March 28, 2002.

This is my recollection of the events last year, which took place after the Iviewit staff was informed that the company would soon be closing, and we were all losing our jobs:

Shortly after a conference room meeting with people who Scott Murphy brought in, a videotape is brought into the lab. It is made clear that the tape belongs to Scott Murphy's associates, and I am instructed to give the utmost care and attention to encoding this tape, which is of pornographic nature. The number $7 million is repeatedly mentioned as possible revenue should Iviewit get this pornography account. The tape is initially previewed in the lab when Mike Reale plays it in a VCR. I am present, along with Tammy Raymond, Network Administrator, and Courtney Jurcak, a teenage female technician. I believe Matthew Mink was also there. The tape is played using zero discretion. I am instructed to do my best in encoding this material, because as it was put to me, the deal could possibly serve in saving the company and everyone's job. To make clear, this episode all happened after a conference room meeting, in which Brian Utley announced to all Iviewit employees that the company was closing, effective immediately. After this announcement, and before the porno tape came in, my self-given job responsibilities included make closure to the Iviewit Boca Raton lab by packing away equipment for West Coast shipment, and informing our current clients that we would be doing no more work for them. I ran a very generalized encoding session over the porno tape. I remember meeting one of the main slimeball porno guys during this general time. He pointed at my computer screen and told me he needed the videos to look better than they did so he could offer something on his porno sites that no one else had. I didn't bother to use any special proprietary processes on the video because I was not personally motivated to do a good job on the tape. Approximately, the next day, I am summoned to the conference room where sits Brian Utley and Raymond Hersh. There is a large TV web monitor at the end of the conference table connected to the Internet, and I am instructed to use it to play the porno video which I encoded, and was now streaming live from our streaming server. I play the video, they watch. Comment on various visualities from the encode. They ask me questions. I am slightly embarrassed and want no part of it, and made a decision to myself that had they asked me to do further work for this client, I would decline. I was very shocked at the casual demeanor of these two men during this conference room porno review. Up to that point, and since the day I began at the company, I was informed that Iviewit would never have anything to do with adult content. The technology simply would not be used for those avenues, and I was made aware that stockholders and board members specifically stipulated these points. **During this general time, (but a bit later, because I**

remember some of the other technicians had already worked their last day), Mike Reale brings in a gray suitcase into the lab. The suitcase is constructed of a very durable nature and locking mechanisms. He opens it in front of me, and it's the most money I've ever seen in my life. Tammy Raymond was there, and later claimed that she thought it was fake because there was so much of it, but I was inches from it, and it looked like perfectly real stacks and stacks of one hundred dollar bills, and neatly arranged like in the movies. I asked Reale where this came from. I <u>**don't remember whom he said, but it was a name familiar to me as someone who didn't work in our office but had direct investment relations with Iviewit.**</u>

I swear the above to be true and complete, to the best of my recollection.

Anthony Frenden
841 Manhattan Avenue #9
Hermosa Beach CA 90254

Eliot I Bernstein

From: Tony Frenden [t.rex@sbcglobal.net]

Sent: Thursday, May 15, 2003 10:21 PM

To: iviewit@bellsouth.net

Subject: Fw: statement

----- Original Message -----
From: Tony Frenden
To: iviewit@worldnet.att.net
Sent: Wednesday, May 14, 2003 11:38 PM
Subject: statement

May 14, 2003

I swear the following to be true:

Upon the closure of the Iviewit office in Boca Raton FL, I was retained for about
an extra week by Brian Utley and Mike Reale, assisting in shutting down
operations. It was during this time in which Mike Reale entered the video encoding
lab, where I was present along with Tammy Raymond, (former Head of IT) and Zakirul
Shirajee (former Systems Developer). Reale was smiling broadly as he set down a
large silver suitcase onto my computer desk. Upon opening it, he revealed rows and
rows of one hundred dollar ($100) bills in U.S. currency, going down as deep as the
case. I would estimate the amount to be near a half million dollars. Upon my
inquiry of the where the cash came from, Reale said it was from Bruce Prolow. He
implied that the money was entrusted to he and Utley to continue Iviewit
operations, but to me, it seemed Reale was careful to never explicity state that
Prolow authorized this transaction or not.

It is my belief that the suitcase of money was presented to me, in front of Tammy
and Zakirul, to convince us that Utley and Reale were the ones reaping benefits
from the Iviewit core processes, and if we were smart, we should join them.

A day or two prior to this incident, Mike Reale called me into a private office. He
spoke of a new operation he and Utley wanted to embark on which utilizes Iviewit's
core processes. The plan consisted of encoding video porn at an ambiguous island
location in Puerto Rico. It was known that Eliot Bernstein had made available the
option for me to work at the newly forming Iviewit in Glendale, CA. Reale wanted
to steer me from going to the West coast operation, and spoke of me receiving
a title and large pay raise should I go along with the Puerto Rico porn plan,
instead.

Also, on one of these last closure days at the Boca Raton offices, Mike Reale
approached me in the lab regarding another issue. He inquired which computers
would be best to use, if one were to have the need to process Iviewit's core
technologies. He asked me which 3 were the strongest computers to do the job. I
had a feeling that he wanted to make off with whichever units I spoke of. I had
already begun to make up my mind that I wanted no part of the Puerto Rico porn
operation, so I told him about 3 computers I didn't care for. They were called, THE
BOMBER, THE REELTIME NITRO, and one more unnamed computer. These were all very
powerful and expensive units, but were not necessarily suited to encode video. As
expected, these 3 units turned out to be the same ones found in Brian Utley's
possession, months later. When the cops returned the items to us, the units

**contained several new media files, mostly long distance learning applications which
were created well after the Boca offices were closed down.**

**Anthony Rex Frenden
859 Hollywood Way #374
Burbank CA 91505**

Incoming mail is certified Virus Free.
Checked by AVG anti-virus system (http://www.grisoft.com).
Version: 6.0.480 / Virus Database: 276 - Release Date: 5/12/2003

From: Tony Frenden [mailto:tyrex.den@verizon.net]
Sent: Thursday, July 19, 2001 1:39 AM
To: 'Bill Kasser'
Subject: RE: Encoding Machines

Bill,
Both machines were accessed, and used during the time they weren't in our hands. On the Bomber, i didn't find any streaming media files, but it was indicated that the encoding software (to create streaming files) had been used frequently. On the Nitro, i have not yet searched for streaming files, but i did find many images that pertain to the InternetTrane product. These images were to appear as pages within InternetTrane's software. These files were created by someone using the Nitro in early June.

It was shown that both machines were part of a network environment together, while in our absence. The drives of each computer was 'shared' or accessible to the other computer. Bomber's drive was called 'Production', while the Nitro was named "Video". Furthermore, the Bomber recieved an upgrade of its 'operating system' (from Windows NT to Windows 2000) to facillitate its network environment. I don't believe the Windows 2000 upgrade to be legitimate.

A side note reveals that both computers had pirated software installed on them in June or July, and files resulting from them were created as late as July 11, 2001.

If you require further details, let me know.

Tony Frenden