

Eliot I. Bernstein, Esq. Founder & Inventor Iviewit Holdings, Inc., 39, Little Avenue Red Bluff CA 96080-3519 USA

Institut der beim Europäischen Patentamt zugelassenen Vertreter

Institute of Professional Representatives before the European Patent Office

Institut des mandataires agréés près l'Office européen des brevets

The President

5th April 2007

BY EMAIL

CPM/CB

Dear Mr. Bernstein,

Re: Iviewit Holdings, Inc.

- Following our telephone conversation in February, I have been investigating as far as I can the situation regarding Iviewit applications before the European Patent Office (EPO).
- Please confirm that the address given above is correct. I have a package of papers and a CD I would like to send to you. However, I would be grateful if you would confirm that the above address is correct.
- As I have said previously, I have no powers to compel anyone to provide any documents and so I have had to rely on documents available on the official files. This has led to there being some blanks in the trail, which I identify below. Perhaps you will be able to fill in the blanks for me.
- As a first exercise, I looked on the EPO Register for any applications in the name of Iviewit. This came up with the following five applications.

EP 00938124.5; EP 00938126.0; EP 00942690.9; EP 00944619.6; and EP 00955362.0.

I have downloaded the complete EPO file for these five applications onto a CD which I would like to send to you.

The history of these applications is as follows.

00938124.5 This never reached the EPO phase. The application was a Patent Co-operation Treaty (PCT) application which designated the EPO. As such, the EPO assigned it an EP application number in case it reached the EPO phase. On 21st December, 2000, the EPO sent a reminder to Foley & Lardner in Milwaukee, indicating that steps needed to be taken if the application was to enter the EPO phase. After that, nothing happened and so the application was never considered by the EPO. There



was no involvement of any European Patent Attorney.

- 6. <u>00938126.0</u> This application reached the EPO. I will go through its history in a little more detail as this illustrates the blanks I have come across.
- The EP application is based on three US applications (60/137297 filed on 3rd June, 1999; 60/155404 filed on 22nd September, 1999; and 60/169559 filed on 8th December, 1999). All three US applications were filed by Raymond A. Joao of Meltzer, Lippe, Goldstein & Schlissel, P.C.
- The three US applications were then used as the basis for a PCT application (PCT/US00/15408 filed on 2nd June, 2000). The PCT application was filed by Foley & Lardner (Milwaukee). There are no PCT forms on the EPO file and so it is not possible for me to determine from the EPO file who actually signed any forms.
- The EPO file shows that the attorneys in charge of the PCT application was changed from Foley & Lardner to Thomas M. Coester of Blakely, Sokoloff, Taylor & Zafman of Los Angeles. This was recorded by the PCT Authorities on 10th December, 2001.
- The EPO file also shows that, following the change in attorneys, the address for the inventor (yourself) and for the name and address of the applicant was changed. The applicant was changed from yourself to Iviewit Holdings, Inc. The address for both yourself and Iviewit was changed to 505, North Brand Boulevard, Suite 1420, Glendale, CA 91203, USA.
- 11. The EPO file contains only the notifications from the PCT Authorities. There is no supporting documentation. Thus, I cannot say for certain who requested the changes. However, the presumption is that they were changed by Mr. Coester.
- All the above actions took place in the USA. As far as I can see, and in all likelihood, no European Patent Attorney was involved.
- The PCT application was then entered into the EPO phase. This was carried out by Mr. Molyneaux, who was then at the firm of Wildman, Harrold, Allen & Dixon. As far as I can tell, this is a Chicago-based law firm who, at that time, had a London office. However, I cannot find any connection to Blakely, Sokoloff etc. Thus, I cannot determine why Mr. Molyneaux was selected to enter this PCT application into the EPO phase or who made the selection. This is another blank in the trail. It seems that this is again a US matter and so perhaps you could shed some light on this.
- The EPO file provides no evidence that Mr. Molyneaux acted incorrectly. The necessary form was filed and the relevant fees were paid. A set of amended claims was also filed. From the way they are drafted, I would say they were drafted in the USA, but this is only speculation.
- Prosecution of the application then followed its usual course, including the issue of a Communication on substantive examination. Eventually, in response to this, Mr. Molyneaux filed a letter (copy attached) which took the actions necessary to keep the application pending. Attached to this letter was your letter of 22nd November, 2003 (copy attached).



