

**Statement Regarding Events - Simon L. Bernstein - Past  
Chairman of the Board Iviewit**

-----Original Message-----

From: Alyssa Zeiger [mailto:alyssa@lifeinsuranceconcepts.com]  
Sent: Friday, May 16, 2003 10:33 AM  
To: 'iviewit@worldnet.att.net'  
Cc: 'simon@lifeinsuranceconcepts.com'  
Subject: FW: response to your letter

Eliot,

Here is my account of those questions you of asked for regarding iviewit Technologies, Inc.

1. Not having Wheeler's testimony it's difficult for me to respond to the 1st question. However, Real 3d (Jerry Stanley) was introduced to us and their opinion including the opinion of their engineering staff was that the patents that we showed them were outstanding and extremely valuable. Mr. Stanley told myself, Eliot, Jerry Lewin and Chris Wheeler that we were onto something big.
2. The problems that were encountered by Ray Joao's work were that is seemed to be incomplete, sloppy and certainly not in a professional manner for which the billings indicated it were. With regard to Foley and Lardner's work, there work also seemed to be incomplete with regard to accomplishing the patent approvals. It was also noted that including work with Mr. Utley they were writing patents in his name.
3. In the same regard Mr. Utley told me when I confronted him with this that it was common for the writer to put new patents in his name but assured me that all patents were assigned to iviewit Technologies, Inc. This was passed on to one of the partners at Proskauer Rose and I was assured that this with in proper conduct.
4. With regard to Ken Rubenstein, I was told by Brian Utley and Chris Wheeler that he was a partner of Proskauer Rose and that he was in fact overseeing our patent work and it also was mentioned that he advised the board of directors with regard to raising capital.
5. It is my opinion that Hank Powell a partner of Crossbow Ventures and also a member of the board of iviewit Technologies, Inc. violated his fiduciary responsibility as said board member to iviewit Technologies, Inc. by recommending iviewit Technologies, Inc. move forward and securing additional loans from Crossbow Ventures. He also told me that Crossbow had no intention of ever collecting on the notes but in fact it gave further protection of iviewit Technologies, Inc. from any other creditors. It is my opinion that this convinced the board of directors to vote on such loans.

6. With regard to Chris Wheeler's recommendation of Bryan Utley it's my opinion that he knew of the past problems Mr. Utley had with Monte Friedkin and withheld this information to myself and to Eliot.
7. My understanding of the relationship between Mr. Utley and Mr. Wheeler is that they are good friends both socially and professionally. Also they served on many boards together.

I believe this covers the pertinent questions you asked me for. I hope this helps.

Wednesday, April 30, 2003

Mr. Eliot I. Bernstein  
10158 Stonehenge Circle  
#801  
Boynton Beach, FL. 33437-3546

Dear Eliot,

I have spent the past several evenings reviewing the depositions taken from Wheeler, Utley and Rubenstein and I am stunned. The extent of their lies and their orchestrated obfuscation compels me to reduce to writing some of the experiences that I had with these men. Please use this letter and the statements contained herein as my sworn statement of fact in your continuing effort to expose the truth, punish the evil and reward the deserving.

As a friend of Eliot's, since childhood, I was aware of iviewit from it's beginnings but it was only after learning from Chris Wheeler about Ken Rubenstein's favorable opinion regarding iviewit's video and imaging technologies that I became seriously interested in the company. I resigned from a lucrative senior management position with Prudential Securities to help Eliot with his "project". Ultimately, I invested over \$20,000 and declined significant career opportunities in order to begin formally working for iviewit in the fall of 1999. Amongst the most egregious of the statements contained in the depositions is that made by Ken Rubenstein when he claims he does not know iviewit or anything about its technologies or processes. Ken is one of the primary reasons why I and many others invested their time and resources in the company. It was the extremely positive opinions of this highly respected attorney, who has direct links to the MPEG patent pool, which compelled so many of us to make the commitments that we made.  
→ Mr. Rubenstein is lying in his deposition.

Similarly, Chris Wheeler denies having any role in the patent work performed for iviewit other than referring us to patent counsel that ultimately ripped us off (but that's a different issue). Eliot, you have done a fine job putting together the billing evidence which is irrefutable. Not only did Wheeler play an instrumental and ongoing role in the handling of the patents, he was the primary contact point with Ken Rubenstein. I also remember Chris, in a meeting held at Real 3D, espousing the novelty of iviewit's inventions and discussing the apparent absence of any prior art in this area. In addition, Chris publicly shared Ken Rubenstein's opinion that the iviewit technologies were "novel". It was during this meeting of Intel and Lockheed engineers that a member of Real 3D's senior management, Rosalie Bibona, stated that iviewit's inventions could be worth billions of dollars. Wheeler states in his deposition that he was unfamiliar with any video inventions until sometime after the Real 3D meeting. Mr Wheeler is lying and everyone present at that meeting can testify to that fact. I was at a meeting held at Si Bernstein's house where Eliot Bernstein, Gerry Lewin, Chris Wheeler, Si Bernstein and Hassan Mia were in attendance. This meeting took place prior to the Real 3D meeting and it's purpose was to show Hassan the video streams. It was at this meeting that

Hassan Mia stated "... if what I'm seeing is true, you've found the Holy Grail". The term "Holy Grail" can be found in many early versions of iviewit's business plans.

