

From: <BJR509@aol.com>
To: <DThompson@proskauer.com>
Date: 12/20/99 4:49pm
Subject: Re: Draft Consulting Agreement -Reply

In a message dated 12/20/1999 4:05:05 PM Eastern Standard Time,
DThompson@proskauer.com writes:

<< Hi Bruce, I'll try and look at by tomorrow afternoon, but it may be Wednesday before I can address it with you. Best regards. >>

OK; sorry for the short notice. The originator, who sent it to us today, wants a response by Wednesday. Maybe KSR can speak with you Wednesday morning if tomorrow doesn't work. Please let me know.

I think what we are looking for from you is some guidance on what areas are potential pitfalls. We will then come back to e-Style (our prospective client) with amended terms. Once we come to some agreement with them we likely will need you to do some wordsmithing.

I should note to you that we propose excising the "financing" part of the engagement compensation and substituting a "finders fee". StyleBOX has already retained an investment banker for financing purposes. KSR might introduce a counterparty but that would likely be the end of our involvement with financing activity.

Regards,
Bruce

12/23 ac with Sy and Elliot Bostrom and

1. David Bostrom

2. Will buy 1% of Draft's stock for
250k for a note or loan

1) There will be a loan which
matures after the capital gains
period

- note is recourse
- secured by stock

2. Further deal

a note for change to the payoff terms
of the note and seal it out

3.

- potential claim. Water Board
meeting that approves of his buying
all of the shares.

11. Consider disclosure issues of the sale and
the impact on rates $\frac{7.5}{\text{cmilhr}}$

Condition was met

5 Gunter has since said there was
fraudulent inducement. Failure
to disclose an arrest and conviction.

a. Arrested 23 years ago
for solicitation of a
prostitute.

- His lawyer settled it
for a nominal fee which
he didn't

6. Had been sign something a couple
of weeks ago. (Short word 1 1/2
ago)

9. Menger

a. Must obtain fairly of \$7.5 or @ > \$25 per
2/28/2000
- this is a precondition

6 Shareholder Approval received in Nov 24th

10. It's 20,000 shares

- at time issued to him there was
some expectation that some of his
shares would be withheld so as to

5 Share Ownership

485,000 total outstanding as follows:

200,000	Ray
174,000	Other Board Members (5 total)
96,000	Third Parties. (include 84,000 shares from Ray Friends (Ken Atkinson))
15,000	Colin

Company to date hasn't issued any shares

These are issued to all
Board members and have
various vesting requirements

There are also stock options outstanding primarily
offered by Ray and the Board. Most
are at 31/2%.

- All of the options are contingent
on a 10% or merger/sell of the Company

6 Board members

- a) Rick Williams - Dark & Bondshut lawyer not
a shareholder
- 2) Ann Board (wife of Bill Board)
- 3) Tom Shifford
- 4) Steve Norton
- 5) Ray

7 Directors

- a. Issued 200,000 shares but can only
vote 20% of the outstanding ($\approx 47,000$)
 - rests upon a "funding only"
 - no written agreement on this.

*Probably
not enforceable

12/21

Ray Shippard and Ivan Fischer
Matt Tufts and Howard Lourie

- 15 years in Parallel McDonald Foundation
- having non profit background

A. History of Virtumix

1. Virtual colonoscopy. Cat scan in lieu
of an invasive procedure. Creates
a 3D image which can be viewed
in .

See Marketing materials

2. SUNY licenses the technology to the company

- There is a disputed patent issued in 95

- Litigation is now ensuing on the topic

- Bill Bond

3. Corporation has rights to the patent

- patents are owned by 2 individuals

M.D.

- Sean Cain, was involved and assigned it

to 2 individuals Bill Bond and Tom Stanford

4. SUNY has a better patent

A.

- ① ④ Revenues ruling assume a transfer under 708 of the Code. We just specify that the transfer does not result in a return, but only
- ② Keep vVint.com.LLC in

B.

vVint.com. Inc

- 1. Liquidating distribution would be taxable unless a reorganization

2

Proposal letter - \$ 25 in the piece

- Sale and lease
- fracturing
- rental payment
- at end of term Ritzay takes the equipment back (mandatory purchase)
- we will look at the pictures

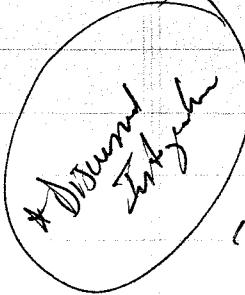
→ confirm call from me early afternoon

- by end week to me from

Stu Ritzay

- send email and attach the doc
- St. Durado - in ~~St.~~ Santa Fe, Mexico
505 - 988 - 4455 phone
505 - 995 - 4544 fax

18/11 or with Brian Utley



Questions for Brian Utley

1. ECP - See the fax itself
- he is inclined to take the business risk on integration
- * 25m. the
* 100k and 100k
* 200k and 200k
2. Roy
a. Ad vs Pl
- from his fee/fee
b. Consent issues
c. www.com - shareholders and members issue
continuation of Class A/Class B concept?
d. doc
3. off
a. Business Acqchn) Yes, keep it place
4. Financial Statements
5. Preliminary Term Sheet

Very early in the

the new year.

Earliest would be

3/01/03. Mid January before
audit #'s could be available

Send it to
Mr. Option
(get fax)
by today
number

we understand 5 limitations on use of SCP ~~not~~ for negotiations
this and want
don't want them
to use the
for the purpose

a. Fees for introductions

be 3% Flat fee

de 7 confirm introductions to date by SCP

PROSKAUER ROSE LLP

12/26/06 with Brian Utley

.5

A. Business Risks:

✓ 1. Impact of Warrant to a Non-accredited investor
de a. Integration Risks. Review risks in subsequent deals.

