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**From:** yannis20@tiscali.co.uk  
**Sent:** 13 May 2008 15:57  
**To:** george.busfield@uk.ibm.com  
**Subject:** Re: CONFIDENTIAL - Final Options to stop us going round in circles - leave it up to you

**Importance:** High

mate - i agree 100% that we need to move on and i dont want us to ruin our (new!) friendship by labouring over points that either of us aren't completely happy with. better to keep the friendship and work together if we can but not to force it if we cant. at all costs i think our friendship is more important - something i think i have tried to show with the offer of the free 3.5%.

so here's my feedback on the options;

option 1:

- the hardest part will be convincing everyone that josh's 5% should be yours with no caveats. from an objective point of view you are asking for 8.5% (£119,000) for free, in addition to the 5% (£70,000) you made from the original deal - making a total 13.5% (total £189,000) which you will pay for by effort alone. i am sure you can see where i am coming from on this, especially when you consider the tough time i have had trying to get a pay rise of £10k. but if the others think its a good idea then i will too.

option 2:

if this keeps you incentivised then i am happy with this. i have assumed 2 points. if either of my assumptions is wrong you need to tell me;

1. the "original" deal is the one where i keep the divs from the option until you pay for the shares (min tranche £50k).
2. you will still do the pond.

the other thing i am a little bemused by is why didnt you just propose this to start with? considering we were talking about options before, the only consideration was the extra issues concerning time limits etc. surely this option would have been easier, albeit for considerably less monetary gain for you.

option 3:

its worth keeping this alive for now - "just in case"....as i said at the start, our friendship is the most important thing for me to protect and i would rather you/your investors had some monetary reward for all the shit you have had to go through rather than you remain involved with RAN and be unhappy. as you have said it is definitely my least preferred option but if it means that we are both content (albeit not ecstatic - but not pissed off either) then its surely worth it.

all in all mate you just have to give me some clarification on the points above and then its onto the BM for final decisions.

cheers

ran

---Original Message---

From: george.busfield@uk.ibm.com

Date: 13/05/2008 15:06

To: "yannis20@tiscali.co.uk"

Subj: Re: CONFIDENTIAL - Final Options to stop us going round in circles - leave it up to you

Ran,

Thanks for the note / discussions - genuinely appreciate you talking to me openly etc.

I have and am spending a great deal of time on RAN - which I want to do - but I have to have an effort / equity balance that I am happy with so that I can realise my dreams and aspirations either with RAN or elsewhere - I am sure you can understand that as my time and my skills are my most valuable tools - I have to use them to create the best future I can for myself and my family etc.

**Therefore what I / we need to establish is either:**

Option 1) A position where I am fully on board and fully motivated as a non exec (with the and/or potential as an employee to consider in the future) - i.e inputting all time and effort I can OR

Option 2) A position where I am just a traditional Non exec and will support where I can but much of my time will be devoted to other projects

However, I think the danger here is that we are just going to end up going round in circles and the emotional cost (together with the significant time that is being expended on this) is just not beneficial for anyone. **So following our discussions etc** - I think the best thing is for me to just put a stake in the ground and clearly state the black and white positions that I would agree to in order to achieve one of the 3 options above - and then leave it with you to decide which way you want to go.

Noting that I will amicably agree to any of them - but as you know Option 1 is categorically my preferred - with the idea of considering coming on board full time. I have always believed in RAN and would love to be part of it going forward but I also know that I do and can add value (to any Company) and I obviously (as would you) want to be recognised for that value/time/effort, and rewarded accordingly (albeit in the case of RAN also ensuring that, in my opinion, the outcome is fair and in accordance with what we have already agreed and discussed:

I also strongly believe that it is in RAN's best interest to support Option 1 as having me motivated means I will then be incentivised to do all I can for the company going forward (think about it - look what happened when you didn't feel motivated over the pay rise last year - if someone feels fairly rewarded and valued then they are happy to put the effort in - just human nature) - it ultimately comes down to the value you feel I add)

**Therefore, as stated, following discussions etc, please see my final positions that I would support to establish one of the 3 options above:** (relevant calcs shown on attached spreadsheet.)

**OPTION 1: Fully On Board and motivated with the idea of considering potential full employment in near future**

**Your Input:**

3.5% Gift to GB - As initially agreed for Pond / goodwill / supporting not dilute Sonny / agreeing to support revised Payrises / Bonuses etc

0.7% Sale to GB - To enable GB to reach 15.1% as per attached calcs (i.e.  $0.7/5 \times £70,000 = £9800$  off the £70,000 sale) - so as you are not giving anymore away than originally agreed but satisfying me

5% Josh Shares - No caveats - These were already assigned to Josh for his value add - which he hasn't **but I am** delivering - provides incentive & motivation going forward for Harry / NTKN etc