Let's talk about Brian Utley. This man is a stammering buffoon. Were it not for his resume full of accomplishments and the glowing recommendation of our trusted counsel, he probably never would have passed an initial candidate screening. Unfortunately, we learned too late that many of Brian's accomplishments were fabricated and our trusted advisor, Chris Wheeler, was a liar. I remember a meeting of Eliot, Guy Iantoni, Brian Utley, Mike Reale, Si Bernstein, Chris Wheeler and two investment bankers from Wachovia, Mr. Joe Lee and his associate (I forget his name). Guy and I had prepared a detailed sales forecast that Joe Lee later referred to as the most complete and detailed he'd ever seen. Brian's task was to complete the financials for Joe's review. The work that he presented to Joe Lee was pitiful; it was incomplete, inaccurate and inadequately referenced. In short, it was a disastrous embarrassment. We soon learned that that was the best Utley could deliver. Joe Lee insisted that I complete the financial projections for the business plan and that Utley be removed from the project. This is the sort of talent that our trusted advisor, Chris Wheeler, brought to his client!

From unauthorized patent disclosure to Danny Sokoloff without the protection of an NDA to outright patent sabotage through the use of bad math in patent applications, Utley never failed to disappoint. He was equally inept in corporate matters. I notified Brian on numerous occasions of the firm's responsibility to communicate to shareholders at least once per year and that iviewit was in default on its notes for not having made an interest payment. Like a child, he chose to bury his head in the sand instead of addressing the problem. His exorbitant use of T&E monies is legend and is only exceeded by his inability to complete a sentence without the excessive use of the word "um".

As they say, "hindsight is 20/20". In this case, it's now clear that Wheeler never had iviewit's interests in mind. He was positioning himself and his friends to benefit from iviewit's inventions and creativity. What makes his crime so heinous is that he masqueraded as our friend.

Sincerely,

James F. Armstrong  
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732-747-4353  
email: [jimarmstrong@comcast.net](mailto:jimarmstrong@comcast.net)

Date: 12/11/02

Dear Eliot;

I wanted you to know how I feel about all that I have read recently. As a shareholder and someone that has been around this company since the beginning, I don't know how lawyers like Chris Wheeler and law firms like Proskower Rose could allow statements in a business plan that are not true. Therefore, if the business plan were correct then Mr. Utley would have to be lying under oath. In today's world of fair disclosure, this kind of inconsistency makes me outraged. As a shareholder I encourage and would support action taken to bring any wrongdoing to justice. If nothing else, I am unwilling to allow these deceptions to continue. We should pursue action and be compensated for wrongdoing. I know that if Mr. Rubinstein had not been involved with Iviewit it would have significantly affected my decision to contribute funds when I did. His involvement was communicated to me by Mr. Utley, Mr. Wheeler as well as other involved with the company but as legal representation and president of the company they carried the greatest weight. These inconsistencies are unacceptable and criminal in my opinion. What can we do to bring resolution to this situation and whom do we hold accountable?

Sincerely;

**Mitchell A. Welsch, CFP**

Mitchell A. Welsch CFP

**Eliot I Bernstein**

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**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](mailto: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 explicitly 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

5/31/2003

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**

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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

June 13, 2003

The following information may be used as my sworn testimony in describing the history and events relating to iviewit (The Company) and its affiliated management and advisors.

As an existing shareholder and personal investor in the Company, I am appalled by the fraud and mismanagement demonstrated by the former President, Brian Utley and legal counsel including: Raymond Joao, Kenneth Rubenstein, Christopher Wheeler and others. I was an employee of the Company since its inception in 1998 to February 2001. I was personally in meetings where Christopher Wheeler recommended Brian Utley as a strong candidate for the President position at iviewit with his experience at IBM. I was one of the first individuals to witness iviewit's zoom and pan technology as well as full-screen, full-frame rate video streaming. I recall viewing iviewit's technologies as early as February of 1998. I attended many meetings with the technologies inventors: Eliot Bernstein, Jude Rosario and Zakirul Shirajee at iviewit's Florida office and witnessed several meetings between the inventors and Raymond Joao. I had discussions with Eliot Bernstein in late 1999 when Eliot expressed his reservations and concerns that the patent work of Raymond Joao, Kenneth Rubenstein and Brian Utley was both incomplete and not representative of the inventors' true findings. I was also present later 1999-2000 as William Dick and Foley and Lardner continued the errors in the patents caused by Raymond Joao and Kenneth Rubenstein.

My personal investment into the Company was largely due to the remarks of attorney Kenneth Rubenstein on a conference call with Eliot Bernstein stating, "iviewit's technology will be extremely valuable as part of the MPEG patent pool." I helped author many business plans with Eliot Bernstein, Jim Armstrong, Wachovia Securities and others including Kenneth Rubenstein as a key Company advisor. I attended many face-to-face meetings where Christopher Wheeler both witnessed iviewit's technology and introduced potential clients and investors to the management team. Mr. Wheeler had hand picked the management team and controlled their actions.

It was abusive the amount of unnecessary legal services generated by Christopher Wheeler and Proskauer Rose at such an early stage in the Company's development as we were misled to believe that these costs would offset revenue by Wheeler/Rubenstein/PR clients and patent pool royalties. I recall the company going through several legal changes including: C-corp, several LLCs, Holding companies, name changes etc. I was stunned to hear that the Company had hundreds of thousands of payables due Proskauer Rose. Brian Utley had primary fiduciary responsibility (or more like irresponsibility) for the use of all investment proceeds, legal services and vendor contracts.

I welcome the opportunity to be personally involved in defending the Company and its assets

Sincerely,

Guy T. Iantoni