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United States Patent and Trademark Office

103436248

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

1. Name of conveying party(ies)

Nostwick, Allan A.	Brown, Mark A.
Edwards, M. Larry	DMI Holdings Inc.
Hildebrand, Roland O	Continuum Corporation
Watson, W. Joe	

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No**3. Nature of conveyance/Execution Date(s):**Execution Date(s) 02/21/2007

- ☐ Assignment
 ☐ Merger
☐ Security Agreement
 ☐ Change of Name
☐ Joint Research Agreement
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License
☒ Other Bankruptcy Court Reassignment

2. Name and address of receiving party(ies)Name: Dynamic Patents, L.L.C.

Internal Address: _____

Street Address: 5000 Legacy DriveSuite 470City: PlanoState: TXCountry: USA Zip: 75024Additional name(s) & address(es) attached? ☐ Yes ☐ No**4. Application or patent number(s):**

A. Patent Application No.(s)

5471114	5734230
5833584	6075326
5675476	
5846486	

☐ This document is being filed together with a new application.

B. Patent No.(s)

Additional numbers attached? ☐ Yes ☒ No**5. Name and address to whom correspondence concerning document should be mailed:**Name: Mr. Marvin SeversonInternal Address: Dynamic Patents, L.L.C.Street Address: 5000 Legacy DriveSuite 470City: PlanoState: Texas Zip: 75024Phone Number: (972) 943-8045Fax Number: (972) 403-7659Email Address: mseverson1@aol.com**6. Total number of applications and patents involved: 6****7. Total fee (37 CFR 1.21(h) & 3.41) \$ 240.00**

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

8. Payment Informationa. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number _____

Authorized User Name _____

9. Signature:

Signature

Date

John R. Bailey

Name of Person Signing

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

51

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Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, V.A. 22313-1450

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07-31-2007

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

JUL 26 2007



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To the Director of the U.S. Patent and Trademark Office

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Name: Dynamic Patents, L.L.C.

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Suite 470

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State: TX

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

Name: Mr. Marvin Severson

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6. Total number of applications and patents involved: 6

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 240.00

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☐ Authorized to be charged to deposit account
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☐ None required (government interest not affecting title)

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Expiration Date _____

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John R. Bailey
Signature

7-25-07
Date

BYRNE 00000005 5471114 John R. Bailey
(Name) Person Signing

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07/30/2007
01 FC:8021

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

FILED

FEB 21 2007

CLERK U.S. BANKRUPTCY COURT
BY: GRANT PRIDE
WESTERN DISTRICT OF OKLAHOMA
DEPUTY

In Re:)
)
THE CONTINUUM CORPORATION,)
)
Debtor.)
)

Case No. 03-13235-NLJ
(Chapter 11)

**ORDER CONFIRMING JOINT CHAPTER 11
PLAN OF REORGANIZATION (LIQUIDATION)**

COMES ON NOW for hearing on confirmation this 21st day of February, 2007, the Joint Plan of Reorganization (Liquidation) filed on November 29, 2006, by Douglas N. Gould, as Chapter 11 Trustee ("Trustee") for The Continuum Corporation (the "Debtor"), Debtor in the above-referenced Chapter 11 case, and Dynamic Patents, L.L.C. ("Dynamic Patents"), a plan proponent and party in interest hereto. Upon consideration of the record in this case, statements of counsel present and the evidence presented at hearing, THIS COURT FINDS AS FOLLOWS:

- A. The Plan, as well as the accompanying Disclosure Statement and ballot previously approved by this Court, and the appropriate notice of this hearing were served on all creditors and parties in interest as required under Title 11 of the United States Code (the "Bankruptcy Code").
- B. No objections to confirmation of the Plan have been filed or otherwise interposed by any creditors or parties in interest other than by the Internal Revenue Service/Department of Treasury ("IRS") as specifically addressed herein.
- C. The Plan and the proponents of the Plan comply with all applicable provisions of the Bankruptcy Code, the Plan was proposed in good faith, the Plan makes all necessary disclosures and the requirements for confirmation of a plan of reorganization under Chapter 11, as set forth in Section 1129(a) of the Bankruptcy Code, have all been satisfied by the Plan and the co-proponents.

D. As required by 11 U.S.C. § 1126, at least one (1) class of claims under the Plan has accepted the Plan by a vote of at least two-thirds (2/3) in amount and more than one-half (1/2) in number of the allowed claims of such class creditors voting. Larry Edwards ("Edwards") is an insider of the Debtor and, therefore, ballots cast by Edwards and his affiliates will not be counted for purposes of 11 U.S.C. § 1126. Specifically, Class 3, Class 4 and Class 5 under the Plan have all voted to accept the Plan.

E. IRS, a Class 2 creditor under the Plan, submitted a response (as opposed to a ballot) noting its rejection of the Plan. The IRS also filed an objection to confirmation of the Plan. The IRS asserts that its claim against the Debtor's estate is secured by any equity in the assets of the estate. The Trustee disputes both the claimed status and amount of IRS' claim. The Plan provides for priority treatment to the IRS as well as the statutorily proscribed treatment with respect to the IRS claim. Nonetheless, the Plan is hereby amended to provide that the IRS shall have a secured claim against the estate in the amounts set forth in its Proofs of Claim on file herein, with treatment thereof to be as proscribed in 11 U.S.C. § 1129(b)(2)(A) and 11 U.S.C. § 1129(a)(9)(D) unless and until: (a) the Liquidating Agent or other party in interest timely objects to the IRS claim; and (b) this Court determines the IRS claim by entry of a final, non-appealable order.

F. Notwithstanding any Class of creditors which may have expressly rejected (or be deemed to have rejected) the Plan, the Plan satisfies the requirements of Section 1129(b) of the Bankruptcy Code and is confirmable as a matter of law.

G. Douglas L. Gould is hereby approved as "Liquidating Agent" authorized to act as provided under the terms of the Plan.

H. Pursuant to the terms of the Plan, the bar date for filing claims objections shall be May 22, 2007.

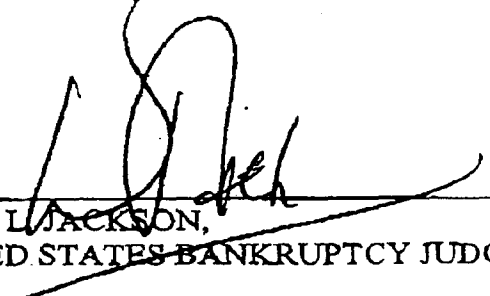
I. The ten-day stay period otherwise imposed by Federal Rule of Bankruptcy Procedure 3020(e) shall not be applicable to this Order.

IT IS, THEREFORE, ORDERED that the Plan filed by the Debtor on November 29, 2006, is confirmed.


IT IS ALSO ORDERED that the IRS's objection is mooted and the Plan is amended as set forth above without prejudice to the Liquidating Agent or other party in interest objecting to the IRS claim, both as to priority and amount.

IT IS ALSO ORDERED that the Patents, as defined in the Plan, are hereby transferred and assigned to Dynamic Patents free and clear of any liens, claims and encumbrances (other than the security interest in favor of the Trustee as set forth in the Plan) to be utilized by Dynamic Patents pursuant to the terms of the Plan.

DATED this 21 day of February, 2007.



NILES L. JACKSON,
UNITED STATES BANKRUPTCY JUDGE

APPROVED:


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OFFICE OF THE UNITED STATES TRUSTEE



UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA

FILED

NOV 29 2006

GRANT PRICE
CLERK, U.S. BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
BY: _____ DEPUTY

IN RE:

The Continuum Corporation
Debtor

Employer Tax Identification No.:
74-2466304

§
§
§
§
§
§
§

Case No. 03-13235

Chapter 11
Judge Niles Jackson

**DISCLOSURE STATEMENT
FOR JOINT PLAN OF REORGANIZATION (LIQUIDATION)**

THIS DISCLOSURE STATEMENT HAS BEEN CONDITIONALLY APPROVED BY THE BANKRUPTCY COURT, SUBJECT TO FINAL APPROVAL AFTER A NOTICE AND HEARING PURSUANT TO §1125(f) OF THE BANKRUPTCY CODE.

IMPORTANT! THIS DISCLOSURE STATEMENT CONTAINS INFORMATION THAT MAY BEAR UPON YOUR DECISION TO ACCEPT OR REJECT THE PLAN OF REORGANIZATION (LIQUIDATION) PROPOSED JOINTLY BY DOUGLAS N. GOULD, AS CHAPTER 11 TRUSTEE AND DYNAMIC PATENTS, L.L.C. PLEASE READ THIS DOCUMENT WITH CARE.

November 29, 2006

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Telephone: (405) 319-1717
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ATTORNEYS FOR DYNAMIC PATENTS, L.L.C.



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I. INTRODUCTION

This Disclosure Statement ("Disclosure Statement") has been prepared by Douglas Gould, Chapter 11 Trustee ("Trustee") for The Continuum Corporation (the "Debtor"), whose bankruptcy case is pending before the United States Bankruptcy Court for the Western District of Oklahoma (the "Bankruptcy Court"), and by Dynamic Patents, L.L.C., the prospective purchaser of certain assets of the Debtor's estate.

This Disclosure Statement is distributed pursuant to the provisions of §1125 of the Bankruptcy Code which requires that there be submitted to parties holding Claims against, or the owners of Interest in, the Debtor, a copy of any Plan of Reorganization or a summary of the Plan and a written Disclosure Statement containing information adequate to enable Creditors and other interested parties to make an informed decision regarding the Plan, if their acceptance of a Plan is solicited.

This Disclosure Statement has been conditionally approved by the Bankruptcy Court as containing adequate information to enable Creditors to make an informed decision regarding the Plan. Final approval of this Disclosure Statement will be sought after a hearing before the Bankruptcy Court now scheduled for the 11th day of January, 2006. A copy of the Joint Chapter 11 Plan of Reorganization (Liquidation) (the "Plan") accompanies this Disclosure Statement and is incorporated into it by reference. Unless the context requires otherwise or specific exception is made, the terms used in this Disclosure Statement shall have the same meanings given to them in Article 2 of the Plan.

The statements contained in this Disclosure Statement are made as of its date unless another time is specified, and neither the delivery of this Disclosure Statement nor any exchange of rights made in connection with it shall, under any circumstance, create an implication that there has not been a change in the facts here set forth since the date of this Disclosure Statement.

No representation concerning the Debtor, the value of its property, or the value of any benefits offered to holders of Claims or Interest in connection with the Plan is authorized by the Trustee other than as set forth in this Disclosure Statement. Any representation or inducement made to secure your acceptance which is contrary to information contained in this Disclosure Statement should not be relied on by you in arriving at your decision. Nothing contained herein shall constitute an admission of any fact or any liability by any party or be admissible in any proceeding involving the Debtor or any other party or be deemed conclusive advice on the tax or other legal effects of the Reorganization on holders of Claims or Interest.

The approval by the Bankruptcy Court of this Disclosure Statement does not constitute an endorsement by the Bankruptcy Court of the Plan or a guaranty of the accuracy or completeness of the information contained herein. This Disclosure Statement has not been approved or disapproved by the Securities and Exchange Commission nor the Department of Securities in the State of Oklahoma, nor has any Federal or State Agency empowered to enforce Securities laws or regulations passed upon the accuracy or adequacy of the statements contained herein. The description of the Plan contained in the Disclosure Statement is intended as a summary only and

is qualified in its entirety by reference to the actual Plan, which is provided with this Disclosure Statement.

The Trustee has objectively analyzed the Debtor's business and believes the reorganization under the Plan described in this Disclosure Statement will provide the Debtor's Creditors with more than they will receive by immediate liquidation of the Debtor's assets. Consequently, the Trustee and Dynamic Patents, L.L.C. urge you to vote for the Plan.

YOU ARE URGED TO CAREFULLY READ THIS DISCLOSURE STATEMENT IN ORDER TO OBTAIN ADEQUATE INFORMATION TO ENABLE YOU TO DECIDE WHETHER TO ACCEPT OR REJECT THE PLAN.

II. CONFIRMATION OF PLAN OF REORGANIZATION

Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. Chapter 11 contemplates the filing of a plan or plans of reorganization and/or liquidation which may be confirmed by the Bankruptcy Court. Although more than one plan may be submitted to the Bankruptcy Court and voted on by holders of Claims, only one may be confirmed. Under Chapter 11, a Debtor may be either reorganized for the benefit of the Debtor, its Creditors and other parties-in-interest, or subjected to a controlled liquidation that might realize a higher value for the assets sold than would be the case in Chapter 7 liquidation. The holders of Claims against the Debtor whose Claims will be adversely affected by the Plan must be given the opportunity to vote to accept or reject the Plan. The ballot accompanying this Plan may be used by the holders of Claims to vote on the Plan and contains the instructions and deadlines for its execution and delivery.

Chapter 11 does not require that each holder of a Claim against the Debtor vote in favor of the Plan in order for the Bankruptcy Court to confirm the Plan. The Plan, however, must be accepted by at least one impaired Class of holders of Claims, with that acceptance being made by a majority in number and two-thirds in amount of those Claims of the Class actually voting in connection with the Plan. No vote is given to the holder of a Claim which is unimpaired. A vote by the holder of a Claim which is impaired may be disallowed by the Bankruptcy Court if the holder of such Claim is the recipient of an avoidable transfer or for any other reason not allowable under §502 of the Bankruptcy Code. Votes to which an objection has been made shall be allowed or disallowed by the Bankruptcy Court prior to or at the hearing on confirmation.

