EXHIBIT 10.6  
  
  
 PLEDGE AGREEMENT  
  
  
 This Pledge Agreement ("Agreement") is made and entered into as of June  
26, 2003, by and between Boundless Motor Sports Racing, Inc., a Nevada  
corporation ("Secured Party"), and Xxx Xxxxxxx ("Pledgor").  
  
 I.  
 COLLATERAL AND SECURED INDEBTEDNESS  
  
 1.1 Grant of Security Interest. Pledgor is the sole shareholder of  
World of Outlaws, Inc., a Texas corporation (the "Company"). Pledgor hereby  
assigns and pledges to Secured Party, and hereby grants to Secured Party a  
security interest in, 10,000 shares (the "Shares") of the common stock, no par  
value per share, of the Company owned by Pledgor, as evidenced by a certificate  
delivered to Secured Party simultaneously with the execution of this Agreement;  
and all distributions, fees, dividends, preferences, payments and other benefits  
which Pledgor is now and may hereafter be entitled to receive with respect to  
such shares; and all proceeds (cash and non-cash) arising out of the sale,  
exchange, collection or other disposition of all or any portion of the Shares  
(collectively, the "Collateral"). In the event that Pledgor receives any  
additional shares of capital stock of Secured Party by way of a stock split or  
stock dividend, the Pledgor shall promptly deliver to the Secured Party  
certificates evidencing such shares along with appropriate stock powers duly  
endorsed in blank.  
  
 1.2 Secured Obligations. This Agreement and the security interest  
herein created shall secure full and punctual payment and performance of the  
following indebtedness, duties and obligations (hereinafter collectively called  
the "Secured Obligations"):  
  
 (a) All principal, interest, fees and other amounts payable to  
the Secured Party pursuant to the terms and provisions of that certain  
Promissory Note, of even date herewith, issued by the Company to Secured Party  
in the original principal amount of $600,000 (the "Note"), including all  
extensions, renewals, modifications, increases or substitutions thereof; and  
  
 (b) All interest, charges, expenses, attorney's and other legal  
fees and any other sums incurred by Secured Party in connection with the  
enforcement of Secured Party's rights and remedies hereunder.  
  
 II.  
 REPRESENTATIONS AND WARRANTIES; FURTHER ASSURANCES  
  
 2.1 Representations and Warranties. Pledgor hereby represents and  
warrants to Secured Party as follows:  
  
 (a) Pledgor has good and marketable title to the Collateral free  
and clear of any lien, security interest, shareholders agreement, calls, charge  
or encumbrance, except for the security interest created by this Agreement in  
favor of the Secured Party. No financing statement or other instrument similar  
in effect covering all or any part of the Collateral is on file in any recording  
office, except as may have been filed in favor of Secured Party relating to this  
Agreement.  
  
  
  
  
  
 (b) Pledgor is the sole shareholder of the Company, and the  
Shares constitute all of the issued and outstanding shares of capital stock of  
the Company. Pledgor, as the sole shareholder of the Company, expects to derive  
substantial benefit as a result of the making of the loan by Secured Party to  
the Company, and has guaranteed the payment of such loan to the extent of the  
Collateral.  
  
 (c) Pledgor has the lawful right, power and authority to grant a  
security interest in the Collateral. This Agreement, together with all filings  
and other actions necessary or desirable to perfect and protect such security  
interest, which have been duly taken, create a valid and perfected first  
priority security interest in the Collateral securing the payment and  
performance of the Secured Obligations.  
  
 III.  
 DEFAULT AND REMEDIES  
  
 3.1 Events of Default. An Event of Default (herein so called) shall  
exist upon the failure of Pledgor to make when due any scheduled payment under  
the Note or any other Secured Obligations.  
  
 3.2 Remedies of Secured Party. Upon the occurrence of an Event of  
Default:  
  
 (a) Secured Party may, without notice or demand, accelerate the  
maturity of the Note and declare the entire unpaid principal balance and accrued  
interest at once due and payable.  
  
