechnologies, Inc.

BY: 

Name: Frank Guarino

Title: CFO