There then followed two letter regarding representation (copies attached), the result of which was that Mr. Molyneaux resigned as representative and left the Applicant with no representation.

The EPO file has no supporting documents in it. There is no indication as to why Mr. Molyneaux resigned as the representative. It is clear from the letters that, at that time, Mr. Molyneaux changed firms, moving from Wildman to Harrison, Goddard & Foote. However, this does not necessarily explain Mr. Molyneaux's resi gnation. This is another blank in the chain. It is likely that Mr. Molyneaux's instructions came from the USA. It would be necessary to see those instructions before being able to determine what was going on. As this again seems to be a US issue, perhaps you can fill in the blanks.

The rest of the EPO file is taken up with correspondence between yourself and the EPO. This again gives rise to a few blanks. The letters from the EPO seem to me to explain clearly two things. The first is that, for any Applicant who is not resident in an EPO country, it is necessary to appoint a representative (usually a European Patent Attorney) and that the EPO will only communicate with that representative. Perhaps you could explain why you did not appoint a new representative.

The second thing is that there are no provisions in the law governing the EPO allowing the EPO to suspend proceedings for an application on the basis of fraud or the EPO. In fact, there is no reference in the European Patent Convention (the EPC, which is the relevant law) to fraud on the EPO. Fraud on the patent office is entirely a US concept. Suspension in the EPO can only be implemented if there is an entitlement dispute being litigated in an EPC country. Action in the USA is not sufficient. The question therefore arises as to why you did not seek advice or start an entitlement action in an EPC country? Perhaps you can let me know about this.

Thus, on the basis of the EPO file, I cannot see any evidence that any European Patent Attorney acted illegally or unprofessionally. To allow me to come to any other conclusion, I would need to see documentary evidence, such as letters or emails from or to a European Patent Attorney, which shows that he acted illegally or unprofessionally.

00942690.9 The history of this application is similar to that of the previous applications. There were two basic US applications, filed by Mr. Joao, a PCT application, filed by Mr. Steven C. Becker of Foley & Lardner (Milwaukee), a change of representative in the PCT phase, but this time to Mr. Brian G. Utley of Iviewit Holdings, Inc. with an address in Boca Raton and a change of name and address of the applicant and inventors to the Glendale address. All of this occurred in the USA. The PCT application, as for the first application mentioned above, never entered the EPO phase and so no European Patent Attorney was involved.

- 22. <u>00944619.6</u> The history of this application is almost identical to the history for the second application
- 23. 00955352.0 The history of this application is similar to that of the second application given above except that Mr. Coester was not involved. In his place, Mr. Utley appears.

You can review all these files on the CD which I will be sending to you.



- I also inspected the EPO Register by inputting the names Joao and Utley. I will send by ordinary mail the outputs from these searches. These show that Mr. Utley appears but only in connection with the applications referred to above. I could not find any relevant applications where Mr. Joao is named as an inventor. However, I would be grateful if you would check both lists.
- Thus, my investigations so far <u>seem</u> to show that there has been no illegal or unprofessional activity by a European Patent Attorney. In order for me to take the matter any further, I would need to have specific documentary evidence, such as letters or emails from or to Mr. Molyneaux, which show that his actions or instructions were suspect. As I have explained before, I have no power to order any investigations or to require a person to provide copies of documents. Therefore, unless you can supply such documents, I will not be able to investigate further.
- As regards the actions of the members of the EPO, I would confirm that neither Prof. Pompidou nor Mrs Dybdahl are European Patent Attorneys. They are both employees of the EPO and I have no power to investigate them.
- It seems to me that, if you wish to try to re-establish your position in Europe, the essential first action is to appoint a new representative for the EPO and then to obtain advice from that representative as to what actions are open to you. If you do not do this, I feel that you will have no chance of reestablishing your position in Europe.
- I would point out that, because of my involvement with this investigation, neither I nor my firm could represent you. I therefore suggest that you consult the epi website (www.patentepi.com) which provides a link to the list of European Patent Attorneys. As the seat of the EPO is in Germany and the EPO is subject to the laws of Germany, you may find it useful to instruct one of its larger patent law firms in Munich.
- 29. I trust that you will find the above helpful and look forward to receiving copies of the relevant documentary evidence in due course.