 (b) Secured Party may, at Secured Party's option and at the  
expense of Pledgor, either in Secured Party's own right or in the name of  
Pledgor and in the same manner and to the same extent that Pledgor might  
reasonably so act if this Agreement had not been made,  
  
 (i) do all things requisite, convenient, or necessary to  
 enforce the performance and observance of all rights,  
 remedies and privileges of Pledgor arising from the  
 Collateral, or any part thereof, including, but not  
 limited to, compromising, waiving, excusing, or in  
 any manner releasing or discharging any obligation of  
 any party to or arising from the Collateral;  
  
 (ii) xxx or otherwise collect and receive money  
 attributable to the Collateral; and  
  
 (iii) exercise any other lawfully available powers or  
 remedies, and do all other things which Secured Party  
 deems requisite, convenient or necessary or which the  
 Secured Party deems proper to protect the security  
 interest herein granted.  
  
 (c) Secured Party may foreclose this Agreement in the manner now  
or hereafter provided or permitted by law and shall have the immediate right to  
receivership pending foreclosure, and may upon such reasonable notification  
prior thereto as may be required  
  
  
  
  
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by applicable law (Pledgor hereby agreeing that 10 days notice is commercially  
reasonable), sell, assign, transfer or otherwise dispose of the Collateral at  
public or private sale, in whole or in part, and Secured Party may, in its own  
name or as the irrevocably appointed attorney-in-fact of Pledgor effectively  
assign and transfer the Collateral, or any part thereof, absolutely, and execute  
and deliver all necessary assignments, conveyances, bills of sale and other  
instruments with power to substitute one or more persons or corporations with  
like power. Any such foreclosure sale, assignment, or transfer shall, to the  
extent permitted by law, be a perpetual bar, both at law and in equity, against  
Pledgor and all persons and corporations lawfully claiming by or through or  
under Pledgor.  
  
 (d) Any such foreclosure sale may be adjourned from time to time  
provided that at least ten days notice of the continuation of such sale is given  
to Pledgor. Upon any sale, Secured Party may bid for and purchase the  
Collateral, or any part thereof, and upon compliance with the terms of sale may  
hold, retain, possess and dispose of the Collateral, in its absolute right  
without further accountability. Secured Party shall have the right to be  
credited on the amount of its bid a corresponding amount of the Secured  
Obligations as of the date of such sale.  
  
 3.3 Application of Proceeds. Except as otherwise required by applicable  
law, Secured Party may apply the proceeds of any foreclosure sale hereunder as  
follows:  
  
 (a) first, to the payment of all costs and expenses of any  
foreclosure and collection hereunder and all proceedings in connection  
therewith, including reasonable attorneys' fees;  
  
 (b) then, to the reimbursement of Secured Party for all  
disbursements made by Secured Party for taxes, assessments or liens superior to  
the security interest hereof and which Secured Party shall deem expedient to pay  
in order to protect its interest in the Collateral;  
  
 (c) then, to the reimbursement of Secured Party of any other  
disbursements made by Secured Party in accordance with the terms hereof;  
  
 (d) then, to or among the amounts of fees, interest and principal  
then outstanding and unpaid in respect of the Secured Obligations, in such  
priority as Secured Party may determine in its discretion; and  
  
 (e) the remainder of such proceeds, if any, shall be paid to the  
record owner of the Collateral.  
  
 3.4 Enforcement of Secured Obligation. Nothing in this Agreement or in  
any other agreement shall affect or impair the unconditional and absolute right  
of the Secured Party to enforce the Secured Obligations as and when the same  
shall become due in accordance with the terms of the Note or other documents  
evidencing the Secured Obligations.  
  
  
  
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 IV.  
 RIGHTS OF SECURED PARTY  
  
 4.1 Subrogation. Upon the occurrence of an Event of Default, Secured  
Party, at its election, may subrogate to all of the interest, rights and  
remedies of Pledgor, in respect to any of the Collateral or agreements  
pertaining thereto.  
  
