

# DEFENDANT'S EXHIBIT D

## Hurley v. Lopez MJM-23-2494

**Description,** *Parties contracting-agreement-partnership*

Group of twelve pages, related to the 2002-2003 **fully notarized contracting** amendments, disbursements, earnest deposits, ampliation and continuation of the parties' **December 2002 business partnership**.

### **Relevancy**

To prove the 30 years exclusive given to the Plaintiffs to raise capital with the Defendant property, **subject to the condition of raising a minimum of \$10 million dollars annually to keep the exclusive rights, provide monthly living support to the Defendant and never keeping the Defendant property dormant for more than 6 months without producing capitalization (liquidity).**

### **Source & Validation**

Made, paid, provided, accepted, discussed and/or certified by parties, public notaries, and/or banking institutions

### **Federal Rules of Evidence**

Rule 401 – Relevance Evidence must make a fact more or less probable and be material to the case.

902 – Self-Authentication Certain documents (e.g., certified public records, newspapers, official publications) require no extrinsic evidence of authenticity.

## VENTURE CAPITAL REAL ESTATE COLLATERAL AGREEMENT

This Venture Capital Real Estate Collateral Agreement, made this 30<sup>th</sup> day of December, 2002, by and between **MEGA PRODUCTIONS, INC. T/A MEGA CONCERTS** (hereinafter "Promoter") and **Alberto Medina Lopez** (hereinafter "Collateral Provider").

### RECITALS

WHEREAS, the Promoter is engaged in the business of promoting concerts and other forms of entertainment; and

WHEREAS, the Collateral Provider is a Real Estate Owner seeking to provide money to the Promoter by providing part of his real estate ownership rights for the Promoter to secure venture capital loans; and

WHEREAS, the Promoter has advised to the Collateral Provider that using part of his real estate ownership rights to secure loans to the Promoter is risky, even, may contemplate the collateral's provided total loss; and

WHEREAS, the Collateral Provider has represented to the Promoter that the Collateral Provider is a sophisticated individual and is aware of the risk associated with using part of his real estate ownership rights to secure loans to be made by the Promoter; and

WHEREAS, at present, the Promoter is promoting two separate concert tours, one concert tour to be held in twenty (20) separate venues throughout the United States of America during the months of January through June of the year two thousand three (2003), and, the other concert tour, to be held in twenty (20) separate venues throughout the United States of America during the months of July through December of the year two thousand three (2003); and

WHEREAS, it has been projected by the Promoter, that based on a One Hundred Percent (100%) sellout markup in each one of the twenty separate venues to be held semi-annually, both concert tours have the potential to generate jointly at least net profits for a total amount of U.S. thirteen million dollars (\$13,000,000); and

WHEREAS, the Promoter has represented to the Collateral Provider that the overall capital required to fund each concert tour semi-annually is approximately U.S. six million dollars (\$6,000,000), and once that capital is raised using the aforesaid limited Collateral Provider's real estate ownership rights as collateral to secure the loan or loans, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of the total amount of any raised capital per each one separate project-venue in the same act of signing the loan's legal documents.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree to comply with all the following contractual clauses under the following terms and conditions:

1. At present, the Collateral Provider is the absolute and sole owner of the Property Number Fifty Seven (57) of Loiza, known as Farm John Perez, with an area of Eight Hundred Twenty Six (826) acres of raw land, equivalent in the metric system to three million three hundred forty thousand eight hundred thirty six point twenty six square meters (3,340,836.2600), located on the municipality of Loiza, Puerto Rico USA, State Road number one hundred eighty seven (187), between the kilometers numbers ten point three (10.3) and twelve point three (12.3).
2. The aforesaid immovable property is recorded in favor to the Collateral Provider in the page number sixty five (65) of volume number two (2) of Loiza, eighth and last inscription, in the third section of the Property of Registry of the municipality of Carolina, Puerto Rico USA under the following AD VERBATIM description in Spanish language: Rústica: Estancia denominada "Juan Pérez" sita en el Barrio de Montenegro de la jurisdicción de Loíza, compuesta de ochocientas (cuerdas) digo, cincuenta cuerdas de terreno colindante al Norte con el Mar, al Sud la Hacienda de Don Teodoro Chevremont, al Este terrenos de la Hacienda Pública y al Oeste la Hacienda denominada Piñones.
3. The Collateral Provider, hereby agrees, to allow the Promoter to use as immovable collateral to secure his loan or loans for a period of thirty (30) years commencing from the day and date first written above, ONLY, a limited percentage of his one hundred percent (100%) real estate ownership rights in the aforesaid immovable property, until now, unknown the exact percentage, never exceeding the maximum amount of U.S. FIFTY MILLION DOLLARS (\$50,000,000) as equivalent.
4. In order to know the real market value of the aforesaid property, the Collateral Provider authorizes the Promoter to make an official title search, a land surveying and a certified appraisal of such property in the next sixty (60) days.
5. The Promoter will make the aforesaid title search, the land surveying and the appraisal at his completely entire risk and cost.
6. In order to accelerate the proceedings; and due to the fact that the proceedings will take at least two months to be completed; and will require to invest a considerable amount of time in long lasting meetings, the Promoter agree to pay an up front fee of U.S. FIVE THOUSAND DOLLARS (\$5,000) to the Collateral Provider to cover his expenses in that period of time; Two thousand dollars (U.S.\$2,000.00) to be paid immediately in the same act of signing this agreement and three thousand dollars (U.S.\$3,000.00) to be paid to the Collateral Provider immediately upon verification and certification of title search, land surveying, and appraisal. That amount will be non refundable and will be applicable to the first benefits that the Collateral Provider will receive.
7. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. FIFTY MILLION DOLLARS (\$50,000,000), the Promoter will be limited to use as maximum to secure his loans ONLY the forty (40%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights.
8. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. ONE HUNDRED MILLION DOLLARS (\$100,000,000), the Promoter will be limited to use as maximum to secure his loans ONLY the thirty five (35%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights.
9. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. ONE HUNDRED FIFTY MILLION DOLLARS (\$150,000,000), the Promoter

- will be limited to use as maximum to secure his loans ONLY the thirty (30%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights.
10. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. TWO HUNDRED MILLION DOLLARS (\$200,000,000), the Promoter will be limited to use as maximum to secure his loans ONLY the twenty five (25%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights.
  11. If after completed those aforesaid proceedings, result that the property's appraisal value is U.S. TWO HUNDRED FIFTY MILLION DOLLARS (\$250,000,000) or MORE, the Promoter will be limited to use as maximum to secure his loans ONLY the twenty (20%) percent of the Collateral Provider's one hundred percent (100%) real estate ownership rights, but always, with the limitation of never to exceed the maximum amount of U.S. FIFTY MILLION DOLLARS (\$50,000,000) as collateral equivalent value.
  12. The Collateral Provider will have the right to sell and/or offer as a loan warranty at any time this income producing contract to third parties, but the Promoter will still reserve the right to use the property as immovable collateral to secure loans for a period of thirty years and will have the first option to buy it and be a property's co-owner.
  13. The Collateral Provider will receive from the Promoter the ten percent (10%) of all and of ANY total amount raised capital per EACH separate project, separate venue and/or from of any other purpose or business in which the Promoter use the offered collateral, immediately in the same act, place and time when both and/or their agents signing the loan's legal related documents. For example, per each one U.S. ONE DOLLAR (\$1.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. TEN CENTS (\$0.10); per each U.S. ONE THOUSAND DOLLARS (\$1,000.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. ONE HUNDRED DOLLARS (\$100.00); per each U.S. ONE HUNDRED THOUSANDS DOLLARS (\$100,000.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. TEN THOUSAND DOLLARS (\$10,000.00); per each U.S. ONE MILLION DOLLARS (\$1,000,000.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. ONE HUNDRED THOUSAND DOLLARS (\$100,000.00); and, per each U.S. TEN MILLION DOLLARS (\$10,000,000.00) raised capital, the Collateral Provider will receive immediately from the Promoter the ten percent (10%) of that amount, equal to U.S. ONE MILLION DOLLARS (\$1,000,000.00).
  14. Is clear, that the Collateral Provider will not receive from the Promoter benefits or profits from the concerts tour businesses. The Collateral Provider will ONLY receive immediately from the Promoter the aforesaid fees, payments and benefits mentioned in the paragraph number thirteen (13) ONLY each time the Promoter use the aforesaid offered Collateral Provider's immovable collateral to raise capital for any legal, business or personal purpose.
  15. The Promoter will be liable to raise at least U.S. TEN MILLION DOLLARS (\$10,000,000) in capital each year, in a regular basis of U.S. FIVE MILLION DOLLARS (\$5,000,000) each six month period, using always the aforesaid immovable collateral during the aforesaid term of thirty (30) years to keep his right to use the collateral during that term.