Yours since rely,

Chris P. Mercer President - epi

Enc.

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EPO - Munich 75 0 1. Dez. 2003



Martyn W. Molyneaux +44 (20) 7841-5220 Molyneaux@wildmanharrold.com

November 28, 2003

The European Patent Office, Erhardstrasse 27, D-80298 Munich, GERMANY.

Dear Sirs,

Re: European Patent Appln. No. 00938126.0 IVIEWIT HOLDINGS, INC.

Our Ref: P/1740.EP/MWM

We have not yet received an Official Communication noting loss of rights although such rights have been lost by failure to respond to the Office Action dated 10 February 2003.

We enclose a Debit Order Form paying the fee for further processing.

We enclose instructions from our client dated November 22, 2003 and we refer to the "ANSWERS" at page 4 thereof.

It will accordingly be noted that the Applicants find that they are not in a position to provide any instructions or amendments in response to the Examiner's objections until such time that the alleged "malfeasances are investigated".

It is accordingly requested that further examination of the subject be deferred until the said "malfeasances are investigated".

It is requested that no adverse disposition be taken against this application without providing the Applicants with the opportunity to be heard at Oral Proceedings.

Zur Kasse

November 28, 2003 Page 2

Please acknowledge receipt of the enclosed response by return of the attached copy letter.

Yours faithfully, WILDMAN, HARROLD, ALLEN & DIXON

MARTYN W. MOLYNEAUX (Professional Representative)

Encs.
MWM/mm.



IVIEWIT HOLDINGS, INC.

P. Stephen Lamont Chief Executive Officer Direct Dial: 914-217-0038

By Facsimile and Electronic Mail

November 22, 2003

Martyn W. Molyneaux Wildman, Harrold, Allen & Dixon 11th Floor, Tower 3 Clements Inn London WC2A 2AZ

Re: Written Statement and Answers to European Patent Appln. No. 00944619.6 on behalf of Iviewit Holdings, Inc., as Assignee

Dear Mr. Molyneaux:

As a collective declaration prefacing the answers to the Invitations to File Observations detailed below, the Company submits this Written Statement, substantially in the form submitted to the Office of Enrollment and Discipline of the United States Patent and Trademark Office ("OED/USPTO"), and a true copy of which is attached herein as Exhibit A.

Secondly, the Company wishes the European Patent Office ("EPO") to apply this Written Statement to all future Invitations to File Observations, if any, across its entire international patent portfolio attached herein as Exhibit B, until which time as OED/USPTO/EPO may initiate actions to right the many wrongs in the alleged knowing and willful improprieties in the filing of the Company's U.S. non-provisional patents applications, the subject matter and claims, for the most part, that were the bases for the subject matter and claims of their Paris Conference Treaty ("PCT") counterparts, evidenced by Exhibit B.

Moreover, in the series of allegations described herein, the Company is confident that the EPO will find a reasonable certainty that Messrs. Kenneth Rubenstein, Raymond A. Joao, William J. Dick, Steven Becker, and Douglas Boehm, all present or former members of the distinguished Bar of the USPTO, designed and executed, either for themselves or others similarly situated, the deceptions, improprieties, and, even in certain circumstances, outright misappropriation by the disingenuous redirection of the disclosed Company techniques by: (i) burying the critical elements of the inventions in patent applications; (ii) allowing the unauthorized use of Company



inventions under confidentiality agreements ("NDA's") without enforcement of said NDA's; (III) filing patent applications of their own or others based on the Company's inventions; (IV) knowingly submitting false statements and falsified documents done with the resulting fraud on the USPTO, the EPO, the Company's shareholders, and the Company's inventors.