 4.2 Secured Party Appointed Attorney-in-Fact. Pledgor hereby  
irrevocably appoints Secured Party as attorney-in-fact of Pledgor, with full  
authority in the place and stead of Pledgor and in the name of Pledgor, Secured  
Party or otherwise, from time to time on Secured Party's discretion and upon the  
occurrence of an Event of Default, to take any action and to execute any  
instrument which Secured Party may deem necessary or advisable to accomplish the  
purposes of this Agreement, including without limitation: (a) to ask, demand,  
collect, xxx for, recover, compound, receive and give acquittance and receipts  
for moneys due and to become due under or in respect of any of the Collateral;  
and (b) to assign and transfer the Collateral, or any part thereof, absolutely  
and to execute and deliver endorsements, assignments, conveyances, bills of sale  
and other instruments with power to substitute one or more persons or  
corporation with like power.  
  
 4.3 Performance by Secured Party. If Pledgor fails to perform any  
agreement contained herein, Secured Party may itself perform, or cause the  
performance of, such agreement, and the reasonable expenses of Secured Party  
incurred in connection therewith shall be payable by Pledgor under Section 4.8.  
In no event, however, shall Secured Party have any obligation or duties  
whatsoever to perform any covenant or agreement of Pledgor contained herein, and  
any such performance by Secured party shall be wholly discretionary with Secured  
Party.  
  
 4.4 Duties of Secured Party. The powers conferred upon Secured Party  
hereunder are solely to protect its interest in the Collateral and shall not  
impose any duty upon it to exercise any such powers. Except for the safe custody  
of any Collateral in its possession and the accounting for money actually  
received by it hereunder, Secured Party shall have no duty as to any Collateral  
or as to the taking of any necessary steps to preserve rights against prior  
parties or any other rights pertaining to any Collateral.  
  
 4.5 No Liability of Secured Party. Neither the acceptance of this  
Agreement by Secured Party, nor the exercise of any rights hereunder by Secured  
Party, shall be construed in any way as an assumption by Secured Party of any  
obligations, responsibilities or duties of Pledgor arising in connection with  
the Collateral assigned hereunder or otherwise bind Secured Party to the  
performance of any obligations respecting the Collateral, it being expressly  
understood that Secured Party shall not be obligated to perform, observe or  
discharge any obligation, responsibility, duty, or liability of Pledgor in  
respect of any of the Collateral, including, but not limited to, appearing in or  
defending any action, expending any money or incurring any expense in connection  
therewith.  
  
 4.6 Right of Secured Party to Defend Action Affecting Security. Secured  
Party may, at the expense of Pledgor, appear in and defend any action or  
proceeding at law or in equity purporting to affect Secured Party's security  
interest under this Agreement.  
  
  
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 4.7 Right of Secured Party to Prevent or Remedy Default. If Pledgor  
shall fail to perform any of the covenants, conditions and agreements required  
to be performed and observed by Pledgor in respect of the Collateral, Secured  
Party (a) may but shall not be obligated to take any action Secured Party deems  
necessary or desirable to prevent or remedy any such default by Pledgor or  
otherwise to protect the security interest of Secured Party under this  
Agreement, and (b) shall have the absolute and immediate right to take  
possession of the Collateral or any part thereof (to the extent Secured Party  
has not previously taken possession) to such extent and as often as the Secured  
Party, in its sole discretion, deems necessary or desirable in order to prevent  
or to cure any such default by Pledgor, or otherwise to protect the security of  
this Agreement. Secured Party may advance or expend such sums of money for the  
account of Pledgor as Secured Party in its sole discretion deems necessary for  
any such purpose.  
  