16. The Promoter will never have inactive his collateral without producing capital and benefits to the Collateral Provider for more than six (6) months.
17. The Promoter will be liable to pay EACH loan that lien the collateral in or before one hundred eighty (180) days commencing from the date the lien is effective in order to liberate the utilized collateral and re-utilize it again.
18. The Collateral Provider hereby agrees to grant to the Promoter a joint exclusive right to subdivide, develop, rent, lease or sell in partnership the aforesaid immovable property once the Promoter acquire his collateral establishing a partnership with the Collateral Provider understanding that those terms are negotiable and are subject to the federal statute 48 USC 752.

IN WITNESS WHEREOF, the parties hereto affix their hands and seals the day and date first above written:

ATTEST:

MEGA PRODUCTIONS, INC.  
T/A MEGA CONCERTS

Karen Wolman

By [Signature] (SEAL)

ATTEST:

\_\_\_\_\_

By [Signature] (SEAL)

State of Maryland }  
County of Prince George's  
On Dec. 30, 02

before me Karen Wolman  
Appeared Anthony E. Hurley and Alberto Lopez

Personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Karen Wolman  
Signature of Notary



Affiant Known X Produced ID  
Type of ID Hurley - MD Driver's License  
Lopez - VA. Dr. (Seal) License

## PROPERTY NUMBER 57 OF LOIZA, PUERTO RICO USA (Farm John Perez) APPRAISAL, USES & AMENITIES KEY POINTS

- **Antique Uses Rights** Doctrine
- A paradise for movie's making industry
- 2 linear kilometers of **private beaches** in the northern side
- Ideal for urban developing, agriculture, aquaculture & hunting
- With 30 millions cubic meters of **sand** for construction purposes (minimum)
- At just **5 minutes** of the main airport Luis Muñoz Marín in Isla Verde San Juan
- Perpetual tropical **winds, sun** and thermal oceanic **hot waters** to generate power
- Located at the east side of the urban expansion area in the metropolitan area of San Juan
- 826 acres (3,340,836.26 m2) of raw land with a minimum estimated value of \$1.3 Billions dollars (\$400m2)

## BASIC APPLICABLE LAWS in case of lenders foreclosure (Puerto Rico Civil Code 1930)

Art. 333 Dominion of the different portions. (31 L.P.R.A. sec. 1278)  
Everything co owner will have the total property of its part and the one of the fruits and utilities that correspond to him, being able in its consequence to alienate it, to yield it or to mortgage it, and to replace another one in its advantage and even to give it in renting, except for if it is personal rights, but the effect of the distraction or the mortgage in relation to the co owners, will be limited the portion that adjudges in the division when stopping the community to them, and the effect of the renting will be to confer the renter, during the term of the contract, the faculties of co owner in order to the administration and better benefit of the common thing.

## SPECIAL NOTES:

1) The inclusion of a BOND and the AUDITED Financial Statements will be appreciated each time the mortgages be renewed. This is a plus not a must. 2) The basic procedure will be: 1) The investors will lend the capital to the Collateral Provider and a mortgage will be recorded in PR, lien only an specific % of his ownership rights in the property; 2) In the same act, the Col. Provider will deliver the 90% of the capital to the Promoter; 3) The Promoter will pay the mortgage in or before 180 days to the lenders, which will be the max. mortgage term each time it be renewed. 3) The formula will be for each \$1 of necessary capital the Collateral Provider will put an equivalent of \$4 in immovable collateral to the lenders according to the MAX. ALLOWED OWNERSHIP RIGHTS PERCENTAGE USING.

## MEGA PRODUCTIONS, INC. T/A MEGA CONCERTS & Alberto Medina Lopez Venture Capital Real Estate Collateral Agreement ADDENDUM.