Even if all Classes of Claims and Interest accept the Plan, the Bankruptcy Court may refuse to confirm the Plan if the Plan or the proponents fail to comply with all applicable provisions of the Bankruptcy Code, if the Plan has not been proposed in good faith or by lawful means, or for other reasons set forth in §1129 of the Bankruptcy Code.

Conversely, the Bankruptcy Court may confirm a Plan even though less than all of the Classes of Claims and Interests accept the Plan. Confirmation of a Plan over the objection of one or more Classes of Claims or Interests is referred to as a "cram-down". The circumstances under which the Bankruptcy Court may confirm a Plan over the objection of one or more Classes of Claims or Interests are set forth in §1129(b) of the Bankruptcy Code and, among all other

requirements, include the requirement that the Bankruptcy Court find, with respect to each Class that does not accept the Plan, that the Plan does not discriminate unfairly against that Class, is fair and equitable to that Class, and generally that the value to be distributed to the members of that Class is not less than that Class would receive if the Debtor estate was liquidated under Chapter 7 of the Bankruptcy Code. Confirmation makes a Plan binding on the Debtor, all Creditors and other parties, regardless of whether or not they have accepted the Plan. The Trustee and Dynamic Patents, L.L.C. will seek confirmation of the Plan by "cram-down" if one or more impaired Classes does not vote to accept the Plan.

The Bankruptcy Court has set the 21st day of February, 2007, as the date for hearing on Confirmation of the Plan. Objections to the Plan must be filed and served on the Debtor by the 14th day of February 2007. To be counted, ballots must be returned by the 14th day of February 2007. A COPY OF ANY OBJECTION MUST BE PROVIDED TO TRUSTEE AND COUNSEL TO DYNAMIC PATENTS, L.L.C. ON OR BEFORE 5:00 P.M. OF THE DEADLINE SET FOR FILING OBJECTIONS. In the event that no Plan has received the requisite acceptance by each impaired Class, the Bankruptcy Court may confirm a Plan under the cram-down provisions of the Bankruptcy Code.

III. VOTING INSTRUCTIONS

A. BALLOTS AND VOTING PROCEDURES

A Ballot for voting to accept or to reject the Plan, together with a return envelope, is enclosed with each copy of the Disclosure Statement mailed to a holder of a Claim or the owner of an Interest, entitled to vote.

THE BANKRUPTCY COURT HAS DIRECTED THAT, TO BE COUNTED FOR VOTING PURPOSES, BALLOTS FOR THE ACCEPTANCE OR THE REJECTION OF THE PLAN MUST BE RECEIVED NO LATER 5:00 P.M., OKLAHOMA CITY, OKLAHOMA TIME, ON THE 14th DAY OF February, 2007, AT THE FOLLOWING ADDRESS:

THE CONTINUUM CORPORATION
TRUSTEE
c/o Douglas Gould
210 Park Avenue, Suite 2050
Oklahoma City, Oklahoma 73102-7203
Phone: (405) 319-1717
Fax: (405) 232-1003

BALLOTS MAY BE RECEIVED BY FACSIMILE, BY HAND DELIVERY OR BY MAIL.

If you hold Claims in more than one Class, you are entitled to vote for each Claim or Interest held or owned. As necessary, you may make copies of the Ballot that you receive. Please be sure to provide all information requested on the Ballot and to sign the Ballot.

IF A BALLOT IS DAMAGED OR LOST OR IF YOU HAVE ANY QUESTIONS REGARDING PROCEDURES FOR VOTING, CONTACT THE TRUSTEE AT THE FOLLOWING ADDRESS OR TELEPHONE NUMBER:

Douglas Gould
210 Park Avenue, Suite 2050
Oklahoma City, Oklahoma 73102-7203
Phone: (405) 319-1717
Fax: (405) 232-1003
TRUSTEE FOR DEBTOR

WHEN A BALLOT IS SIGNED AND RETURNED WITHOUT FURTHER INSTRUCTION REGARDING ACCEPTANCE OR REJECTION OF THE PLAN OR IS INCOMPLETE, IT WILL BE TREATED AS IF NO VOTE WERE CAST ON THE PLAN.

B. PARTIES ENTITLED TO VOTE

Under §1126 of the Bankruptcy Code, each Class of impaired Claims or impaired Interests which is not deemed to accept or to reject the Plan is entitled to vote on the Plan.

Under §1124 of the Bankruptcy Code, a Class is "impaired" under a Plan of Reorganization unless, with respect to each Claim or each Interest in such Class, the Plan addresses the Claim or Interest by payment, curative, or compensation such that the holder of the Claim or Interest has no damage and its legal, equitable, or contractual rights are not altered.

ALL CLASSES OTHER THAN CLASS ONE ARE IMPAIRED AND ARE ENTITLED TO VOTE ON THE PLAN.

C. VOTE REQUIRED FOR CLASS ACCEPTANCE OF THE PLAN OF REORGANIZATION

As a condition to confirmation, the Bankruptcy Code requires that each impaired Class of Claims or Interests accept the Plan, subject to certain exceptions. At least one impaired Class of Claims must accept the Plan in order for the Plan to be confirmed.

Section 1126 of the Bankruptcy Code generally defines acceptance of a Plan of Reorganization by a Class of Claims (or Interests) as acceptance by holders of at least two-thirds in amount and more than one-half in number of the allowed Claims in such Class. Holders of Claims which fail to vote are counted as accepting a Plan of Reorganization.

IV. GENERAL OVERVIEW OF THE PLAN

The Plan proposed by the Trustee and Dynamic Patents, L.L.C. ("DP") contemplates a sale of the Debtor's primary assets to DP and the liquidation of all remaining assets to be conducted by a liquidation agent. At the present time, it does not appear that there are any assets of material value in the Debtor's estate other than those assets being sold to DP. The Plan provides for full payment in cash upon confirmation to holders of allowed Administrative Claims

with the exception of DP's Administrative Claim arising out of DP's post-petition loan to the Debtor's estate which DP has agreed to subordinate to payments to holders of Unsecured Claims as provided in the Plan. The Plan contemplates full payment of all Priority Unsecured Claims over time and payments pro rata over time in partial, or possibly full, satisfaction of Unsecured Claims. Under the Plan, Unsecured Claims could receive as much as full payment over the five (5) years following confirmation, and are guaranteed to share pro rata in an amount not less than \$100,000.00 over that same period. The payment guaranty will be provided by DP. The Plan contemplates that the Debtor's existing stock will be canceled upon confirmation.

Additionally, each executory contract and unexpired lease to which the Debtor is a party which has not previously been assumed or rejected by the Trustee shall be deemed rejected unless the Trustee expressly assumes a particular executory contract or unexpired lease before the Effective Date. After the Confirmation Date of the Plan, all objections to Claims and all Causes of Action and Avoidance Actions shall be prosecuted by the Liquidating Agent. The Liquidating Agent may object to the allowance of Claims for which liability, in whole or in part, is disputed for whatever reasons, even if Claims were not scheduled by the Trustee as disputed, contingent or unliquidated. All objections to Claims must be filed within ninety (90) days following the Confirmation Date of the Plan, unless extended by the Bankruptcy Court.

CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

Classification

As provided in 11 U.S.C. §1123(a), Administrative Expense Claims and Priority Unsecured Claims shall not be classified for purposes of voting or receiving distributions under the Plan. The Allowed Claims against, and Allowed Equity Interests in, the Debtor are classified as set forth in this Article IV. A Claim or Equity Interest is in a particular Class only to the extent that such Claim or Equity Interest fits within the description of such Class, and is in such other and different Class or Classes to the extent that the remainder of such Claim or Equity Interest fits within the description of such Class, and is in such other and different Class or Classes to the extent that the remainder of such Claim or Equity Interest fits within the description of such other Class or Classes. Any dispute with respect to classification of Claims or Equity Interests or impairment shall be resolved by the Bankruptcy Court upon motion of the Claimant or Equity Interest holder affected thereby, with notice to the Trustee and DP. This Plan shall only provide distributions to Allowed Claims; nothing within this Plan shall provide for the Allowance of any Claim. The Allowed Claims and Equity Interests are classified as follows:

- Class 1: Allowed Administrative Claims
- Class 2: Priority Unsecured Claims
- Class 3: Allowed Eagle-Picher Unsecured Claim
- Class 4: Allowed Employee Unsecured Claims
- Class 5: Allowed General Trade and Other Unsecured Claims
- Class 6: Equity Interests

Impaired Classes of Claims and Equity Interests

Claims in Classes 2 through 5 are impaired under the Plan, and, therefore, shall vote to accept or reject this Plan. Holders of Debtor's stock in Class 6 are impaired, and will receive no distribution under this Plan, and therefore, are deemed to have rejected the Plan and shall not be entitled to vote to accept or reject this Plan.

Impairment Controversies

If a controversy arises as to whether any claim or Equity Interest or any class of Claims or class of Equity Interest is impaired under the Plan, the Bankruptcy Court shall, upon notice and a hearing, determine such controversy.

Class Acceptance Requirement

A class of Claims shall have accepted the Plan if it is accepted by at least two-thirds in amount and more than one-half in number of the holders of Allowed Claims in such class that have voted on the Plan.

V. HISTORY OF THE DEBTOR AND EVENTS LEADING TO BANKRUPTCY

In April of 1998, the Debtor was party to a plan of reorganization which provided for Debtor's purchase of stock and assets from the bankruptcy estate of the Permalite Corporation, an affiliated company. The Permalite Corporation plan was confirmed by the Bankruptcy Court. Stock in the Debtor was issued to the Creditors and stockholders of the Permalite Corporation and a plan was adopted for moving the Debtor into a profitable position.

The Debtor, despite having cutting edge technology and large market potential, was never able to significantly re-enter full business operations to become self reliant. The technology which was developed and ultimately patented was an uninterruptible and intelligent continuous power system. In response to market demand, the company's technology has been principally marketed to the emergency lighting industry as this technology has capacity to deliver true continuous power to lighting and other loads, while providing intelligent switching in a variety of modes, at a cost lower than conventional stand-by emergency power equipment.

The Debtor was unable to obtain acceptable refinancing or raise new equity in light of its financial condition. As a result, the Debtor was unable to consummate the Permalite Corporation plan or pay the creditors as contemplated thereunder. Despite the financial difficulties, however, the perceived demand for the company's technology continued and a bankruptcy forum became the vehicle to address the best interests of the company's Creditors and Shareholders.

Creditors of Permalite Corporation and Continuum continued to take adverse action against the Debtor including the filing of lawsuits and other efforts to garner control of the Debtor's assets. A number of Creditors were making claims to ownership of the Patent Assets and others were threatening to foreclose security interests in said Patent Assets. An even bigger concern was that management of the Debtor was usurping its authority and acting contrary to their fiduciary responsibilities to both shareholders and Creditors. Specifically, the concern was

that management was marketing and even licensing the Patent Assets on a national and international basis without advising potential buyers or investors of the obligations associated with these Patent Assets.

In an effort to insure that no Creditors unfairly secured the assets to the detriment of the other Creditors, and to afford the best opportunity for the Creditors to obtain value from the assets, four (4) Unsecured Creditors placed the Debtor into involuntary bankruptcy on March 26, 2003. The Petitioning Creditors were Mark D. Mitchell, P.C., Vernon Peck, Forkay and Associates, LLC. and Schneider Financial Services. Without objection by the Debtor, on April 23, 2003, the Bankruptcy Court entered the Order for Relief under Chapter 11 of the Bankruptcy Code.

VI. EVENTS DURING BANKRUPTCY

A. OPERATION

In an effort to keep management from taking any action contrary to the interests of the Debtor's Creditors, the Petitioning Creditors sought the appointment of a chapter 11 trustee. The Bankruptcy Court ordered the appointment of a chapter 11 trustee on May 29, 2003, and Douglas N. Gould was put in place on June 12, 2003.

DP agreed to provide required financing to support the professional's efforts in this case. An order was entered by the Bankruptcy Court approving a credit line in favor of the Trustee in the amount of \$100,000.00. The funds advanced constitute an Administrative Claim in favor of DP, the payment of which DP has agreed to subordinate. Although a license agreement was negotiated and signed by the Trustee with an entity controlled by Larry Evans (which generated \$5,000.00 for the estate), no manufacturing has occurred during the bankruptcy due to the encumbrances against the intellectual property. The aforementioned license has terminated.

The most time-consuming tasks performed during the pendency of this Chapter 11 case have been putting together the list of all of the potential creditors in this case (to insure that they would get notice of these proceedings) and to prepare the bankruptcy schedules required under the federal bankruptcy rules.

Perhaps the most significant accomplishment during this case involved litigation brought by the Trustee against several parties who were claiming some interest in the Patent Assets. Certain parties including Larry Edwards, AEON Corporation, Larry Evans, the Estate of Diane Wisdom and the VanDuesen Trust relinquished or disclaimed any interest (voluntarily or by default) in the Patent Assets. One party, Mark Brown, contested the proceedings to trial where the Bankruptcy Judge presiding ruled that Mark Brown did not have any interest, ownership or otherwise in the Patent Assets. These rulings cleared the way for the Trustee to sell, and for DP and others to make efforts to acquire the Patent Assets from the Debtor's estate free and clear of any other claims or liens.