 4.8 Secured Party's Expenses. All reasonable advances, costs, expenses,  
charges and attorneys' fees which Secured Party may make, pay or incur under any  
provision of this Agreement for the protection of its security or for the  
enforcement of any of its rights hereunder, or in foreclosure proceedings  
commenced and subsequently abandoned, or in any dispute or litigation in which  
Secured Party or the holder of any of the Secured Obligations may become  
involved by reason of or arising out of the Note or other Secured Obligations or  
the Collateral shall be a part of the Secured Obligations and shall bear  
interest until paid at the rate chargeable on the Note but not to exceed the  
maximum rate of interest permitted by applicable law, from the date of such  
payment until repaid by Pledgor.  
  
 4.9 No Waiver. In case Secured Party shall have proceeded to enforce  
any right or remedy hereunder and such proceedings shall have been discontinued  
or abandoned for any reason, then in every such case, Pledgor and Secured Party  
shall be restored to their former positions and rights hereunder with respect to  
the Collateral, and all rights, remedies and powers of Secured Party shall  
continue as if no such proceeding had been taken. No failure or delay on the  
part of Secured Party in exercising any right, remedy or power under this  
Agreement or in giving or insisting upon strict performance by Pledgor hereunder  
or in giving notice hereunder shall operate as a waiver of the same or any other  
power or right, and no single or partial exercise of any such power or right  
shall preclude any other or further exercise thereof or the exercise of any  
other such power or right. Secured Party, notwithstanding any such failure,  
shall have the right thereafter to insist upon the strict performance by Pledgor  
of any and all of the terms and provisions of this Agreement to be performed by  
the Pledgor. The collection and application of proceeds, the entering and taking  
possession of the Collateral, and the exercise of the rights of Secured Party  
contained in this Agreement, shall not cure or waive any default, or affect any  
notice of default, or invalidate any acts done pursuant to such notice. No  
waiver by Secured Party of any breach or default of or by any party hereunder  
shall be deemed to alter or affect Secured Party's rights hereunder with respect  
to any prior or subsequent default.  
  
 4.10 Remedies. No right or remedy herein reserved to Secured Party is  
intended to be exclusive of any other right or remedy, but each and every such  
remedy shall be cumulative, not in lieu of, but in addition to any other rights  
or remedies given under this Agreement and all other security documents. Any and  
all of Secured Party's rights and remedies may be exercised from time to time  
and as often as such exercise as deemed necessary or desirable by Secured Party.  
  
  
  
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 4.11 Right of Secured Party to Extend Time of Payment, Substitute,  
Release Security, Etc. Without affecting the liability of any person, including  
Pledgor, for the payment of any of the Secured Obligations or the lien of this  
Agreement on the Collateral, or the remainder thereof, for the full amount of  
any indebtedness unpaid, Secured Party may from time to time, without notice or  
without affecting or impairing any of Secured Party's rights under this  
Agreement: (a) release any person liable for the payment of any of such  
indebtedness, (b) extend the time or otherwise alter the terms of payment of any  
of such indebtedness, (c) accept additional security therefor of any kind,  
including deeds of trust or mortgages, (d) alter, substitute or release any  
property securing the Secured Obligations, (e) resort for the payment of all or  
any portion of the Secured Obligations to its several securities therefor in  
such order and manner as it may deem fit, or (f) join in any subordination or  
other agreement affecting this Agreement or the lien or charge thereof.  
  
 4.12 Dividends. Upon the occurrence of an Event of Default, Secured  
Party shall be entitled to any dividends, fees, receipts, payments or other  
disbursements, attributable in any way to the Collateral. Pledgor shall take all  
actions necessary to cause the payor of such disbursements to make such  
disbursements directly to Secured Party on account of Pledgor. Such amounts,  
when received by Pledgor, will be applied to the outstanding balance of the Note  
or the other Secured Obligations, as determined by Secured Party. At all times  
during the term of this Agreement, Secured Party will be entitled to all stock  
dividends and proceeds of the Collateral.  
  
