

Stelor Productions, Inc.
Attn: Steve Earig, President/CEO & Stelor Board of Directors
14701 Mockingbird Drive
Darnestown, Maryland 20874

March 1, 2004

Re: Formal Notice & Request For Action & Written Dispositions

Dear Steve:

I would like to preface this letter by informing you that I would not be a responsible Licensor if I didn't choose to address, at this time, the issues you are about to read. Kindly review them in an unbiased manner. Thank you!

This letter shall serve as a formal notice to Stelor, in accordance with our existing Licensing Agreement, regarding certain issues that have yet to be resolved to my satisfaction.

I know that you and I have spoken several times on the issues that I'm about to formally address, however, as I have recently placed in writing to you via an e-mail that was addressed to Julie on Wednesday, February 25, 2004, I had explained therein that I would be sending Stelor a formal notice outlining the issues that I believe are still in need of resolving so that we may move forward in a non-adversarial manner.

IRRELEVANT MATERIAL REDACTED

6. Last but not least, I want to spend a little time on my concerns regarding the issues of the pending Google.com and other similar potentially infringing parties surrounding the Google's IP. First of all I want to make myself perfectly clear so that there are no misunderstandings. I have heard you repeat to me on more than one occasion about my having granted Stelor the "exclusive" power of attorney as it appears in our existing Licensing Agreement. I've read and reread this clause and while I fully acknowledge that this is the case, I do not believe in your theory or what your lawyers are supposedly informing you, as you've recently indicated to me that in the event of any litigation on behalf of protecting the Google's IP that such causes of action shall be brought on behalf of Stelor at all. If you read the agreement properly you will note that I am the "owner" IP owner. And while Stelor may have the power of attorney or in essence the exclusive right to sign my name to legal papers as if I was personally present, nevertheless that right only exists as it pertains to signing "MY" name and not Stelor's. Thus, any and all causes of action regarding the infringement of or the protection of the Google's IP shall be brought in my name and only my name and anything to the contrary will ultimately wind both of us in a serious adversarial role. You have the right to insure, at the Licensee, that your rights are properly protected and as such you have the right to bring if you so choose, legal action against any and all potential infringers or violators against the Google's IP. However, any and all such causes of action shall be brought in my name as the owner of the IP and since there is NO mention in any of our Agreements that speaks to the issue of settlement from such violators and/or infringers, (which was most likely an oversight on both of our parts) we will have to, as I now see it, go back to the drawing board and eke out a fair and equitable arrangement that we can both live with regarding dispersment of any and all compensation whether monetary or otherwise, should a settlement, compromise, an award or arbitration/mediation take place that results in a favorable outcome for me as the Licensor from any litigation(s) that are now evident and for which we must now vigorously pursue. You have recently apprised me of your dilemma regarding pursuing such litigations and the sending of cease and desist letters and/or initiating any WIPO/UDRP proceedings against existing offenders that I have brought to your attention such as: Google.com, Google.org, and those that you have brought to my attention such as: Zoogles, Booble, etc. And I'm sure that as time goes by there will be others we'll need to go after. However, you have also made it equally clear to me that at this time Stelor is not in any position to champion an attack against any of these infringers, esp. that of Google.com due to the financial hardship this could potentially cost Stelor. While I can certainly appreciate Stelor's position in this regard, as the Licensor you must equally appreciate my position in trying to maintain a sense of balance between your needs and those of the Google's trademark(s) and all those who have seen fit to infringe upon my IP rights. I can not afford to stand by and wait much longer as to whether or not Stelor is going to opt to go after most importantly the Google.com search engine and the Google.org entities. I informed you on several occasions, both verbally and via e-mail, about the legal position of "laches", the untimely

filling and unreasonable delay "legal defenses" that are likely to be raised by the defendants that we will have to overcome. The more time that goes by the weaker our position becomes in this regard. It would be patently unfair for me to stand by and wait until Stelor is in a better financial position to litigate these matters only to learn that I may have lost the opportunities to do so based upon unreasonable delays. I told you that I strongly disagree with the advice you have informed me that your counsel has given you regarding the filing of a WIPO/UDRP proceeding against the Google.com giant and the other immediate infringer Google.org. I explained to you about the issue of "confusion" in the market place. About the fact that I don't believe we have any strong trademark infringement case against Google.com, but clearly we could make a case based upon confusion, especially as it pertains to the Internet. I have urged you many times to try and seek an audience with Google's executives so that we can advise them of our position and we could perhaps learn more about theirs. Then we'd have a much better understanding as to how we should proceed against them. You have chosen to seek interest from MicroSoft and Yahoo and while I believe this may be a sound strategy, I also believe these are long shots at best. Much better to go directly to the horse's mouth and seek an audience NOW with Google.com and see how receptive or non-receptive they may be in wanting to cut a deal with us. I doubt seriously if MicroSoft or Yahoo will act swiftly in cutting us a deal, regardless of their interest levels. Approaching Google.com NOW is the only way I see for us to nip this in the butt once and for all. Either they agree to play ball with us or we will seek redress before the federal courts and they in turn will know we mean business one way or the other. So here is my proposal on this matter. As it now stands Google seemingly has pushed their IPO release for sometime in mid-September and that is still very speculative. The trade show for us is rapidly approaching in June, only a few short months away. I am formally requesting a disposition as to whether or not Stelor is prepared to move forward against both the Google.com search engine and the Google.org, at the very least, commences with the filing of either a WIPO/UDRP and/or a simultaneous filed cease and desist letter within the next (30) thirty-days from the receipt of this letter or give me, in writing, Stelor's position as to why they are not prepared to do so and what course of action you are planning to execute to properly protect the Googles' trademark and its intellectual property rights on behalf of the Licensor? Just as you know, I am fully prepared to go this alone if need be based upon the strategy I outlined to you when we last met. I am fully confident that I can properly prepare and subsequently file a motion in federal court to at least start the ball rolling against both of these infringers and then eventually seek competent counsel to further champion the cause to seek redress before the courts. As a responsible Licensor, if I don't take this position I could run the risk of losing my opportunity to bring a cause of action in a timely fashion to protect my Googles' IP rights. I'm certain that no court in the land would rule otherwise. Not having proper funding to pursue these matters is not going to be a viable position for you to take when push comes to shove. I have been preaching to Stelor this issue and my position for quite some time now. I also know that doing so, on Stelor's behalf, shall require a strong financial commitment that you may not be in a position to timely execute. But like I stated above, this is not a defense that I

can unfortunately accept. We must strike timely while the iron is hot. Waiting too much longer could prove a disaster for all parties concerned. I will expect to hear from you or your counsel, in writing, within the reasonable timeframe granted and set forth above.

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Respectfully submitted by,



Steven A. Silvers

P.S. I'm still waiting to speak with Henry, as you indicated to me we would speak via a conference call on two separate occasions last week. What happened?

P.S.S. Thanks for sending my December 2003 Consulting Fee Check, I received it on February 27, 2004 along with my 1099 for year ending December 2003.

**SENT VIA FEDEX ON March 1, 2004 USING AIRBILL
TRACKING NUMBER: 842190092158**