B. PRODUCT CERTIFICATION AND PATENT PROTECTION

DP has been active in the discovery, maintenance and preservation of the patents belonging to The Debtor.

The patents consist of six (6) individual patents:

1. 5471114 Fail-Safe uninterruptible lighting system
2. 5633564 Modular uninterruptible lighting system
3. 5675476 Phase Controlled bridge
4. 5646486 Fail-Safe uninterruptible lighting system
5. 5734230 Fail-Safe lighting system with load shedding and dimming.
6. 6075326 High intensity discharge lamp ballast and lighting system.

DP has retained the service of Burr & Brown, one of the leading Patent law firms in the nation. Through the effort of Burr & Brown, DP has discovered two patents that have been placed in an abandoned state.

Patents: 5633564
5646486

DP has undertaken all the expense and effort to rehabilitate the two abandoned patents and return them to good standing.

The Debtor's certification with Underwriters Laboratory was not maintained during the bankruptcy period. However DP has initiated the process to bring all such certification into compliance. DP intends to file and assert an administrative claim to recover all of these costs which not only benefited the estate but, in fact, preserved any value the estate has today.

It should be noted that a significant portion of the protected life of these patents has expired. In addition, and as mentioned above, two of the patents have been designated as abandoned.

C. PROFESSIONALS

The Bankruptcy Court has authorized the employment of Douglas Gould as Trustee for the Debtor.

The Bankruptcy Court has authorized the employment of Douglas N. Gould, PLC as counsel for the Trustee for the Debtor. Mark Monfort has performed the legal work on behalf of the Trustee in this case.

D. PROFESSIONAL FEES

The Debtor estimates that fees of approximately \$75,000.00 have been incurred for all professional fees which have been or will be approved by the Bankruptcy Court. To the extent remaining unpaid, the same will be paid as an administrative expense of the bankruptcy estate as more clearly explained in the Description of Plan Reorganization (section 10).

Court records show application for fees to Douglas N. Gould, PLC, attorney for the Trustee of:

\$ 29,066.12	April 1, 2004
5,716.50	April 1, 2005
11,485.50	August 4, 2005
<u>4,181.00</u>	October 13, 2006
\$ 50,449.12	

The Debtor also estimates fees to be paid to the Trustee, based on an hourly rate for services of \$200.00 per hour, in an amount not to exceed \$20,000.00.

VII. DESCRIPTION OF PLAN OF REORGANIZATION (LIQUIDATION)

The principal provisions of the Plan are summarized in this article. THIS SUMMARY IS A BROAD OUTLINE OF THE PLAN AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE ACTUAL PLAN ITSELF.

A. CLASSIFICATION AND TREATMENT OF CLAIMS AND INTERESTS

As provided in 11 U.S.C. §1123(a), Administrative Expense Claims and Priority Unsecured Claims shall not be classified for purposes of voting or receiving distributions under the Plan. The Allowed Claims against, and Allowed Equity Interests in, the Debtor are classified as set forth in this Article IV. A Claim or Equity Interest is in a particular Class only to the extent that such Claim or Equity Interest fits within the description of such Class, and is in such other and different Class or Classes to the extent that the remainder of such Claim or Equity Interest fits within the description of such Class, and is in such other and different Class or Classes to the extent that the remainder of such Claim or Equity Interest fits within the description of such other Class or Classes. Any dispute with respect to classification of Claims or Equity Interests or impairment shall be resolved by the Bankruptcy Court upon motion of the Claimant or Equity Interest holder affected thereby, with notice to the Trustee and Dynamic Patents, L.L.C. This Plan shall only provide distributions to Allowed Claims; nothing within this Plan shall provide for the Allowance of any Claim. The Allowed Claims and Equity Interests are classified as follows:

Class 1:	Allowed Administrative Claims
Class 2:	Priority Unsecured Claims
Class 3:	Allowed Eagle-Picher Unsecured Claim

- Class 4: Allowed Employee Unsecured Claims
Class 5: Allowed General Trade and Other Unsecured Claims
Class 6: Equity Interests

Impaired Classes of Claims and Equity Interests

Claims in Classes 2 through 5 are impaired under the Plan, and, therefore, shall vote to accept or reject this Plan. Holders of Debtor's stock in Class 6 are impaired, and will receive no distribution under this Plan, and therefore, are deemed to have rejected the Plan and shall not be entitled to vote to accept or reject this Plan.

Impairment Controversies

If a controversy arises as to whether any claim or Equity Interest or any class of Claims or class of Equity Interest is impaired under the Plan, the Bankruptcy Court shall, upon notice and a hearing, determine such controversy.

Class Acceptance Requirement

A class of Claims shall have accepted the Plan if it is accepted by at least two-thirds in amount and more than one half in number of the holders of Allowed Claims in such class that have voted on the Plan.

Cram Down

If any class of Claims or Equity Interests shall fail to accept the Plan in accordance with Section 1126(c) of the Bankruptcy Code, the Bankruptcy Court may still confirm the Plan in accordance with Section 1129(b) of the Bankruptcy Code. The Trustee and DP will seek confirmation of the Plan pursuant to Section 1129(b) with respect to any non-accepting class.

Disallowance of Claims Subject to Avoidance Actions

Any otherwise Allowed Claim, subject to Avoidance Actions as described in the Disclosure Statement under Section 547 of the Bankruptcy Code shall be disallowed pursuant to Section 502(d) of the Bankruptcy Code until such time as the avoidable transfers are returned to the Debtor's estate and such holder of a claim subject to an avoidable preference shall not be entitled to vote to accept or reject this Plan.

Elimination of Classes

Any impaired class that is not occupied as of the date of the Confirmation Hearing by an Allowed Claim or Allowed Equity Interest or a Claim or Equity Interest temporarily allowed pursuant to Bankruptcy Rule 3018 shall be deemed deleted from the Plan for purposes of voting an acceptance or rejection of the Plan and determining whether the Plan has been accepted by such class pursuant to 11 U.S.C. §1129.

B. TREATMENT OF EQUITY

All Equity Interests in the Debtor shall be deemed automatically cancelled on the Effective Date.

C. TREATMENT OF ADMINISTRATIVE EXPENSES

Except to the extent that any entity entitled to payment of any Allowed Administrative Claim agrees to a different treatment, each holder of an Allowed Administrative Claim shall receive Cash in an amount equal to such Allowed Administrative Claim on a later of the Effective Date or the date such Administrative Claim becomes an Allowed Administrative Claim, or as soon thereafter as practicable. DP is the holder of an Allowed Administrative Claim on account of its post-petition loan to the Debtor's estate and DP has agreed to subordinate that Allowed Administrative Claim to the payment of other Allowed Claims under the Plan.

D. TREATMENT OF PRIORITY UNSECURED CLAIMS

The Priority Unsecured Claims class consists of the IRS holding a claim estimated to be \$37,000.00. Treatment of this claim will include payment of the entire Allowed Claim plus interest accruing at six percent (6%) from and after the Effective Date and will be paid by way of five (5) equal annual payment commencing on the first anniversary of the Confirmation Date. The payment will be funded by DP to the Liquidating Agent for payment to the holder of the Allowed Priority Unsecured Claim.

E. SUMMARY OF PAYMENTS UNDER THE PLAN

The following estimated payments will be made from payments made by DP as outlined in section XI. The following dollar amounts are estimates only and are subject to approval by the Bankruptcy Court and/or the Claims analysis process which may result in an increase or decrease in the amount of a given parties' actual payment. The Trustee and DP have used due diligence in preparing this chart however, and the numbers following are thought to be materially correct.

Class 1:	Allowed Administrative Claims (excluding all DP's administrative claims)	\$ 100,000.00
Class 2:	Priority Unsecured Claims	\$ 37,470.05
Class 3:	Allowed Eagle-Picher Unsecured Claim	\$ 189,474.00
Class 4:	Allowed Employee Unsecured Claims	\$ 106,809.00
Class 5:	Allowed General Trade and Other Unsecured Claims	\$ 3,092,184.97
Class 6:	Equity Interests	\$ 0.00

VIII. MEANS FOR IMPLEMENTATION OF THE PLAN

Effective on the Confirmation Date, all of the Debtor's, Debtor's estate's and Trustee's right, title and interest in the Patent Assets shall be sold and conveyed to DP by way of Bill of Sale executed by the Trustee on behalf of the estate. The transfer of the Patent Assets shall be effected free and clear of all liens, claims and encumbrances and shall fully and finally vest in DP upon delivery of said Quit Claim Bill of Sale, and any other conveyance or assignment instruments which may be necessary for Trustee to execute to convey the Patent Assets to DP. In return for the Patent Assets, DP shall provide the funding for the Plan as provided herein.

Each year, for the five (5) years following the Confirmation Date, DP shall make annual five percent (5%) royalty payments to the Liquidation Agent who will make payments to the holders of Allowed Priority Unsecured Claims, Allowed Eagle-Picher Unsecured Claims, Allowed Employee Unsecured Claims, and Allowed General Trade and Other Unsecured Claims. Royalties will be determined based on net sales revenues; that is, five percent (5%) of the difference between gross sales of DP and the costs of said sales. DP shall fund the required payments to the Liquidation Agent, together with a profit and loss statement (or such other financial information as the Trustee may reasonably request to substantiate the royalty calculation) in time sufficient to allow the Liquidation Agent to make the distribution required hereunder on a timely basis. Commencing on the first Anniversary Date of the Confirmation Date, and on the same date for each of the next four (4) years, Allowed Unsecured Claims shall receive a Pro Rata distribution of funds received by annual royalty payments received from the Liquidation Agent from DP as set forth in Article 6, if any, on the later of (a) fifteen (15) days after the Anniversary Date, or (b) the fifteenth (15) day after such Claim becomes an Allowed Claim. All payments (as well as any required expenses such as mailing, postage expense, costs of tax reporting, etc.) will be funded by DP to the liquidation agent. DP guarantees payment of not less than \$100,000.00 to be distributed pro rata to Allowed Unsecured Claims under the Plan. Thus, on the fifth anniversary of the Confirmation Date, if the total aggregate sum of distributions made to Allowed Unsecured Claims under the Plan is not equal to or greater than \$100,000.00, DP shall fund the net amount necessary to meet its guaranteed payment of \$100,000.00. The guaranteed payment will be evidenced by a limited guaranty agreement to be given by DP in favor of the Liquidation Agent on or prior to the Confirmation Date. The guaranteed payment will also be secured by a lien in favor of the Liquidation Agent on the Patent Assets. The Liquidation Agent shall immediately release the lien on the Patent Assets when the total aggregate sum of distributions is equal to \$100,000. The treatment of the Allowed Priority Unsecured Claim will be as set forth in Section VII D above.

The Liquidation Agent will be compensated for his efforts based on an hourly rate of \$200.00 per hour. That fee will be paid by DP based on presentation of a detailed invoice from the Liquidation Agent. The Liquidation Agent may, upon approval by DP, engage the assistance of an attorney or other professional necessary to enable the Liquidation Agent to perform his duties hereunder.

The Plan Proponents believe this to be a great opportunity for the Creditors because of DP's involvement and expertise going forward. DP is part of a group of companies dedicated to conservation of energy resources while providing innovative, patented performance technologies.

These companies have extensive experience in manufacturing, sales and marketing as well as end-user installation services.

DP has prepared cash flow projections for the five (5) year period following Confirmation Date. A copy of the projection is attached hereto as Exhibit "A." DP believes that the projections are conservative in nature and that without unforeseen circumstances occurring, the actual operations should surpass the projections on an aggregate basis.

IX. TAX CONSEQUENCES

THE FOLLOWING DISCUSSION IS A SUMMARY OF CERTAIN OF THE MORE SIGNIFICANT FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO THE DEBTOR AND THE HOLDER OF THE CLAIMS AND INTERESTS. THE TAX CONSEQUENCES TO HOLDERS MAY VARY BASED ON THE INDIVIDUAL CIRCUMSTANCES OF EACH HOLDER. MOREOVER, THE TAX CONSEQUENCES OF CERTAIN ASPECTS OF THE PLAN ARE UNCERTAIN DUE TO THE LACK OF APPLICABLE LEGAL PRECEDENT AND THE POSSIBILITY OF CHANGES IN LAW. NO RULING HAS AS OF THIS DATE BEEN OBTAINED FROM THE INTERNAL REVENUE SERVICE OR ANY STATE TAXING AUTHORITY WITH RESPECT TO ANY OF THE TAX ASPECTS OF THE PLAN AND NO OPINION OF COUNSEL HAS BEEN OBTAINED WITH RESPECT THERETO. ACCORDINGLY, EACH HOLDER OF A CLAIM OR INTEREST IS STRONGLY URGED TO CONSULT WITH HIS OWN TAX ADVISOR REGARDING THE FEDERAL, STATE AND LOCAL TAX CONSEQUENCES OF THE PLAN.

The tax consequences to Creditors arising from implementation of the Plan are expected to vary depending upon whether or not the Creditor's Claim is a long-term obligation classified as a "security" under Subchapter C of the Internal Revenue Code. A "security" for this purpose generally includes only stock and debt obligations originally due more than five (5) years from the date of issuance.