 4.13 Delivery of Certificates. Simultaneously with the execution of  
this Agreement, Pledgor shall deliver to Secured Party all certificates or other  
documentation evidencing the Collateral, along with such endorsements or stock  
powers as the Secured Party may request. In the event that Pledgor receives any  
certificates evidencing the Collateral, Pledgor shall within three days of  
receipt, deliver such certificates to Secured Party along with appropriate stock  
powers executed in blank.  
  
 V.  
 MISCELLANEOUS  
  
 5.1 Terms Commercially Reasonable. The terms of this Agreement shall be  
deemed commercially reasonable within the meaning of the Uniform Commercial Code  
in effect and applicable hereto.  
  
 5.2 Notices. Any notices or demands required or permitted to be given  
hereunder shall be deemed sufficiently given if in writing and personally  
delivered or mailed by registered or certified mail, return receipt requested  
(with all postage and charges prepaid), addressed as follows:  
  
 To Secured Party: At such address as provided to  
 Pledgor in writing from time to time.  
  
  
  
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 Pledgor: Xxx Xxxxxxx  
 00 Xxxxxxxx Xxxxxx  
 Xxxxx, Xxxxx 00000  
  
  
or at such other address as the above parties may from time to time designate by  
written notice to the other given in accordance with this Section 5.2. Any such  
notice, if personally delivered shall be deemed to have been given on the date  
so delivered or, if mailed, be deemed to have been given on the third day after  
such notice is placed in the United States mail in accordance with this Section  
5.2.  
  
 5.3 Definitions. The terms "advances," costs," and "expenses " shall  
include, but shall not be limited to, attorneys' fees whenever incurred. The  
terms "indebtedness" and "obligations" shall mean and include, but shall not be  
limited to, all claims, demands, obligations and liabilities whatsoever, however  
arising, whether owing by Pledgor individually or as a joint venturer, or  
jointly or in common with any other party, and whether absolute or contingent,  
and whether owing by Pledgor as principal debtor or as accommodation maker or as  
endorser, liquidated or unliquidated, and whenever contracted, accrued or  
payable. In this Agreement, whenever the context so requires, the neuter gender  
includes the masculine and feminine, and the singular number includes the plural  
and vice versa.  
  
 5.4 Change, Amendment, Etc. No change, amendment, modification,  
cancellation or discharge of any provision of this Agreement shall be valid  
unless consented to in writing by Secured Party.  
  
 5.5 Assignment of Secured Party's Interest. Secured Party shall have  
the right to assign all or any portion of its rights in this Agreement to any  
subsequent holder of the Note or other instrument evidencing the Secured  
Obligations.  
  
 5.6 Parties in Interest. As and when used herein, the term "Pledgor"  
shall mean and include the Pledgor herein named and its successors and permitted  
assigns, and the term "Secured Party" shall mean and include the Secured Party  
herein named and its successors and assigns, and all covenants and agreements  
herein shall be binding upon and inure to the benefit of Pledgor, Secured Party  
and their respective successors and permitted assigns.  
  
 5.7 Applicable Law. This Agreement shall be construed, interpreted and  
enforceable under and pursuant to the laws of the State of . If any  
provision of this Agreement is held to be invalid or unenforceable, the validity  
or enforceability of the other provisions of this Agreement shall remain  
unaffected.  
  
 5.8 Counterparts. This Agreement may be executed in two or more  
counterparts, each of which shall be deemed to be an original, but all of which  
shall constitute one and the same instrument, and in making proof of this  
Agreement it shall not be necessary to produce or account for more than one such  
counterpart.  
  
  
  
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 IN WITNESS WHEREOF, Pledgor and Secured Party have executed these  
presents on the day and year first above written.  
  
 PLEDGOR:  
  
  
 ---------------------------------------------  
 Xxx Xxxxxxx  
  
  
  
  
 SECURED PARTY:  
  
 BOUNDLESS MOTOR SPORTS RACING, INC.  
  
  
 By:  
 ------------------------------------------  
  
 Its:  
 -----------------------------------------  
  
  
  
  
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