Furthermore, as a result of the series of allegations enclosed, the Company is confident that your Office: (i) shall find the requisite merit to stand down any and all Invitations to File Observations until OED/USPTO/EPO initiates investigations; (ii) shall witness the OED/USPTO/EPO pass these allegations to a staff attorney for further investigation; (iii) shall further witness OED/USPTO/EPO instruct said staff attorney to institute a formal investigation, including questioning, requests for records, and other information from all parties involved; (iv) shall still further witness OED/USPTO/EPO refer said attorney's findings back to Harry Moatz in his capacity as Director of the OED/USPTO/EPO; (v) shall still further witness OED/USPTO/EPO present such findings to an appropriate committee for determinative review; and finally (vi) shall still further witness said committee of OED/USPTO/EPO to initiate disciplinary action against the alleged offending attorneys, and to right the many wrongs in the alleged knowing and willful improprieties in the filing of the U.S. non-provisional patent applications the subject matter and claims, for the most part, that were the bases for the subject matter and claims of their PCT counterparts of Exhibit B.

WRITTEN STATEMENT

In mid 1998, the Company's founder, Eliot I. Bernstein, among others ("Inventors"), came upon inventions pertaining to what industry experts have heretofore described as profound shifts from traditional techniques in video and imaging then overlooked in the annals of video and imaging technology. Factually, the technology is one of capturing a video frame at a 320 by 240 frame size (roughly, ¼ of a display device) at a frame rate of one (1) to infinity frames per second ("fps" and at the twenty four (24) to thirty (30) range commonly referred to as "full frame rates" to those expert in the industry). Moreover, once captured, and in its simplest terms, the scaled frames are then digitized (if necessary), filtered, encoded, and delivered to an agnostic display device and zoomed to a full frame size of 1280 by 960 at the full frame rates of 24 to 30 fps. The result is, when combined with other proprietary technologies, DVD quality video at bandwidths of 56Kbps to 6MB per second, at a surprising seventy five percent (75%) savings in throughput ("bandwidth") on any non-terrestrial digital delivery system such as digital terrestrial, cable, satellite, multipoint-multichannel delivery system, or the Internet, and a similar 75% savings in storage on mediums such as digital video discs ("DVD's") and the hard drives of personal video recorders. Moreover, said Company inventions, among others, are used on almost every digital camera or present screen technology that utilizes the feature of "digital zoom". Furthermore, industry observers who benefited from the Company's disclosures have gone on to claim "you could have put 10,000 engineers in a room for 10,000 years and they would never have come up with these ideas."

Not very well connected in emerging technologies, the Inventors contacted an accountant, Mr. Gerald Lewin, CPA of Goldstein Lewin & Co., Boca Raton, Fla., who in turns refers Inventors to Mr. Christopher Wheeler, a partner in the Florida office of Proskauer Rose LLP. Moreover, once Inventors present the technology to Wheeler, Wheeler in turn introduces



Inventors to Mr. Kenneth Rubenstein, a soon to be Proskauer partner, and the main protagonist of the Motion Pictures Experts Group ("MPEG" and the standards body for video technology) patent pool, wherein Rubenstein describes the technology as "novel..." claims that "he missed that..." that "he never thought of that..." that "this changes every thing..." and, paraphrasing, "this is essential to MPEG 2..."

Subsequently, Rubenstein factually becomes a member of the Advisory Board of the Company and is instrumental in securing investments based on his analysis of the inventions and that the aforementioned patent pools would soon pay royalties to the Company based on its inventions. Furthermore, when Rubenstein through Joao fail to properly list inventors, fail to file timely patent filings, fail to file inventions entirely, fail to file copyrights entirely and finally file patents that have been fraudulently changed without knowledge or consent of the inventors constituting a fraud on the USPTO, Wheeler then recommends another friend and patent attorney, William J. Dick of Foley & Lardner, Milwaukee, Wis. to undertake a correction of the errors of Rubenstein through Joao's filings. Beginning in the spring 2002, investigations began that showed that Raymond Joao had begun a series of his own patent filings (now totaling 90 patents filed in his own name) that many appear based on ideas and concepts learned from the Company. Moreover, in a similar time frame, it also became clear that the patent pools overseen by Rubenstein had also begun to use concepts learned by Rubenstein from Company disclosures sent to him and that Proskauer Rose clients introduced to the Company by Proskauer partners under NDA's were also beginning to use the technologies without authorization.