Each short-term Creditor (a Creditor whose Claim is not classified as a security as defined above) will generally be entitled to a bad debt deduction or a charge against its bad debt reserve to the extent the adjusted tax basis of its Claim exceeds the sum of the amount of cash received, the issue price of new debt instruments received and the fair market value of other property received. If the sum of such items is greater than the adjusted tax basis of the Claim, income will be recognized. This may occur when the Claim represents income not yet reported on the cash method or when all or a portion of the Claim has been deducted as a bad debt.

YOU ARE STRONGLY URGED TO DISCUSS THE TAX CONSEQUENCES OF THIS PLAN WITH YOUR PERSONAL TAX ADVISOR.

X. EXEMPTION FROM SECURITIES REGULATION
SAFE HARBOR EXEMPTION UNDER BANKRUPTCY CODE §1145

As noted in §XI, this Plan is intended to qualify within the "safe harbor" provisions of the Bankruptcy Code exempting the sale and exchange of the Debtor's securities or those of an affiliate, from securities registration.

... Section 5 of the Securities Act of 1933 and any state or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, underwriter of, or broker or dealer in, a Security do not apply to — (2) the offer of a security through any warrant, option, right to subscribe, or conversion privilege that was sold in the manner specified in paragraph (1) of this subsection, or the sale of a security upon the exercise of such a warrant, option, right or privilege;

NOTHING IN THIS DISCLOSURE STATEMENT OR IN THE PLAN OF REORGANIZATION IS INTENDED TO IMPLY THAT SECURITIES IN THIS REORGANIZATION HAVE BEEN REGISTERED WITH ANY STATE OR FEDERAL AGENCY NOR THAT ANY SUCH AGENCY HAS EXPRESSED AN OPINION AS TO THE PLAN OF REORGANIZATION.

XI. ALTERNATIVES TO THE PLAN AND RISK FACTORS

A. LIQUIDATION UNDER CHAPTER 7

Liquidation under Chapter 7 of the Bankruptcy Code would involve the immediate sale of assets in which Secured Creditors do not Claim an interest. The potential buyers with the acumen and resources to utilize such technology likely will be reluctant to do so absent full ownership and protection of the underlying patent rights. While the Debtor's prior President and other Creditors have taken the position at one time or another that the certain third parties may own or have some ownership interest in the Patent Assets, Trustee believes that argument is unsupportable as numerous written disclosures have always carefully disclosed ownership of the Patent Assets to be in the Debtor's name. The Bankruptcy Court has entered orders in this case which determine that such parties have no interest in the Patent Assets. Under the Trustee's analysis, a liquidation will be unlikely to generate sufficient monies to pay the Unsecured Creditor Class any funds. While these Patent Assets have been the subject of bankruptcy proceedings for eight years, there have been no offers to acquire said assets during that time, until DP's offer was made. At most, a liquidation of the Patent Assets would generate \$175,000.00, the amount which DP has agreed to pay including DP's subordination of its Administrative Claim. After payment of professional fees and tax claims, there would be far less (if any) dollars available to Unsecured Creditors in even this hypothetical liquidation example.

The Debtor actively pursued investors for the Patent Assets for years prior to this bankruptcy filing. Many parties who have expressed an interest in the Patent Assets over that time have received notice of the pending bankruptcy (some have made contact with the Trustee),

but none of those parties have made offers to buy the Patent Assets or infuse new capital into the operation. DP's involvement and commitment under this Plan gives the Creditors the best opportunity to receive the highest return (i.e. pay back) on their Claims. The Trustee, thus, has not attempted to set forth any alternative to this proposed Plan. However, Creditors must be cautioned that a vote must be for or against the Plan. The vote on the Plan does not include a vote on alternatives to the Plan. There is no assurance of what will happen if the Plan is not confirmed. If you believe an alternative is preferable to the Plan and wish to urge it upon the Bankruptcy Court, you should consult with counsel.

B. OTHER RISK FACTORS

While the Plan provides for certain payments, the payment will only apply to Allowed Claims. Under the Bankruptcy Code, a Claim may not be paid until it is Allowed. A Claim will be Allowed in the absence of objection or as otherwise determined by the Bankruptcy Court. Under the Plan, the Trustee will bear the principal responsibility for Claim objections. However, any interested party may file objections. Accordingly, payment on some Claims may be delayed until objections to those Claims have been resolved.

XII. SOLICITATION IN CONNECTION WITH THE PLAN

The Trustee and DP submit that the Plan complies in all respects with Chapter 11 of the Bankruptcy Code and recommends that holders of Claims against, or Interests in the Debtor, who are entitled to vote on the Plan, vote to approve the Plan.

THE TRUSTEE REMINDS HOLDERS OF CLAIMS OR INTERESTS WHO ARE ENTITLED TO VOTE THAT THEY MUST RETURN THEIR MARKED AND SIGNED BALLOTS TO:

Douglas Gould Trustee, The Continuum Corporation
210 Park Avenue, Suite 2050
Oklahoma City, Oklahoma 73102-7203
Phone: (405) 319-1717
Fax: (405) 232-1003
TRUSTEE FOR DEBTOR

ALL BALLOTS MUST BE RECEIVED BY THE ____ DAY OF _____ 200__, IN ORDER TO BE COUNTED. BALLOTS MAY BE TRANSMITTED BY U.S. MAIL, HAND DELIVERY, OR FACSIMILE TRANSMISSION.

DATED THIS ____ DAY OF NOVEMBER, 2006.

Respectfully Submitted,

THE CONTINUUM CORPORATION:

By: 
DOUGLAS GOULD

Douglas Gould, Trustee, The Continuum Corporation
210 Park Avenue, Suite 2050
Oklahoma City, OK 73102-7203
Telephone: (405) 319-1717
Facsimile: (405) 232-1003
TRUSTEE FOR DEBTOR

and

Mark E. Monfort, Esquire
120 N. Robinson, Suite 2205
Oklahoma City, OK 73102
Telephone: (405) 232-3664
Facsimile:
ATTORNEY FOR TRUSTEE

and

DYNAMIC PATENTS, L.L.C.

By: _____
JOHN R. BAILEY, Chief Financial Officer

Mr. John R. Bailey
Chief Financial Officer
DYNAMIC PATENTS, L.L.C.
5000 Legacy Drive, Suite 470
Plano, TX 75024

and

Kiran A. Phansalkar, Esquire
CONNER & WINTERS, LLP
211 North Robinson, Suite 1700
Oklahoma City, Oklahoma 73102
Telephone: (405) 272-5711
Facsimile: (405) 232-2695
ATTORNEY FOR DYNAMIC PATENTS, L.L.C.

Respectfully Submitted,
THE CONTINUUM CORPORATION:

By: _____
DOUGLAS GOULD

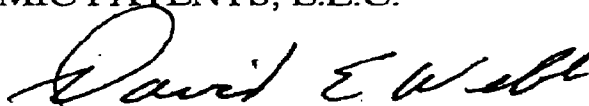
Douglas Gould, Trustee, The Continuum Corporation
210 Park Avenue, Suite 2050
Oklahoma City, OK 73102-7203
Telephone: (405) 319-1717
Facsimile: (405) 232-1003
TRUSTEE FOR DEBTOR

and

Mark E. Monfort, Esquire
120 N. Robinson, Suite 2205
Oklahoma City, OK 73102
Telephone: (405) 232-3664
Facsimile:
ATTORNEY FOR TRUSTEE

and

DYNAMIC PATENTS, L.L.C.

By:  _____
David E. Webb, Chief Executive Officer

Mr. David E. Webb
Chief Executive Officer
DYNAMIC PATENTS, L.L.C.
5000 Legacy Drive, Suite 470
Plano, TX 75024

and

Kiran A. Phansalkar, Esquire
CONNER & WINTERS, LLP
211 North Robinson, Suite 1700
Oklahoma City, Oklahoma 73102
Telephone: (405) 272-5711
Facsimile: (405) 232-2695
ATTORNEY FOR DYNAMIC PATENTS, L.L.C.

EXHIBIT "A"

CASH FLOW PROJECTIONS

All dollar amounts in '000 unless noted

INCOME STATEMENTS

	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue	\$ 2,000	\$ 5,500	\$ 12,500	\$ 21,000	\$ 29,000
<u>Revenue</u>					
Royalty @ 5%	\$ 100	\$ 275	\$ 625	\$ 1,050	\$ 1,338
	\$ 100	\$ 275	\$ 625	\$ 1,050	\$ 1,338
<u>Operating Expenses</u>					
Cost of Goods Sold	\$ 800	\$ 2,200	\$ 5,000	\$ 8,400	\$ 11,600
Royalty & Patent Maintenance Fees	150	150	150	150	150
Salary & Office	200	550	1,250	2,100	2,900
Commissions	200	550	1,250	2,100	2,900
Total OpEx	\$ 1,350	\$ 3,450	\$ 7,650	\$ 12,750	\$ 17,550
<u>EBITDA</u>	\$ 550	\$ 1,775	\$ 4,225	\$ 7,200	\$ 10,112
Interest	3	2	1	1	-
<u>Income Before Tax</u>	547	1,773	4,224	7,199	10,112
Income Taxes (35%)	191	621	1,478	2,520	3,539
<u>Net Income</u>	\$ 356	\$ 1,152	\$ 2,746	\$ 4,679	\$ 6,573

all dollar amounts in '000 unless noted

BALANCE SHEETS

Current Assets

Cash	\$ 124	\$ 994	\$ 3,108	\$ 6,729	\$ 11,956
<u>Total Assets</u>	\$ 124	\$ 994	\$ 3,108	\$ 6,729	\$ 11,956

Liabilities

Class 1	\$ -	\$ -	\$ -	\$ -	\$ -
Class 2	30	23	16	8	-
Classes 3 - 5	3,288	3,013	2,388	1,338	-
<u>Total Liabilities</u>	\$ 3,218	\$ 3,036	\$ 2,404	\$ 1,346	\$ -

Equity

Prior Accumulated Losses	\$ -	\$ -	\$ -	\$ -	\$ -
New Equity	-	-	-	-	-
Retained Earnings	356	1,508	4,254	8,933	15,506
<u>Total Equity</u>	\$ 356	\$ 1,508	\$ 4,254	\$ 8,933	\$ 15,506
<u>Total Equity & Liabilities</u>	\$ 3,574	\$ 4,544	\$ 6,658	\$ 1,079	\$ 15,506

CASH FLOW

Cash Flow from Operations	\$ 356	\$ 1,152	\$ 2,746	\$ 4,679	\$ 6,573
Net Income					

Financing Transactions

Repayment - Class 1	\$ (125)	\$ -	\$ -	\$ -	\$ -
Repayment - Class 2	(7)	(7)	(7)	(8)	(8)
Repayment - Classes 3-5	(100)	(275)	(625)	(1,050)	(1,338)
<u>Cash Flow - Financing Transactions</u>	\$ (232)	\$ (282)	\$ (632)	\$ (1,058)	\$ (1,346)

CASH FLOW

	\$ 124	\$ 870	\$ 2,114	\$ 3,621	\$ 5,227
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FILED

NOV 29 2006

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA**

GRANT PRICE
CLERK, U.S. BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
BY: DEPUTY

IN RE:

The Continuum Corporation
Debtor

Employer Tax Identification No.:
74-2466304

§
§
§
§
§
§
§

Case No. 03-13235

Chapter 11
Judge Niles Jackson

JOINT CHAPTER 11 PLAN OF REORGANIZATION (LIQUIDATION)

COMES NOW Douglas N. Gould, as Chapter 11 Trustee ("Trustee") for The Continuum Corporation (the "Debtor"), Debtor in the above-referenced Chapter 11 case, and Dynamic Patents, L.L.C. ("Dynamic Patents, L.L.C."), a plan proponent and party in interest hereto, and pursuant to Section 1121(a), Title 11, United States Code (the "Bankruptcy Code"), propose the following Joint Plan of Reorganization for the Debtor (the "Plan").

**ARTICLE 1
SUMMARY OF THE PLAN**

The Plan proposed by the Trustee and Dynamic Patents, L.L.C. contemplates a sale of the Debtor's only assets with material value to Dynamic Patents, L.L.C. and the liquidation or abandonment of any remaining assets and distribution of cash proceeds to be conducted by a liquidation agent. The Plan provides for full payment in cash upon confirmation to Administrative Claims. The Plan contemplates full payment of all Priority Tax Claims over time and payments pro rata over time in satisfaction of Unsecured Claims. Under the Plan, Unsecured Claims could receive as much as full payment over the five (5) years following confirmation, and are guaranteed to share pro rata in an amount not less than \$100,000.00 over that same period. The Plan contemplates that the Debtor's existing stock will be canceled upon confirmation.

Additionally, each executory contract and unexpired lease to which the Debtor is a party which has not previously been assumed or rejected by the Trustee shall be deemed rejected unless the Trustee expressly assumes a particular executory contract or unexpired lease before the Effective Date. No additional contracts are assumed under the Plan. After the Confirmation Date of the Plan, all objections to Claims and all Causes of Action and Avoidance Actions shall be prosecuted by the Liquidating Agent. The Liquidating Agent may object to the allowance of Claims for which liability, in whole or in part, is disputed for whatever reasons, even if Claims were not scheduled by the Trustee as disputed, contingent or unliquidated. All objections to Claims must be filed within ninety (90) days following the Confirmation Date of the Plan, unless extended by the Bankruptcy Court.