## Any Time Collateral Variable Values

APPRAISAL VALUE	Max AOR% Using	Equiv value as collat.
\$50,000,000	40%	\$20,000,000
\$100,000,000	35%	\$35,000,000
\$150,000,000	30%	\$45,000,000
\$200,000,000	25%	\$50,000,000
\$250,000,000	20%	\$50,000,000
\$350,000,000	15.57%	\$55,000,000
\$500,000,000	12%	\$60,000,000
\$700,000,000	10%	\$70,000,000
\$1,000,000,000	7.5%	\$75,000,000



MEGA PRODUCTIONS, INC.  
1401 SHEFFORD RD  
TOWSON, MD 21239

1030

65-320/550  
BRANCH 96829

DATE

12/30/02

PAY  
TO THE  
ORDER OF

Alberto Medina Lopez

\$ 2,000.00

Two thousand and 00/100

DOLLARS

Security  
Feature  
Create an  
MP

**FIRST**  
UNION<sup>®</sup>  
First Union National Bank  
firstunion.com  
Org. 014 R/T 055003201

Collected by account

FOR deposit - Venture Capital / Real Estate

May 2, 2003

#001030# 1:055003201:2030000829042#

**MEGA PRODUCTIONS, INC.**

1401 SHEFFORD RD  
TOWSON, MD 21239

1034

65-320/550  
BRANCH 95829

DATE 1/25/03

PAY  
TO THE  
ORDER OF

Alberto Medina Lopez

\$ 1,500.00

One thousand five hundred and 00/100

DOLLARS



First Union National Bank  
firstunion.com  
Org. 014 R/T 055003201

Collateral Agreement

FOR

2nd payment - Venture Capital / Real Estate

Mary E. Heckel

⑈001034⑈ ⑆055003201⑆ 2030000829042⑈



## CONTRACT

This agreement is made by and between Mega Productions, Inc. (hereinafter referred to as "Mega") and Alberto Medina Lopez (hereinafter referred to as "Medina"). The parties agree as follows:

1. The property which is the subject matter of this agreement is described as follows:

Number 57, recorded at page 63 of volume 2 of Loiza, Registry of the Property of Puerto Rico, Section III of Carolina.

- a. the description: (as it is recorded in the Spanish Language)

RUSTICA: Estancia denominada Juan Perez, sita en el Barrio de Monte Negro de la jurisdiccion de Loiza, compuesta de ochocientas Cincuenta cuerdas de terreno, Colindante el NORTE, con el mar; al SUR, con la Hacienda de don Teodoro Chevremon; al ESTE, con terrenos de la Hacienda publica; y al OESTE, con la hacienda denominada Pinones.

- b. title to said property is recorded at page 66 of volume 2 of Loiza, in favor of Alberto Medina Lopez, single, who acquired it by Adherence from Pedro Malave Encarnacion, at a price of \$30,000.00, pursuant to deed number 68, executed in San Juan, Puerto Rico, on July 12, 2001, before notary Raul Rivera Lopez, property number 57, 8<sup>th</sup> inscription.

2. Medina warrants and guarantees that he has good and marketable title to the property.
3. In consideration of Mega's promise and agreement to use its best effort to find a purchaser for the property, Medina gives to Mega a non-exclusive right to sell the property on his behalf.
4. Medina authorizes Mega, its designated agents or employees to market the property to interested individuals or entities. The offering or marketing price shall be \$285,000,000.00. As further defined herein, a twenty (20%) percent commission shall be payable to Mega for its services incidental to this agreement. Medina may reduce the offering or marketing price at any time.
5. This non-exclusive right to sell shall be effective for a period of one (1) year commencing on January 21, 2003 and shall automatically terminate at the expiration of the one (1) year period. If within six (6) months of any such termination, Medina enters into an Agreement of Sale or transfers or exchanges the property with any person or entity to whom the property was, directly or indirectly, presented or submitted by Mega during the one (1) year term of this Agreement, the sale shall be conclusively presumed to have been made by Mega and the aforementioned twenty (20 %) percent commission shall be paid by Medina.