Furthermore, rather than the unearthing of the buried inventions by Rubenstein through Joao; Dick proceeds to undertake and continue to allegedly further fraud the USPTO by: (i) further compounding the problems by changing titles of applications without knowledge and consent of the inventors, changing the content of applications without knowledge and consent of the inventors, and applying incorrect math to a series of patent filings even after having been informed of the errors prior to filing by the inventors; and (ii) creates further problems as Dick, along with Brian G. Utley, former President & COO of the Company, together with other Foley & Lardner patent attorneys, Steven Becker and Douglas Boehm stage their own spectacular "grab" at the Company's inventions by filing a series of fraudulent patent applications in the name of Utley, their long time associate, sending said patent documents to Utley's home address, and failing to assign said patent applications to the Company, wherein the Foley & Lardner attorneys were fully cognizant of the inventors of said patent concepts that did not include Mr. Utley.

Still further, it is interesting to note and establishes a past conspiratorial behavior on the Company's inventions prosecuted by Foley & Lardner in that Mr. Utley and Mr. Dick had been involved in other patent misappropriations that led to the closure of a prior employer of Mr. Utley's, a one Diamond Turf Lawnmower in Florida; this information was not disclosed to the Company by Mr. Wheeler, Mr. Utley, or Mr. Dick, all who were aware of the past malfeasances. Moreover, these patent misappropriations, including the continued fraud of the USPTO, pertaining to the Company's inventions, by Dick, Becker, and Boehm have caused the Company the loss of enormous funds in the reassignment of the stolen inventions of which we are aware, and, perhaps, entire inventions of which we are not aware. Estimates to



correct many of the flaws in the current filings and file the missing and abandoned inventions have been projected to cost upwards of Two Hundred and Fifty Thousand U.S. Dollars (USD \$250,000) to Five Hundred Thousand U.S. Dollars (USD \$500,000), after the Company has already spent over One Million U.S. Dollars (USD \$1,000,000) to file, then fix, and then further recover the stolen and damaged patents. It also is of interest to note that the Company cannot get an opinion from current counsel as to the ability to truly fix and recapture the lost and damaged patents.

Lastly, reference is made to: (i) a flow chart attached herein as Exhibit C as a graphical portrayal of how the named attorneys all have worked together, in a coordinated conspiratorial way and for their self serving purposes, in a civil as well as criminal conspiracy to deprive the Company and their inventors of their intellectual property rights; and (ii) a counterclaim filed in the State of Florida pertaining to many of the allegations ascribed to herein, attached as Exhibit D.

Finally, by highly respected firms and engineers alike, the value of these patents has been estimated to be several billion dollars annually, thus providing the motive for these events and the Company assesses further motive in the ability of these inventions, when combined with other proprietary technologies, to not only provide a competitive threat to, but to effectually trump, the MPEG patent pools overseen by Rubenstein and Proskauer Rose LLP.

ANSWERS

European Patent Appln. No. 00944619.6

Attached herein as Exhibit E

Furthermore, on behalf of the Company, I request copies of all original documents filed on the Company's behalf and all communications and records thereto as a means for the Company to amend, if necessary, this Written Statement with subsequent allegations and the respective patent applications relating thereto. Moreover, I would request, if possible, that your Office also conduct a search into any and all patents filed relating to Messrs. Kenneth Rubenstein, Raymond Joao, Steven Becker, Douglas Boehm, William Dick, Brian Utley, and Real3D filed after August 1998, whether as inventors, attorney(s) of record, assignor, or any and all involvement whatsoever in any patent applications or patents issued as the Company is in need of knowing, as a result of the above allegations, that there are no further unpublished patent applications or patents issued that utilize the disclosed proprietary Company techniques described herein.

Finally, the Company requests, as indicated above, that the EPO stand down any and all Invitations to File Observations until OED/USPTO/EPO conducts an expedited review of the above referenced allegations and the Company has further requested OED/USPTO/EPO work in conjunction with the Bar Association of the State of New York pertaining to Mr. Rubenstein and Mr. Joao, with the Bar Association of the Commonwealth of Virginia with respect to Mr. Dick, with the Bar Association of the State of Wisconsin with respect to Mr. Becker (soon to be filed),



and, finally, with the Bar Association of the State of Illinois with respect to Mr. Boehm (soon to be filed).