ARTICLE 2
DEFINITIONS, CONSTRUCTION, AND INTERPRETATION

2.1 Definitions

The capitalized terms used herein shall have the respective meanings set for below:

- a. "Administrative Expense" or "Administrative Claim" means any cost or expense of administration of Chapter 11 Case incurred on or before the Effective Date entitled to priority under Section 507(a)(1) and allowed under Section 503(b) of the Bankruptcy Code, including all allowances of compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Court under the Bankruptcy Code.
- b. "Allowed" when used with respect to any Claim, except for a Claim that is an Administrative Expense, means (i) such Claim to the extent is not a Contested Claim; (ii) such Claim to the extent it may be set forth pursuant to any stipulation or agreement that has been approved by Final Order; or (iii) a Contested Claim, proof of which was filed timely with the Bankruptcy Court and (a) as to which no objection was filed by the Objection Deadline, unless such Claim is to be determined in a forum other than the Bankruptcy Court, in which case such Claim shall not become Allowed until determined by Final Order of such other forum and Allowed by Final Order of the Bankruptcy Court; or (b) as to which an objection was filed by the Objection Deadline, to the extent Allowed by Final Order.
- c. "Anniversary Date" shall mean that date which is one (1) year following a benchmark date (e.g. Confirmation Date or Effective Date), or the next succeeding business day if the same falls on a weekend or holiday.
- d. "Avoidance Actions" means any and all rights, claims and causes of action arising under any provision of Chapter 5 of the Bankruptcy Code.
- e. "Ballot" means the Ballot to be used by creditors to cast their votes to accept or reject the Plan.
- f. "Bankruptcy Case" means the above styled case commenced by an involuntary filing against the Debtor under Chapter 11 of the Bankruptcy Code.
- g. "Bankruptcy Code" means the Bankruptcy Reform Act of 1978, as amended, and codified at title 11 of the United States Code.
- h. "Bankruptcy Court" means the Bankruptcy Court of the United States District Court for the Western District of Oklahoma, or such other court having jurisdiction over the Chapter 11 cases.
- i. "Bankruptcy Rules" means the Federal Rules of Bankruptcy Procedure, as prescribed by the United States Supreme Court pursuant to Section 2075 of title 28 of the United States Code.
- j. "Bar Date" means March 27, 2004, the final date for the filing of proofs of Claims set by the Bankruptcy Court.

- k. "Business Day" means any day on which commercial banks and federal courts are open for business in Oklahoma City, Oklahoma.
- l. "Case Administrative Expenses" means those Administrative Expenses which specifically arise from the administration of the Case in the Court, such as Allowed professional fees under 11 U.S.C. §330, fees of the U.S. Trustee under 28 U.S.C. §1930, and notice costs and fees assessed by the Court.
- m. "Cash" means legal tender of the United States of America or Cash equivalents.
- n. "Causes of Action" means, without limitation, any and all claims, actions, adversary proceedings, causes of action (including causes of action arising under any section of the Bankruptcy Code), liabilities, obligations, rights, suits, debts, sums of money, damages, judgments and demands whatsoever, whether pending or not pending, known or unknown, whether or not scheduled as the asset of any Debtor, disputed or undisputed, legal or equitable, absolute or contingent, including, specifically, but without limitation, the Avoidance Actions.
- o. "Claim" shall have the meaning set out in section 101 of the Bankruptcy Code.
- p. "Claim Register" shall mean the Claim Register as maintained by the Court as to the Debtor.
- q. "Claimant" or "Creditor" means the holder of a Claim.
- r. "Collateral" means any property of the Debtor subject to a valid and enforceable lien to secure the payment of a Claim.
- s. "Confirmation Date" means the date on which the Clerk of the Bankruptcy Court enters the Confirmation Order.
- t. "Confirmation Hearing" means the hearing held by the Bankruptcy Court pursuant to Section 1128 of the Bankruptcy Code, as it may be continued from time to time, on confirmation of the Plan.
- u. "Confirmation Order" means the order of the Bankruptcy Court confirming the Plan pursuant to Section 1129 of the Bankruptcy Code.
- v. "Contested," when used with respect to a Claim, means a Claim against the Debtor (i) that is listed in the Debtor's Schedules as disputed, contingent or unliquidated regardless of whether a proof of claim has been filed or not; (ii) that is listed in the Debtor's Schedules as undisputed, liquidated or not contingent and as to which a proof of Claim has been filed with the Bankruptcy Court, to the extent the proof of Claim amount exceeds the scheduled amount; (iii) that is not listed in the Debtor's Schedules, but as to which a proof of Claim has been filed with the Bankruptcy Court; or (iv) as to which an objection has been or may be filed. Notwithstanding the foregoing after the Objection Deadline, including any extensions thereto, only Claims to which an Objection has been filed shall be deemed Contested Claims with respect to claims for which a proof of claim has been filed.
- w. "Contested Claims Reserve" means reserve of funds created by the Liquidation Agent in accordance with the Plan.

- x. "Court" means the Bankruptcy Court.
- y. "Debtor" means The Continuum Corporation.
- z. "Disallowed," when used with respect to a Claim, means a Claim that has been disallowed by a Final Order.
- aa. "Distributable Assets" means the assets available for distribution to creditors under the Plan, including any proceeds of any Avoidance Actions.
- bb. "Dynamic Patents, L.L.C.'s Administrative Claim" means that claim in favor of Dynamic Patents, L.L.C., based on fund advanced to the Debtor's estate pursuant to the order approving Post-Petition Financing.
- cc. "Effective Date" means a Business Day to be selected by the Liquidation Agent as soon after the day on which the Confirmation Order becomes a Final Order (or a Confirmation Order against which an appeal has been timely filed but no stay has been granted by the Bankruptcy Court.
- dd. "Equity Interest" means the interest represented by an "equity security," as defined in Section 101 of the Bankruptcy Code, including all preferred and common stock in the Debtor.
- ee. "Fee Application" means an application of a Professional Person under Section 330 or 503 of the Bankruptcy Code for allowance of compensation and reimbursement of expenses in the Chapter 11 cases.
- ff. "Fee Claim" means a Claim under Sections 330 or 503 of the Bankruptcy Code for allowance of compensation and reimbursement of expenses in the Chapter 11 cases.
- gg. "Final Order" means (i) an order as to which the time to appear, petition for certiorari or motion for re-argument, rehearing, reconsideration, new trial, or to alter or amend findings or judgment has expired and as to which no appeal, petition for certiorari or other proceedings for re-argument, rehearing, reconsideration, new trial, or alter or amend findings or judgment shall then be pending or (ii) in the event that an appeal, writ of certiorari, re-argument, rehearing, reconsideration, new trial, or motion to alter or amend findings or judgment thereof has been sought, such order shall have been affirmed by the highest court to which such order was appealed, or certiorari has been denied or from which re-argument, rehearing, reconsideration, new trial, or motion to alter or amend findings or judgment was sought, and the time to take any further appeal, petition for certiorari or move for re-argument, rehearing, reconsideration, new trial, or to alter or amend findings or judgment shall have expired; provided, however, that no order shall fail to be a Final Order solely because of the possibility that a motion pursuant to Rule 60 of the Federal Rules of Civil Procedures may be filed with respect to such order.
- hh. "General Unsecured Claim" means any Claim against a Debtor that is not a Priority Claim, Secured Claim or an Administrative Expense.

- ii. "Leases" means all "leases" and "executory contracts" as such terms are used within Section 365 of the Bankruptcy Code to which the Debtor was a party as of the Petition Date.
- jj. "Liquidation Agent" means that person designated under the Plan and approved by the Bankruptcy Court to be responsible for liquidating all of the assets of the Debtor and distributing the proceeds to creditors pursuant to the terms of the Plan.
- kk. "Objection Deadline" means the date by which objections to Claims shall be filed with the Bankruptcy Court and served upon the respective holders of each of the Claims.
- ll. "Other Priority Claim" means any Priority Claim accorded priority in right of payment under Section 507(a)(3), (4), (5), (6), (7) or () of the Bankruptcy Code.
- mm. "Patent Assets" means those assets of the Debtor known as Patent No. 5471114 (fail-safe uninterruptible lighting system), Patent No. 5633564 (modular uninterruptible lighting system), Patent No. 5675476 (phase controlled bridge), Patent No. 5646486 (fail-safe uninterruptible lighting system), Patent No. 5734230 (fail-safe lighting system with load shedding and dimming), Patent No. 6075326 (high intensity discharge lamp ballast and lighting system), and all tangible and intangible property, rights, privileges and obligations related thereto.
- nn. "Petition Date" means March 26, 2003.
- oo. "Plan" means this Plan of Reorganization, either in its present form or as it may hereafter be altered, amended or modified from time to time.
- pp. "Plan Documents" means the documents that aid in effectuating the Plan as specifically identified as such herein, which will be substantially in the form filed by the Trustee and/or Dynamic Patents, L.L.C. with the Bankruptcy Court prior to the conclusion of the Confirmation Hearing.
- qq. "Post-Petition Financing" means those monies loaned or to be loaned to the estate of the Debtor by Dynamic Patents, L.L.C. pursuant to the order of the Bankruptcy Court entered August 29, 2003.
- rr. "Priority Claim" means any Claim (other than an Administrative Expense) to the extent entitled to priority in payment under Section 507(a) of the Bankruptcy Code.
- ss. "Priority Tax Claim" means a Priority Claim of a governmental unit of the kind specified in Section 507(a)(8) of the Bankruptcy Code.
- tt. "Professional Person" means a person retained or to be compensated pursuant to Section 327, 328, 330, 503(b) or 1103 of the Bankruptcy Code.
- uu. "Pro Rata Share" means the proportion that the amount of an Allowed Claim in a particular class of Claims bears to the aggregate amount of all Claims in such class of Claims, including Contested Claims, but not including Disallowed Claims.
- vv. "Representatives" means any officer, director, financial advisor, attorney, law firm, accounting firm, financial advising firm, and other Professional Person.

- ww. "Schedules" means the Schedules of assets and liabilities and the statements of financial affairs filed by the Trustee as required by Section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, as such schedules and statements have been or may be supplemented or amended.
- xx. "Secured Claim" means a Claim secured by a lien on property of a Debtor, which lien is valid, perfected and enforceable under applicable law, is not subject to avoidance under the Bankruptcy Code or other applicable non-bankruptcy law and which is duly established in the Chapter 11 cases, but only to the extent of the value of the Collateral that secures payment of such Claim.
- yy. "Voting Record Date" means that date set by the Bankruptcy Court for determining the holders of claims entitled to vote to accept or reject the Plan.
- zz. "Withheld Distribution Amount" shall have the meaning as set forth in Section 10.8 of the Plan.

2.2 Interpretation

Unless otherwise specified, all section, article and exhibit references in the Plan are to the respective section in, article or exhibit to the Plan, as the same may be amended, waived or modified from time to time. The headings and table of contents in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions of the Plan. Words denoting the singular number shall include the plural number and vice versa, and words denoting one gender shall include the other gender. All exhibits and schedules attached to the Plan are incorporated herein by such attachment.

2.3 Application of Definitions and Rules of Construction Contained in the Bankruptcy Code

Words and terms defined in Section 101 of the Bankruptcy Code shall have the same meaning when used in the Plan, unless a different definition is given in the Plan. The rules of construction contained in Section 102 of the Bankruptcy Code shall apply to the construction of the Plan.

2.4 Other Terms

The words "herein", "hereof", "hereto", "hereunder" and others of similar import refer to the Plan as a whole and not to any particular section, subsection or clause contained in the Plan. A term used herein that is not defined herein shall have the meaning ascribed to that term, if any, in the Bankruptcy Code.

2.5 Integration Clause

This Plan is a complete, whole, and integrated statement of the binding agreement between the Debtor, creditors, Equity Interests and the parties-in-interest upon the matters herein. Parol evidence shall not be admissible in an action regarding this Plan or any of its provisions.

2.6 Plan Documents

The Plan Documents are incorporated into and are a part of the Plan as if set forth in full herein.

CLASSIFICATION AND IMPAIRMENT OF CLAIMS AND EQUITY INTERESTS

This Plan is a complete, whole, and integrated statement of the binding agreement between the Debtor, creditors, Equity Interests and the parties-in-interest upon the matters herein. Parol evidence shall not be admissible in an action regarding this Plan or any of its provisions.