✓ 2. By law Pricing of the initial Warrant
ok
- increased from 15 per unit to 16.67 per unit so that it is not less than Hargan and reduced the 32.50 warrants by a corresponding amount to 30.83

✓ 3. Formation and vesting
de
- eliminated the 90 day requirement for formating so as to make consistent with Grunthal
No
- if we formulate, however, we want to accelerate the vesting.

Law Offices

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Melbourne	Tallahassee
Mexico City	Tampa
Miami	Washington, D.C.
New York	West Palm Beach

FACSIMILE

TO:

Hank Powell (561) 838-4105

NAME FAX#

Rocky Thompson (561) 241-7145

NAME FAX#

iviewit

PENDING MATTERS
(last updated December 22, 1999)

<u>Item</u>	<u>Status</u>	<u>Attorney</u>
1. Generic Web Site and License Agreement	sub. complete	GC/MR
2. Furniture Purchase	Drafts distributed to client	GC/MR
a. Purchase Agreement		
b. Convertible Note	modify prepayment	
c. Security Agreement		
d. Subscription Agreement		
e. Corresponding Issuance to iviewit LLC	in process	
i. InterCompany Agreement		
ii. Managers Consent		
iii. uvewit.com Board Authorization		
3. General Securities Issues		RT/GC/MR
a. Securities Integration Issues		
b. Blue Sky Authorization Issues		
c. S Corp Issues & Right of First Refusal		
d. Corresponding LLC issuance, as applicable		
e. Private Placement Memorandum		GC/MR
i. Nonaccredited Investor impact		
ii. Audited Financials		
f. Explanatory Memorandum	copy to client	RT
4. Conversion of Huizenga Loan	In process	RT/MR/AL
a. Execution of LLC Agreement	Drafts given to	
b. Execution of Subscription Agreement	Cris Branden	
c. Amendment to LLC Agreement		
i. Written Consent of Board of uvewit.com		
ii. Written Consent of Class A Member		

Legend:

Rocky Thompson - RT
Gayle Coleman - GC
Mara Lerner Robbins - MR

Spencer Romoff - SR
Ira Akselrad - IA
Chris Wheeler - CW

5. Potential Restructuring	in process	CW/RT/SR
a. Memorandum re same	completed	RT/SR
b. Tax Considerations		SR
i. Downstream Merger of uview.com and iviewit holdings		
c. Choice of State Law		
i. Florida v. Delaware		
Franchise tax issues		
d. Transaction Steps		
- See separate checklist on this matter		
e. Timing issues		
i. K-1s and losses	w accountants	
6. Gruntal & Co Offering	monitoring	
a. Engagement Letter for \$2M to \$10M		
i. Exclusivity Provision if successful		
b. Side Agreement with Eliot Berstein		CW
7. Jenex Financial Services		MR
a. Termination letter		
8. Emerald Partners	in process	RT/MR
a. Financial Consultant Agreement		
9. Potential Offering to Existing Shareholders/ Members	under discussion	CW/RT/MR
a. \$500,000		
b. Limited to Accredited Investors		
c. Look at separate exemption basis		MR
d. Alternative to WebCast deal		
e. Contact persons at Co. is Guy and Maurice B.		
f. Preliminary Term Sheet	to client 12/22	RT/MR
10. Essex Private Placement	in process	GC/ML
a. Darrel Crate - \$1m		
b. Essex Investments - \$4m		
c. Terms		
i. 20% of Co. for \$5m (including Emerald Warrants as outstanding)		

ii. Voting Interest in iviewit LLC

11. WebCast	in process	RT/MR
a. Letter of Intent	complete	
b. Confidentiality Agreement	complete	
c. Equity Investment		
d. License Agreement		
12. InterCompany Matters	in process	
a. InterCompany License	sub. complete	MR/GC
i. Coordination with Generic Web Site Agreement		
13. uviewvideo.com/Doc McGhee	in process	RT/CW/MR
a. Organizational issues on uview video		SR/IA
b. Doc McGhee participation interest		
i. 30% of new entity		
c. Background Check on McGhee	received and distributed	MR
d. McGhee Finder Commission and % of revenues from pay-per-view of recorded musical acts		
e. Letter of Intent	yet to start	
14. Work for Hire Agreements	copies to Brian U.	RT et al
a. Jude and Zack		
b. Memo re same and immigration		
15. Immigration Issues	in process	Ron Storette
a. Jude and Zack		

DONALD E. THOMPSON, II
PENDING MATTERS
DECEMBER 22, 1999

<u>Client</u>	<u>Status</u>
17. Ronald Bizick	in process
a. New business ventures	
(i) Noncompete issues	
18. Hammond Estate	Monitoring w George K
a. Stock issues	
b. Potential sale of stock	
19. Royal Companies	in process
a. Shareholder Agreement issues	
20. Aura Group	monitoring w CCW awaiting execution
a. Potential Acquisition of Stuart Jet Center	
b. Letter of intent	
21. Careers USA	sub. complete w Mara
a. Organizational Matters involving LLC	
22. Firm	Substantially complete Ongoing
a. Corporate Paralegal Manual	
b. Form Files	
(i) Leisure & Resorts	
(ii) Medical	
(iii) Corporate	
(iv) M&A	
(v) Computer Hardware & software	
(vi) Securities	

cc: Albert W. Gortz
Christopher C. Wheeler