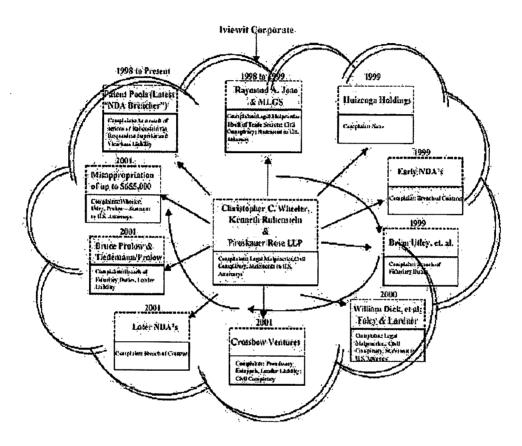
Very truly yours,

IVIEWIT HOLDINGS, INC.

| Ву: | P. Stephen Lamont | Depthly signed by P., Stephen. Lanced Depthly signed Lancyst, School F, Stephen Lancyst, School F, Ste |
|-----|---|--|
| Ву: | P. Stephen Lamont Chief Executive Officer Bliot I. Bernstein President & Founder | Digitally aligned by Elot I. Bernstein Dit on-Clot (I. Bernstein, o-4 View It Noblings, Inc., occurs, I. State II. (1997), I. (1997) |



Exhibit C



W--

Wildman, Harrold, Allen & Dixon LLP

EPO - Munich

15. Dez. 2003





Martyn W. Molyneaux +44 (20) 7841-5220 Molyneaux@wildmanharrold.com

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11th Floor, Tower 3, Clements Inn London

WC2A ZAZ

BY FACSIMILE

December 9, 2003

The European Patent Office, Erhardstrasse 27, D-80298 Munich, GERMANY.

Dear Sirs,

Re: European Patent Appln. No. 00938126.0 IVIEWIT HOLDINGS, INC. Our Ref: P/1740.EP/MWM

This is to advise that we withdraw our representation on the above numbered application.

Please acknowledge receipt by return of the attached copy letter.

Yours faithfully, WILDMAN, HARROLD, ALLEN & DIXON LLP

MARTYN W. MOLYNEAUX

MWM/mmh



harrison goddard foote®

patent and trade mark attorneys

(Incorporating Brewer & Son)

Please Note our New Details:

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13. Sep. 2004

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European Patent Office

Erhardtstrasse 27 D-80298 MUNICH

9 September 2004

Germany

Our refs:

MWM/P/1739.EP

MWM/P/1740.EP

Dear Sirs

European Patent Application No 00944619.6 PROVIDING ENHANCED VIDEO FILE European Patent Application No 00938126.0 STREAMING ENHANCED VIDEO FILE Iviewit Holdings, Inc.

On 9th December 2004 Martyn Molyneaux, then located at Wildman Harrold Allen & Dixon LLP, London withdrew representation in respect of the two subject applications, which relinquishment was notified to the Applicant by the EPO on 13th January 2004. On 18th December 2003 Martyn Molyneaux and the undersigned wrote a joint letter to the EPO informing the Office of the change of address of the representatives to the above address and including a schedule of affected cases. We apologise that inadvertently the two cases the subject of this letter were included in that schedule and consequentially we note that Martyn Molyneaux et al, at the above address, have been re-entered as the professional representatives in respect of the two subject applications.

Please note that Martyn Molyneaux et al at Harrison Goddard Foote do NOT act as professional representatives in respect of European Patent applications 00944619.6 and 00938126.0 in the name of Iviewit Holdings, Inc. Please correct the European Patent Register accordingly.

Please acknowledge receipt of this letter by returning a copy of the enclosed Form 1037.

Yours faithfully

Lifford J. Want

European Patent Attorney

partners

Michael Harrison, David Goddard, Jonathan Couchman, Christopher Vaughan, Robert Hall, Harry Hutchinson, Mark Luni, Nigel Sanderson, Vanessa Stainthorpe, Jason Lumber, Tony Chalk, Jason Boakes, Mike Ajelio John Hammersley, Martyn Molyneaux, Rosemary Barker, David Potter, Geoffrey Smith, Clifford Want