3.1 Classification

As provided in 11 U.S.C. §1123(a), Administrative Expenses Claims and Priority Tax Claims shall not be classified for purposes of voting or receiving distributions under the Plan. The Allowed Claims against, and Allowed Equity Interests in, the Debtor are classified as set forth in this Article IV. A Claim or Equity Interest is in a particular Class only to the extent that such Claim or Equity Interest fits within the description of such Class, and is in such other and different Class or Classes to the extent that the remainder of such Claim or Equity Interest fits within the description of such Class, and is in such other and different Class or Classes to the extent that the remainder of such Claim or Equity Interest fits within the description of such other Class or Classes. Any dispute with respect to classification of Claims or Equity Interests or impairment shall be resolved by the Bankruptcy Court upon motion of the Claimant or Equity Interest holder affected thereby, with notice to the Trustee and Dynamic Patents, L.L.C. This Plan shall only provide distributions to Allowed Claims; nothing within this Plan shall provide for the Allowance of any Claim. The Allowed Claims and Equity Interests are classified as follows:

- Class 1: Allowed Administrative Claims**
- Class 2: Priority Unsecured Claims**
- Class 3: Allowed Eagle-Picher Unsecured Claim**
- Class 4: Allowed Employee Unsecured Claims**
- Class 5: Allowed General Trade and Other Unsecured Claims**
- Class 6: Equity Interests**

3.2 Impaired Classes of Claims and Equity Interests

Claims in Classes 2 through 5 are impaired under the Plan, and, therefore, shall vote to accept or reject this Plan. Holders of Debtor's stock in Class 6 are impaired, and will receive no distribution under this Plan, and therefore, are deemed to have rejected the Plan and shall not be entitled to vote to accept or reject this Plan.

3.3 Impairment Controversies

If a controversy arises as to whether any claim or Equity Interest or any class of Claims or class of Equity Interest is impaired under the Plan, the Bankruptcy Court shall, upon notice and a hearing, determine such controversy.

3.4 Class Acceptance Requirement

A class of Claims shall have accepted the Plan if it is accepted by at least two-thirds in amount and more than one-half in number of the holders of Allowed Claims in such class that have voted on the Plan.

3.5 Cram Down

If any class of Claims or Equity Interests shall fail to accept the Plan in accordance with Section 1126(c) of the Bankruptcy Code, the Bankruptcy Court may still confirm the Plan in accordance with Section 1129(b) of the Bankruptcy Code. The Debtor will seek confirmation of the Plan pursuant to Section 1129(b) with respect to any non-accepting class.

3.6 Disallowance of Claims Subject to Avoidance Actions

Any otherwise Allowed Claim, subject to Avoidance Actions as described in the Disclosure Statement under Section 547 of the Bankruptcy Code shall be disallowed pursuant to Section 502(d) of the Bankruptcy Code until such time as the avoidable transfers are returned to the Debtor's estate and such holder of a claim subject to an avoidable preference shall not be entitled to vote to accept or reject this Plan.

3.7 Elimination of Classes

Any impaired class that is not occupied as of the date of the Confirmation Hearing by an Allowed Claim or Allowed Equity Interest or a Claim or Equity Interest temporarily allowed pursuant to Bankruptcy Rule 3018 shall be deemed deleted from the Plan for purposes of voting an acceptance or rejection of the Plan and determining whether the Plan has been accepted by such class pursuant to 11 U.S.C. § 1129.

ARTICLE 4

PROVISIONS FOR TREATMENT OF CLAIMS AND EQUITY INTERESTS UNDER THE PLAN

The classes of Claims against and Equity Interests in the Debtor shall be treated under the Plan as follows:

4.1 Class 1 – Allowed Administrative Claims

4.1.1 Full Payment to Administrative Claimants

Except to the extent that any entity entitled to payment of any Allowed Administrative Claim agrees to a different treatment, each holder of an Allowed Administrative Claim shall receive Cash in an amount equal to such Allowed Administrative Claim on a later of the Effective Date or the date such Administrative Claim becomes an Allowed Administrative Claim, or as soon thereafter as practicable. Dynamic Patents, L.L.C. is the holder of an Allowed Administrative Claim on account of the Post-Petition Financing and has agreed to subordinate that Allowed Administrative Claim to the payment of other Allowed Claims under the Plan.

4.1.2 Funding

On the Effective Date, with funds available under the existing Post-Petition Financing or funds received from the sale of Debtor's primary assets, the Patents, the Trustee will pay all Allowed Administrative Claims in full.

4.1.3 Claim Holders

The Trustee anticipates that, the aggregate sum of unpaid Administrative Claims in this case, excluding Dynamic Patents, L.L.C. Administrative Claim, is approximately \$100,000.00.

4.1.4 Bar Date for Administrative Claims

The Trustee expects, by separate motion, to establish January 5, 2007, as the Administrative Claims Bar Date except for Professional Persons approved by the Bankruptcy Court under 11 U.S.C. §327, any holder of a claim under 11 U.S.C. §§503 and/or 507 that fails to file their claim(s) by the Administrative Claims Bar Date shall be forever barred from asserting the claim(s) against the estate, and that the Trustee and the Debtor's estate will forever be discharged from any and all indebtedness or liability with respect to the claim.

4.1.5 Impairment & Voting

Class 1 is not a true class and is neither impaired nor unimpaired. Acceptance of the Plan from such Claimants will not be solicited.

4.2 Class 2- Priority Unsecured Claims

4.2.1 Treatment & Funding

The Debtor shall pay the Allowed Priority Unsecured Claims according to the following terms: (a) beginning on the Confirmation Date, interest shall accrue at six percent (6%) per annum on the unpaid balance of the unpaid Allowed Priority Unsecured Claims from the later of (i) the last date such claim was payable without penalty or (ii) the Petition Date; (b) the Allowed Priority Unsecured Claims shall be paid in five equal annual payments of principal and interest sufficient to amortize such Claims within five (5) years from the Effective Date. Payments shall be due and payable from the Debtor beginning the first Anniversary Date of the Confirmation Date and continuing regularly thereafter on each subsequent Anniversary Date of the Confirmation Date until paid in full.

4.2.2 Impairment & Voting

The Class 2 Claimant is impaired. Acceptance of the Plan from such Claimant will be solicited.

4.2.3 Claim Holders

Certain holders of tax claims are in this Class.

4.3 Class 3 – Allowed Eagle-Picher Unsecured Claim

Eagle-Picher, as the Debtor's primary manufacturer, shall have its Allowed Claim treated as provided in paragraph 4.5.1 below.

4.4 Class 4 – Allowed Employee Unsecured Claims

Former employees of the Debtor shall have their Allowed Claims treated as provided in paragraph 4.5.1 below.

4.5 Class 5 – Allowed General Trade and Other Unsecured Claims

The holder of each Allowed General Trade or Other Unsecured Claim shall be treated as set forth in paragraph 4.5.1 below.

4.5.1 Treatment & Funding

Each year, for the five years following the Confirmation Date, Dynamic Patents, L.L.C. shall make annual Five Percent (5%) royalty payments to the Liquidation Agent who will make payments to the holders of Allowed Eagle-Picher Unsecured Claims, Allowed Employee Unsecured Claims, and Allowed General Trade and Other Unsecured Claims (collectively "Allowed Unsecured Claims"). Commencing on the first Anniversary Date of the Confirmation Date, and on the same date for each of the next four (4) years, Allowed Unsecured Claims shall receive a Pro Rata distribution of funds received by annual royalty payments received from the Liquidation Agent from Dynamic Patents, L.L.C. as set forth in Article 6, if any, on the later of (a) fifteen (15) days after the Anniversary Date, or (b) the fifteenth (15) day after such Claim becomes an Allowed Claim. Dynamic Patents, L.L.C., by way of a limited guaranty agreement given in favor of the Liquidation Agent, guarantees payment of not less than \$100,000.00 to be distributed *pro rata* to Allowed Unsecured Claims under the Plan. Thus, on the fifth Anniversary Date of the Confirmation Date, if the total aggregate sum of distributions made to Allowed Unsecured Claims under the Plan is not equal to or greater than \$100,000.00, Dynamic Patents, L.L.C. shall fund the net amount necessary to meet its guaranteed payment of \$100,000.00, the proceeds of which shall be distributed on a Pro Rata basis to holders of Allowed Unsecured Claims. Treatment of this Class under any other Plan proposed by any other entity will be pursuant to priority set forth in the Bankruptcy Code.

4.5.2 Impairment & Voting

The Class 5 Claimants are impaired. Acceptance of this Plan from the Class 5 Claimants will be solicited.

4.6 Class 6— Equity Interests

4.6.1 Impairment & Voting

Class 6 is impaired by the Plan. Each holder of an Equity Interest shall receive nothing under the Plan and is conclusively presumed to have rejected the Plan as a holder of an Equity Interest, and is not entitled to vote to accept or reject the Plan. Class 6 shall be deemed to have voted to reject the Plan:

4.6.2 Treatment

All Equity Interests in the Debtor shall be deemed automatically cancelled on the Effective Date.

ARTICLE 5

CONDITIONS PRECEDENT TO CONFIRMATION OF THE PLAN

5.1 Conditions Precedent to Confirmation of the Plan

Confirmation of the Plan is subject, in addition to the requirements provided in Section 1129 of the Bankruptcy Code, to satisfaction of the following conditions precedent:

- a. All actions, documents and agreements necessary to implement the Plan shall have been effected or executed;

- b. Dynamic Patents, L.L.C. shall have received all authorizations, consents, regulatory approvals, rulings, letters, no-action letters, opinions or documents that are determined by Dynamic Patents to be necessary to implement the Plan; and
- c. The Trustee and Dynamic Patents, L.L.C. have approved the form and terms of the Confirmation Order.

5.2 Vesting of Property of the Estate in the Reorganized Debtor

5.2.1

On the Effective Date of the Plan, all Patent Property of the Debtor's Estate shall vest in Dynamic Patents, L.L.C. free and clear of liens, claims and encumbrances, except as otherwise provided in the Plan (the "Vested Property").

5.2.2

From and after the Effective Date, Dynamic Patents, L.L.C. may use the Patent Property free and clear of any restrictions imposed by or under the Bankruptcy Code. If Dynamic Patents, L.L.C. seeks to sell or otherwise dispose of the Patent Assets prior to the end of the Fifth Anniversary Date of the Confirmation Date, Dynamic Patents, L.L.C. shall give at least twenty (20) days prior written notice to the Liquidation Agent.

5.2.3

The Confirmation Order shall provide Dynamic Patents, L.L.C. with express authority to convey, transfer and assign any and all Patent Property and to take all actions necessary to effectuate same.

5.2.4

The Liquidation Agent shall make all disbursements as and when provided for under this Plan. The Liquidation Agent shall serve without bond and shall be compensated in accordance with the Plan.

5.2.5

From and after the Effective Date, and until all payments and distributions to holders of Allowed Claims have been made under the Plan, the Liquidation Agent shall remain constituted and in existence. DP may seek to replace the Liquidation Agent or the Liquidation Agent may seek to resign upon at least twenty (20) days notice to the other. The Liquidation Agent shall be authorized, without any supervision or approval of the Bankruptcy Court or the Office of the United States Trustee but with consent by Dynamic Patents, L.L.C., as the case may be, to employ and compensate such persons, including counsel and accountants, as may be deemed necessary to enable the Liquidation Agent to perform its functions hereunder, and the fees and costs of such employment and other expenditures shall be paid by the Liquidation Agent with funding by Dynamic Patents, L.L.C. Any fees and expenses of professionals incurred during the period between the Confirmation Date and the Effective Date shall remain subject to the jurisdiction of the Court and approved in accordance with the Plan.

5.2.6

After the Effective Date, the affairs of the Liquidation Agent and all of the assets held or controlled by the Liquidation Agent shall be managed under the direction of the Liquidation Agent, as provided by the terms of the Plan. In the performance of its duties hereunder, the Liquidation Agent shall have the rights and duties incident of a debtor in possession under 11 U.S.C. §1107, and such other rights, powers and duties incident to causing performance of the obligations under the plan or as otherwise may be reasonably necessary, including without limitation, filing any necessary tax returns.

5.2.7

Pursuant to 11 U.S.C. § 1123(b)(3)(B), as of the Effective Date, any Causes of Action that are already pending or that are accruing to the Debtor or Trustee, shall become assets in the control of the Liquidation Agent. The Liquidation Agent shall have the authority to prosecute such Causes of Action on behalf of and for the benefit of the Debtor's estate and its creditors. The Liquidation Agent shall have the authority to compromise and settle, otherwise, resolve, discontinue, abandon or dismiss all such Causes of Action without approval of the Bankruptcy Court. All cash received by the Liquidation Agent as a result of prosecution or settlement of any Cause of Action shall be the property of the Liquidation Agent to be distributed in accordance with the terms of the Plan.

5.2.8

No Cause of Action is released by confirmation of this Plan, and confirmation of this Plan shall not have any *res judicata* or collateral estoppels effect on the Liquidation Agent's prosecution of any Cause of Action.

5.2.9

The Liquidation Agent shall not be subject to any counterclaims with respect to any causes of action constituting vested property; provided, however, that causes of action constituting vested property will be subject to any set-off rights and/or defenses to the same extent as if the Debtor itself had pursued the causes of action constituting vested property herein. The Liquidation Agent may present such orders as may be necessary to require third parties to accept and acknowledge such conveyance to the Liquidation Agent. Such orders may be presented without further notice other than as has been given in this Plan.

ARTICLE 6

MEANS FOR IMPLEMENTATION OF THE PLAN

6.1 Sale of Assets

Effective on the Confirmation Date, all of the Debtor's right, title and interest in the Patent Assets shall be sold and conveyed to Dynamic Patents, L.L.C. by way of Quit Claim Bill of Sale executed by the Trustee on behalf of the estate. The transfer of the Patent Assets shall be effected free and clear of all liens, claims and encumbrances and shall fully and finally vest in Dynamic Patents, L.L.C. upon delivery of said Bill of Sale. In return for the Patent Assets, Dynamic Patents, L.L.C. shall provide the funding for the Plan as provided herein.