6. If Mega procures a purchaser ready, willing and able to buy the property at the price of \$285,000,000.00 within the period of time this contract is in force, Medina agrees to pay Mega a commission of twenty (20%) percent, or \$57,000,000.00. If Medina agrees to sell the property to the purchaser who was obtained, procured and/or introduced to the transaction, directly or indirectly, by Mega, at a price that is less than \$285,000,000.00 within a period of time this contract is in force, Medina agrees to pay Mega a commission of twenty (20%) percent of the actual sales price paid by the purchaser.
7. The parties will mutually agree on a designated escrow agent for this agreement and for any resulting sales.
8. Medina represents and warrants that he is the sole owner of the property and agree to convey the property to the purchaser by general warranty deed, or its equivalent, clear of all liens and encumbrances except easements, restrictions and reservations set forth in instruments of record.
9. During the term of this agreement, Medina agrees to give Mega written notice of any bona fide offers he receives for the property within five (5) days of his receiving same. Said notice will include the relevant terms and conditions of said offer. Mega shall have thirty (30) days to produce a qualified purchaser for the property on similar or better terms and conditions.
10. Once Mega receives a twenty (20%) per cent commission for the sale of the property, its collateral rights agreement with Medina will automatically be totally cancelled, rendered null and void.
11. This agreement may be executed by use of fax-transmittal.
12. Venue or jurisdiction for this agreement shall be Maryland or Virginia.

Executed this 23<sup>rd</sup> day of February, 2003.

Mega Productions, Inc.

By: 

  
Alberto Medina Lopez

2

SIGNED THIS DAY  
FEBRUARY 23, 2003

**ADDENDUM TO VENTURE CAPITAL REAL ESTATE COLLATERAL AGREEMENT**

This is an Addendum to the Venture Capital Real Estate Collateral Agreement, made the 30th day of December, 2002, by and between **MEGA PRODUCTIONS, INC. T/A MEGA CONCERTS** (hereinafter "Promoter") and **Alberto Medina Lopez** (hereinafter "Collateral Provider").

**RECITALS**

WHEREAS, the Promoter is engaged in the business of promoting concerts and other forms of entertainment; and

WHEREAS, the Collateral Provider is a Real Estate Owner seeking to provide money to the Promoter by providing part of his real estate ownership rights for the Promoter to secure venture capital loans; and

WHEREAS, the Collateral Provider agrees to allow the Promoter to have inactive his collateral without producing capital and benefits to the Collateral Provider for twelve (12) months from the date of execution of this document without affecting the Promoter's right to keep his right to use the collateral during the term of thirty (30) years as stated in the original agreement mentioned heretofore; and

WHEREAS, this agreement may be executed by use of fax-transmittal; and

WHEREAS, venue or jurisdiction for this agreement shall be Maryland or Virginia.

Executed this 27<sup>th</sup> day of February, 2003.

Mega Productions, Inc.

By 

  
Alberto Medina Lopez

**ADDENDUM TO VENTURE CAPITAL REAL ESTATE COLLATERAL AGREEMENT**

This is an Addendum to the Venture Capital Real Estate Collateral Agreement, made the 30th day of December, 2002, by and between **MEGA PRODUCTIONS, INC. T/A MEGA CONCERTS** (hereinafter "Promoter") and **Alberto Medina Lopez** (hereinafter "Collateral Provider").

**RECITALS**

WHEREAS, the Promoter is engaged in the business of promoting concerts and other forms of entertainment; and

WHEREAS, the Collateral Provider is a Real Estate Owner seeking to provide money to the Promoter by providing part of his real estate ownership rights for the Promoter to secure venture capital loans; and

WHEREAS, the Collateral Provider and the Promoter agree to incorporate into the original agreement made on December 30<sup>th</sup>, 2002 the following:

**Successors and Assigns.** This agreement shall be binding upon the parties hereto and their respective heirs, executors, administrators and successors and permitted assigns


WHEREAS, this agreement may be executed by use of fax-transmittal; and

WHEREAS, venue or jurisdiction for this agreement shall be Maryland or Virginia.

Executed this 27<sup>th</sup> day of February, 2003.

Mega Productions, Inc.

By: 

  
Alberto Medina Lopez

SATURDAY, MARCH 1, 2003

TODAY, I RECEIVED FROM MR. HURLEY  
A CHECK BY THE AMOUNT OF \$1,500.00

THIS CONSTITUTES  
THE 3RD PAYMENT,  
TOTALIZING \$5,000