6.2 Treatment and Funding

Each year, for the five (5) years following the Confirmation Date, Dynamic Patents, L.L.C. shall make annual Five Percent (5%) royalty payments to the Liquidation Agent who will make payments to the holders of Allowed Eagle-Picher Unsecured Claims, Allowed Employee Unsecured Claims, and Allowed General Trade and Other Unsecured Claims. Royalties will be determined based on net sales revenues; that is, five percent (5%) of the difference between gross sales of Dynamic Patents, L.L.C. attributable to the use of the Patent Assets and the costs of said sales. Dynamic Patents, L.L.C. shall fund the required payments to the Liquidation Agent, together with a profit and loss statement (or such other financial information as the Trustee may reasonably request to substantiate the royalty calculation) in time sufficient to allow the Liquidation Agent to make the distribution required hereunder on a timely basis. Commencing on the first Anniversary Date of the Confirmation Date, and on the same date for each of the next four (4) years, Allowed Unsecured Claims shall receive a Pro Rata distribution of funds received by annual royalty payments received from the Liquidation Agent from Dynamic Patents, L.L.C. as set forth in Article 6, if any, on the later of (a) fifteen (15) days after the Anniversary Date, or (b) the fifteenth (15) day after such Claim becomes an Allowed Claim. All payments (as well as any required expenses such as mailing, postage expense, preparing 1099s or other tax related information, etc.) will be funded by Dynamic Patents, L.L.C. to the Liquidation Agent in sufficient time for the Liquidation Agent to make the required distribution on a timely basis. Dynamic Patents, L.L.C. guarantees payment of not less than \$100,000.00 to be distributed *pro rata* to Allowed Unsecured Claims under the Plan. Thus, on the fifth anniversary of the Confirmation Date, if the total aggregate sum of distributions made to Allowed Unsecured Claims under the Plan is not equal to or greater than \$100,000.00, Dynamic Patents, L.L.C. shall fund the net amount necessary to meet its guaranteed payment of \$100,000.00. The \$100,000 guarantee by Dynamic Patents, L.L.C. shall be secured by a lien in favor of the Liquidation Agent on the Patent Assets. The Liquidation Agent shall immediately release the lien on the Patent Assets when the total aggregate sum of distributions is equal to \$100,000. Treatment of this Class under any other Plan proposed by any other entity will be pursuant to priority set forth in the Bankruptcy Code.

6.3 Assignment of Causes of Action

On the Effective Date, all rights and Causes of Action, including claims under §§502, 542, 544, 545, 546, 548, 550, and 553 of the Bankruptcy Code, preference claims under §547 of the Bankruptcy Code, fraudulent transfer claims under §548 of the Bankruptcy Code, and all other claims and causes of action of the Debtor's estate against any Person as of the Confirmation Date shall be preserved and transferred and assigned to the Liquidation Agent. On the Effective Date, the Liquidation Agent shall be authorized and shall have the power to bring any and all such Causes of Action. All recoveries, if any, received from or in respect of the causes of action (whether by settlement, judgment or otherwise) shall become and be property of the Liquidation Agent. To the extent permitted under law, all rights under §363(h) of the Bankruptcy Code are also preserved for the benefit of the Debtor's estate, and the Liquidation Agent shall have the right to exercise those rights subject to the Bankruptcy Court Approval. The Liquidation Agent may prosecute, settle or dismiss rights, claims, or causes of action as the Liquidation Agent sees fit and all proceeds there from shall be the property of the estate, except as expressly provided within this Plan. The Liquidation Agent, its officers, attorneys and other

professional advisors shall have no liability for pursuing or not pursuing any such rights, claims, or causes of action vested in the Liquidation Agent pursuant to this Plan.

ARTICLE 7

PROVISIONS FOR MANAGEMENT

7.1 Corporate Authority

All actions and transactions contemplated under the Plan shall be authorized upon confirmation of the Plan. The Confirmation Order shall include provisions directing the Liquidation Agent to execute such documents necessary to effectuate the Plan, including the Bill of Sale for the Patent Assets, which documents shall be binding on the Debtor, the Trustee, the Liquidation Agent, the Debtor's creditors and all of the Debtor's Interest Holders. The Liquidation Agent shall serve hereunder without the requirement of bond or other surety.

7.2 Professional Fees

All professional fees for the Liquidation Agent shall be paid, as incurred, with funds provided by Dynamic Patents, L.L.C. It is contemplated that the Liquidation Agent shall be compensated based on an hourly rate of \$200.00 per hour based on invoices submitted to Dynamic Patents, L.L.C.

7.3 Directors

If the Plan is confirmed, subject to the Bankruptcy Court's approval under Bankruptcy Code §129(a)(5), the Liquidation Agent shall dissolve the present board of directors. The Liquidation Agent shall serve as the sole director of the estate thereafter.

7.4 Officers

If the Plan is confirmed, subject to the Bankruptcy Court's approval under Bankruptcy Code §1129(a)(5), the officers of the Debtor shall be terminated. The Liquidation Agent shall appoint such officers the Liquidation Agent deems appropriate under the circumstances.

ARTICLE 8

PROVISIONS GOVERNING DISTRIBUTION

8.1 Distributions To Be Pro Rata Within Class

All distributions constituting a partial payment to a class of Allowed Claims shall be made on a Pro Rata Share to the holders of Allowed Claims in such class.

8.2 Federal Tax Identification Number

The Liquidation Agent may suspend distribution to any Creditor that has not provided the Liquidation Agent with its Federal Tax Identification number or social security number, as the case may be.

8.3 Means of Cash Payment

Cash payments made pursuant to the Plan shall be in U.S. funds, by check drawn on a domestic bank, or, at the Liquidation Agent option, as the case may be, by wire transfer from a domestic bank, except that payments made to foreign creditors holding Allowed Claims may be

in such funds and by such means as customary or as may be necessary in a particular foreign jurisdiction.

8.4 Delivery of Distributions

Subject to Bankruptcy Rule 9010 and the provisions of the Plan, distributions to holders of Allowed Claims shall be made at the address of each such holder as set forth on the proofs of Claim filed by such holders (or at the last known addresses of such a holder if no proof of Claim or proof of Equity Interest is filed or if the Liquidation Agent has been notified in writing of a change of address), except as provided below. If any holder's distribution is returned as undeliverable, no further distributions to such holder shall be made unless and until the Liquidation Agent is notified of such holder's then current address, at which time all missed distributions shall be made to such holder without interest. Amounts in respect of undeliverable distributions shall be returned to the Liquidation Agent until such distributions are claimed. All Claims for undeliverable distributions shall be made on or before the second anniversary of the Effective Date. After such date, all unclaimed property shall revert to the Liquidation Agent any successor thereto, and the claim of any holder with respect to such property shall be discharged and forever barred. Any distributions pursuant to the Plan, including cash, interest or other amounts earned thereon, that are unclaimed for a period of ninety (90) days after distribution thereof shall be revested in the Liquidation Agent and any entitlement of any holder of any Claim to such distributions shall be extinguished and forever barred. Failure to claim, cash or negotiate any distribution within ninety (90) days of such distribution shall relieve the Liquidation Agent of the obligation to make any further distributions to the holder of the Claim to whom the distribution was made.

8.5 Time Bar to Cash Payments

Checks issued by the Liquidation Agent in respect of Allowed Claims shall be null and void if not negotiated within ninety (90) days after the date of issuance thereof. Requests for reissuance of any check shall be made directly to the Liquidation Agent by the holder of the Allowed Claim with respect to which such check originally was issued. And claim in respect of such a voided check shall be made on or before the later of (a) the first anniversary of the Effective Date or (b) ninety (90) days after the date of reissuance of such check. After such date, all Claims in respect of void checks shall be discharged and forever barred.

8.6 No Distributions Pending Allowance

Notwithstanding any other provision of the Plan, no payment or distribution shall be made with respect to (a) any Claim to the extent it is a Contested Claim unless and until such Contested Claim becomes an Allowed Claim, (b) Claimants who are defendants in Avoidance Actions and other parties subject to the application of Section 502(d) of the Bankruptcy Code, and (c) reclamation claims pursuant to Section 546(c)(2)(A) of the Bankruptcy Code which are not Allowed Claims.

8.7 Remittance of Unclaimed Distribution

Any cash or other items not timely claimed by a Claim holder will be remitted to Dynamic Patents, L.L.C. on the date which is one hundred twenty (120) days after the fifth Anniversary Date of the Confirmation Date.

ARTICLE 9
PROCEDURES FOR RESOLVING AND TREATING
CONTESTED AND DISPUTED CLAIMS UNDER THE PLAN

9.1 Objection Deadline

As soon as practicable, but in no event later than ninety days after the Effective Date, unless extended by order of the Bankruptcy Court, objections to Claims shall be filed with the Bankruptcy Court and served upon the holders of each of the Claims to which objections are made.

9.2 Prosecution of Objections

On and after the Effective Date, except as the Bankruptcy Court may otherwise order, the filing, litigation, settlement or withdrawal of all objections to claims may be made by the Liquidation Agent.

9.3 Distributions Upon Allowance of Disputed Claims Entitled to a Payment in Full in One Payment

The holder of a Claim entitled to payment in full on one specific payment date, which Claim is a Disputed Claim on such payment date, but which Claim subsequently becomes an Allowed Claim, shall receive payment of its Allowed Claim within thirty (30) Business Days following the date on which such Claim becomes an Allowed Claim pursuant to a Final Order.

9.4 Distributions Upon Allowance of Disputed Claims Entitled to Payment in Full in Installment Payments

The holder of a Claim entitled to a payment in installments, which Claim is a Disputed Claim on the initial or any later date the installment would otherwise be made, but which Claim subsequently becomes an Allowed Claim, shall receive the amount of any missed installments on the first date payments to other holders of Claims in the same Class are scheduled to be made that arises after the date on which such Claim becomes an Allowed Claim by Final Order. If such Claim does not become an Allowed Claim until after all the other Claims in the Class have received their total distributions as authorized under the Plan, then the holder thereof shall receive payment of its Allowed Claim within ten (10) Business Days following the date on which such Claim becomes an Allowed Claim pursuant to a Final Order.

9.5 Objections to and Resolution of Disputed Administrative Claims and Disputed Claims

An Administrative Bar Date for all Administrative Claims except claims for Section 327 professionals is expected to be established in the Bankruptcy Cases as January 5, 2007. By the Confirmation Date and/or Effective Date, it is anticipated that all Administrative Claim litigation will have been concluded. However, after the Confirmation Date, The Liquidation Agent shall have the right to maintain, make and file objections to Administrative Claims and objections to Claims. All objections shall be litigated, or otherwise settled, to Final Order; provided, however, that the Liquidation Agent shall have the authority to compromise, settle, otherwise resolve or withdraw all objections, other than applications for allowance of compensation and reimbursement of expenses under Sections 330 and 503 of the Bankruptcy Code, without approval of the Bankruptcy Court.

ARTICLE 10
PROVISIONS GOVERNING EXECUTORY CONTRACTS
AND UNEXPIRED LEASES UNDER THE PLAN

10.1 Leases & Executory Contracts

The Plan constitutes a motion by the Trustee to reject, as of the Confirmation Date, all Leases and Contracts, which were not assumed or assumed and assigned prior to the Effective Date. Such Leases and Contracts will be deemed rejected upon entry of the Confirmation Order. Provided, however, all insurance policies and indemnity agreements in which the Debtor or the Debtor's property are insured and/or indemnified against loss (whether for potential liability or for costs of defense) which were not assigned are hereby assumed and assigned to the Liquidation Agent.

10.2 Bar to Rejection Damages

If the rejection of a Lease or Contract by the Liquidation Agent results in damages to the other party or parties such Lease, a Claim for such damages, if not heretofore evidenced by a filed proof of Claim, shall be forever barred and shall not be enforceable against the Debtor, the Liquidation Agent their respective properties or their agents, successors or assigns, unless a proof a Claim is filed with the Bankruptcy Court and served upon the Liquidation Agent and counsel for Dynamic Patents, L.L.C. on or before thirty (30) days after the Confirmation Date.

ARTICLE 11
RETENTION OF JURISDICTION

11.1 Scope of Jurisdiction

Pursuant to Sections 1334 and 157 of title 28 of the United States Code, the Bankruptcy Court shall retain and have jurisdiction over all matters arising in, arising under and related to the Chapter 11 case and the Plan pursuant to, and for the purposes of Sections 105(a) and 1142 of the Bankruptcy Code and for, among other things, the following purposes to:

- a. hear and determine pending applications for the assumption or rejection of Leases and the allowance of Claims resulting therefrom;
- b. hear and determine any and all adversary proceedings, applications and contested matters, including any remands of appeals;
- c. ensure that distributions to holders of allowed claims are accomplished as provided herein;
- d. hear and determine any timely objections to or applications concerning Claims or the allowance, classification, priority, estimation or payment of any claim or Equity Interest;
- e. enter and implement such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, revoked, modified, reversed or vacated;
- f. enter and implement such orders as may be necessary or appropriate to execute, interpret, implement, consummate or enforce the Plan and the transactions contemplated thereunder;

- g. consider any modification of the Plan pursuant to Section 1127 of the Bankruptcy Code, to cure any defect or omission or to reconcile any inconsistency in any order of the Bankruptcy Court, including, without limitation, the Confirmation Order;
- h. hear and determine all Fee Applications and Fee Claims;
- i. hear and determine disputes arising in connection with the execution, interpretation, implementation, consummation or enforcement of the Plan;
- j. enter and implement orders or take such other actions as may be necessary or appropriate to restrain interference by any entity with the consummation or implementation of the Plan, including, without limitation, to issue, administer and enforce injunctions provided for in the Plan and the Confirmation Order;
- k. recover all assets of the Debtor and property of the estate, wherever located;
- l. hear and determine matters concerning state, local and federal taxes in accordance with Sections 346, 505 and 1146 of the Bankruptcy Code;
- m. hear and determine any other matter not inconsistent with the Bankruptcy Code and title 28 of the United States Code that may arise in connection with or related to the Plan; and
- n. enter a final decree closing the Chapter 11 cases.

11.2 Failure of the Bankruptcy Court to Exercise Jurisdiction

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising in, arising under or related to the Chapter 11 case, including the matters set forth in Section 13.1 of the Plan, this Article 13 shall have no effect upon and shall not control, prohibit or limit the exercise of jurisdiction by any other court having jurisdiction with respect to such matter.

ARTICLE 12 EFFECT OF CONFIRMATION OF THE PLAN

12.1 Discharge of Debtor

The rights afforded in the Plan and the treatment of all Claims and Interests shall be in exchange for and in complete satisfaction, discharge and release of all Claims of any nature whatsoever against the Debtor and any of its property, including the Patent Assets; and, except as otherwise provided herein, upon the Effective Date, the Debtor shall be deemed discharged and released to the extent permitted by Section 1141 of the Bankruptcy Code from any and all Claims, including but not limited to demands and liabilities that arose before the Effective Date, and all debts of the kind specified in Section 502(g), 502(h), or 502(i) of the Bankruptcy Code, whether or not (a) a proof of Claim based upon such debt is filed or deemed filed under Section 501 of the Bankruptcy Code; (b) a Claim based upon such debt is allowed under Section 502 of the Bankruptcy Code; or (c) the holder of a Claim based upon such debt has accepted the Plan. Except as provided herein, the Confirmation Order shall be a judicial determination of discharge of all liabilities of the Debtors. As provided in Section 524 of the Bankruptcy Code, such discharge shall void any judgment against the Debtor at any time

obtained to the extent it relates to a claim discharged, and operates as an injunction against the prosecution of any action against the Debtor, or its property, including the Patent Assets, to the extent it relates to a Claim discharged.

12.2 Exculpation and Release of Trustee and Professionals

Except as to gross negligence or fraud, any and all Claims, liabilities, causes of action, rights, damages, cost and obligations held by any party with respect to the Trustee, the Liquidation Agent or this Bankruptcy Case against the Trustee's and Liquidation Agent's respective attorneys and other professionals, whether known or unknown, matured or contingent, liquidated or unliquidated, existing, arising or accruing, whether or not yet due, existing prior to the Effective Date, or in any manner related to the administration of the Case, or the formation, negotiation, prosecution or implementation of the Joint Plan, shall be deemed fully waived, barred, released and discharged in all respects.

12.3 Certain Activities Enjoined

Except as expressly provided herein, at all times on and after the Effective Date, all Persons who have been, are, or may be holders of Claims against or Interests in the Debtor arising prior to the Effective Date, shall be enjoined from taking any of the following actions against or affecting the Debtors, its estate, or its property, including the Patent Assets, with respect to such Claims or Interests (other than actions brought to enforce any rights or obligations under the Plan):

- (1) commencing, conducting or continuing in any manner, directly or indirectly any suit, action, or other proceeding of any kind against the Debtor, its estate, or its property, including the Patent Assets (including, without limitation, all suits, actions, and proceedings that are pending as of the Effective Date which shall be deemed to be withdrawn or dismissed with prejudice);
- (2) enforcing, levying, attaching, collecting, or otherwise recovering by any manner or means whether directly or indirectly any judgment, award, decree, or order against the Debtor, its estate, or its property, including the Patent Assets;
- (3) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Lien against the Debtor, its estate, or its property, including the Patent Assets;
- (4) asserting any rights of subrogation, or recoupment of any kind, directly or indirectly against any obligation due the Debtor, its estate, or its property, including the Patent Assets; and
- (5) proceeding in any manner in any place whatsoever that does not conform to or comply with the provisions of the Plan.

ARTICLE 13 MISCELLANEOUS PROVISIONS

13.1 Setoff and Other Rights

In the event that the Liquidation Agent has a claim of any nature whatsoever against the holder of a Claim, the Liquidation Agent may, but are not required to, setoff against the Claim (and any payments or other distributions to be made in respect of such Claim hereunder, subject

to the provisions of Section 553 of the Bankruptcy Code. Neither the failure to setoff nor the allowance of any Claim under the Plan shall constitute a waiver or release by the Liquidation Agent of any claim that the Debtor have against the holder of a Claim. No holder of a Claim may, on account of a Pre-Effective Date Claim against Debtor, setoff, offset, suspend, freeze, or recoup any amount from funds or other payments that such claimant may owe to the Debtor or Liquidation Agent. The Confirmation Order shall include an injunction prohibiting any such setoff, offset, suspense, freeze, or recoupment.

13.2 Injunctions

The Confirmation Order shall contain such injunctions as may be necessary and helpful to effectuate the discharge of the Debtor provided herein. Without limiting the generality of the foregoing, such injunction shall include an absolute prohibition from collecting Claims in any manner other than as provided for in the Plan.

13.3 Lawsuits

On the Effective Date, all lawsuits, litigations, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of a Claim against the Debtor, shall be dismissed as to the Debtor and the Trustee, except proof of claims and/or objections thereto pending in the Bankruptcy Court. Such dismissal shall be with prejudice to the assertion of such Claim in any manner other than as prescribed by the Plan. All parties to any such action shall be enjoined by the Bankruptcy Court in the Confirmation Order from taking any action to impede the immediate and unconditional dismissal of such actions. All law suits, litigations, administrative actions or other proceedings, judicial or administrative, in connection with the assertion of a claim(s) by the Debtor or any entity proceeding the name of or for the benefit of the Debtor against a person shall remain in place only with respect to the claim(s) asserted by the Debtor or such other entity, and shall become property of the Liquidation Agent to prosecute, settle or dismiss as the Reorganized Debtor sees fit.

13.4 Insurance

Confirmation and consummation of the Plan shall have no effect on insurance policies of the Debtor in which the Trustee or any of the Trustee's Representatives is or was the insured party; the Liquidation Agent shall become the insured party under any such policies without the need of further documentation other than the Plan and entry of the Confirmation Order. Each insurance company is prohibited from, and the Confirmation Order shall include an injunction against, denying, refusing, altering or delaying coverage on any basis regarding or related to the Debtor's bankruptcy, the Plan or any provision within the Plan.

13.5 De Minimis Distributions

No distribution of less than \$25.00 shall be required to be made to any holder of an Allowed Claim. Such undistributed amount may be retained by the Liquidation Agent.

13.6 Payment of Statutory Fees

All fees payable pursuant to Section 1930 of title 28 of the United States Code shall be paid through the entry of a final decree in the Chapter 11 case.

13.7 Bankruptcy Restrictions

From and after the Effective Date, the Trustee and, after the vesting date, the Liquidation Agent shall no longer be subject to the restrictions and controls provided by the Bankruptcy Code or Rules (e.g., Section 363, Section 364, Rule 9019), the Bankruptcy Court, or the United States Trustee's guidelines. The Liquidation Agent may, on behalf of the Liquidation Agent, compromise claims and controversies post-Effective Date without the need of notice or Bankruptcy Court approval. The Liquidation Agent may operate the Liquidation Agent's business in such manner as is consistent with companies not in bankruptcy without the need of seeking Bankruptcy Court approval with regard to any aspect of the reorganized Debtor's business. No monthly operation reports will be filed after the Effective Date; however, the Liquidation Agent shall provide the U.S. Trustee such financial reports as the U.S. Trustee may reasonably request until the entry of a final decree.

13.8 Binding Effect

The Plan shall be binding upon and inure to the benefit of the Trustee, the holders of claims, the holders of Equity Interests, and the Liquidation Agent, and all of its respective successors and assigns; provide, however, that if the Plan is not confirmed, the Plan shall be deemed null and void and nothing contained herein shall be deemed (a) to constitute a waiver or release of any Claims by the Trustee or any other person, (b) to prejudice in any manner the rights of the Debtor or any other person or (c) to constitute any admission by the Trustee or any other person.

13.9 Governing Law

Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules) or the law of the jurisdiction of organization of any entity, the internal laws of the State of Oklahoma shall govern the construction and implementation of the Plan and any agreements, documents and instruments executed in connection with the Plan or the Chapter 11 cases, including the documents executed pursuant to the Plan.

13.10 Modification of Plan

The Proponent may propose modifications of the Plan in writing at any time before the Confirmation Date, provided that (a) the Plan, as modified, meets the requirements of Section 1122 and 1123 of the Bankruptcy Code and (b) the Proponent shall have complied with Section 1125 of the Bankruptcy Code. The Plan may be modified at any time after the Confirmation Date and before substantial consummation by the Proponent, provided that (i) the Plan, as modified, meets the requirements of Sections 1122 and 1123 of the Bankruptcy Code, (ii) the Bankruptcy Court, after notice and a hearing, confirms the Plan as modified, under Section 1129 of the Bankruptcy Code and (iii) the circumstances warrant such modifications. A holder of a Claim or Equity Interest that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as the case may be, such Plan as modified, unless, within the time fixed by the Bankruptcy Court, such holder changes its previous acceptance or rejection.

13.11 Creditor Defaults

An act or omission by a creditor in contravention of a provision within this Plan shall be deemed an event of default under this Plan. Upon an event in default, the Liquidation Agent may seek to hold the defaulting party in contempt of the Confirmation Order. If such creditor is found to be in default under the Plan such party shall pay the reasonable attorneys' fees and costs

of the Liquidation Agent in pursuing such matter. Furthermore, upon the finding of such a default by a creditor, the Bankruptcy Court may (a) designate a party to appear, sign and/or accept the documents required under the Plan on behalf of the defaulting party, in accordance with Rule 70 of the Federal Rules of Civil Procedure, (b) may enforce the Plan by order of specific performance, (c) may award judgment against such defaulting creditor in favor of the Liquidation Agent in an amount, including interest, to compensate the Liquidation Agent for the damages caused by such default; and (d) make such other order as may be equitable which does not materially alter the terms of the Plan as confirmed.

13.12 Severability

Should the Bankruptcy Court determine that any provision of the plan is unenforceable either on its face or as applied to any Claim or Equity Interest or transaction, the Proponents may modify the Plan in accordance with Section 14.12 of the Plan so that such provision shall not be applicable to the holder of any Claim or Equity Interest. Such a determination of unenforceability shall not (a) limit or affect the enforceability and operative effect of any other provision of the Plan or (b) require the resolicitation of any acceptance or rejection of the Plan.

13.13 Closing the Case

Upon the Plan being substantially consummated and, upon motion by the Liquidation Agent, a final decree entered containing such provisions as may be equitable. The Court may close the case, but retain jurisdiction to hear and decide; any and all pending adversary proceedings, applications and contested matters, including any remands of appeals; any and all pending objections to Claims or the allowance, including with respect to the classification, priority, estimation or payment of any Claim; any and all pending Fee Applications.

13.14 Notices

All notices, requests and demands to or upon the Trustee or the Liquidation Agent to be effective shall be in writing (including by facsimile transmission) and, unless otherwise expressly provided herein, shall be transmission, when received and telephonically confirmed, address as follows:

To the Trustee or Liquidation Agent:

Douglas Gould
210 Park Avenue, Suite 2050
Oklahoma City, OK 73102

and

Mark E. Monfort, Esquire
120 N. Robinson, Suite 2205
Oklahoma City, OK 73102

With Copy To:

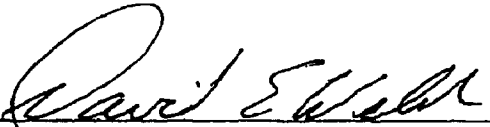
Mr. John R. Bailey
Chief Financial Officer
DYNAMIC PATENTS, L.L.C.
5000 Legacy Drive, Suite 470
Plano, TX 75024

and

Kiran A. Phansalkar, Esquire
CONNER & WINTERS, LLP
211 North Robinson, Suite 1700
Oklahoma City, OK 73102

DATED: October __, 2006

Respectfully Submitted,
DYNAMIC PATENTS, L.L.C.

By: 
Its: CEO

THE CONTINUUM CORPORATION

By: _____
DOUGLAS L. GOULD,
Chapter 11 Trustee


Kiran A. Phansalkar, Esquire
CONNER & WINTERS, LLP
211 North Robinson, Suite 1700
Oklahoma City, OK 73102

DATED: November __, 2006

Respectfully Submitted,
DYNAMIC PATENTS, L.L.C.

By: _____
Its: CFO

THE CONTINUUM CORPORATION

By:  _____
DOUGLAS N. GOULD,
Chapter 11 Trustee