NO OPTION - Sacrificed in lieu of Josh Shares

Purchase 5% for £70k - As agreed

Leaves GB on 15.1%

**My Input:**

Pond

Harry Work / NTKN Work

Propose RS/ MC Salary /bonuses

Pay off "silent Investors"

Ongoing active Strategic support and work as required (other acquisitions / mergers, media packs, Limecard Deal, Advertising models etc)

Potential future employment working on all the above full time (together with Sales and News accreditation)

**OPTION 2: Non Exec Director Role Only - essentially as per original agreement**

**Your Input:**

3.5% Gift to GB - As initially agreed - for NTKN / Harry / goodwill / supporting not dilute Sonny / agreeing to support revised Payrises / Bonuses etc

10% Option - As initially agreed - no time limits etc

Purchase 5% for £70k - As agreed

Leaves GB on 10.1%

**My Input:**

Harry Work / NTKN Work / Propose RS/ MC Salary /bonuses & General Strategic support - **BUT ALL TIME / INCENTIVISATION LIMITED** - i.e. in line with traditional Non Exec role - just attend board meetings etc

Potential future employment working on all in Option 1 - BUT CREATES A BIGGER CHALLENGE RE EMPLOYMENT

I left out the potential option 3 - i.e. £140,000 total buy out as I don't think either of us want it and I don't think it would be good for us of the company.

So I leave it with you - I think that the above gives you the flexibility to decide how much involvement /support you want from myself both now and in the future and I think we just have to draw a line under it one way or another as i personally just don't want to keep talking to you about this stuff but get on with talking about more exciting things -like building the company, having fun and being friends.

Anyway let me know which one you want to do (I thinkk you know how I felld and I hope it is Option 1 and that you see the value in it) but ultimately I just want to move forward and put this behind us.

Cheers

G

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George C E Busfield

Financial Management & Strategy

IBM Business Consulting Services

South Bank, London SE1 9PZ

T: +44 (0)20 7021 8514

"yannis20@tiscali.co.uk"

To George Busfield/UK/IBM@IBMGB  
cc

13/05/2008 11:06

Please respond to  
"yannis20@tiscali.co.uk"

mate - please call me asap regarding this. i had no idea you were thinking things like this but its obvious we need to talk.

if the controls i proposed on the option have meant that you have lost incentivisation then lets keep to what was originally agreed. essentially, that you have a "free call" to lift 10% @ £200k whenever you want. no restrictions, no time limit. as you have said, the original idea of the option kept you incentivised so lets keep the original idea.

i will pay you £70k today for your 5%.

the reason i say this is because i cant give you any more shares free than the 2% i offered (although i could up that to 3% if it helps - although i have to discuss this with matt since i will be asking for a small amount from him). also, because i have now signed the papers to get you 70k, it stops me getting 140k now since this would require having to pay HUGE cancellation fees on the re-mortgage. this is why i KEPT asking you if that was what you wanted.

in terms of the employment remuneration - the best thing is to put your claims in front of the board. if you support my 10k pay rise i will support your employment but the most important thing will be convincing matt and sonny that the terms are reasonable. i will help all i can.

call me and we can discuss

ran

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

From: george.busfield@uk.ibm.com

Date: 12/05/2008 17:45

To:

Subj: CONFIDENTIAL - GB RS Moving Forward and Re: HARRY/SHARE TRANSFER DOC

Hi mate,  
Apologies for not getting back to you - was busy typing the attached! - and wanted to get this to you for you to look at asap....

Please take the time to read and understand it fully - I apologise for the length but this is really important to me in deciding what I am doing going forward. I anted to get everything down on paper to make sure it was all clear etc in my own mind and so I could clearly explain it all to you.

I guess I am feeling that I have / potentially will (and want to do) a lot of work on RAN Ltd's behalf but I am just not feeling that I have the incentive to - for a number of reasons that I have tried to explain in the attached documents - partly becasue of my family in the background but also because I just don't feel

the effort / equity balance is justifying the time I am putting in - particularly as I am not really seeing the value in the Option as it is just seems expensive and almost unachivable in the near term.

Ultimately, you know how much I love RAN Ltd and believe in everything it can achieve but I need to establish if it can be part of my dreams and ambitions realistically or whether I just have to see it as a minority investment and Non exec role (similarly but with more productivity to MGN's position when he held 5%) - so that I can devote the majority of my time to fulfilling my dreams on other ventures (you know how ambitious I am).

Obviously, I would love it if I could stay involved to a significant or full degree - either as a Non Exec or more preferably as a Full Time part of your / our team but I need your opinion, choice and advice to help me resolve how can move forward.

If it is that we can't agree on one of my preferred options enclosed in the attatched (i.e. Option 1,2 or 4) then I think I will have to opt for number 3 - but having said that I will still do my best to support going forward - I just won't be able to put the same time and effort in.

I really hope that you are in agreement with what I have tried to say and as I have said in the attatched letter - I have just highlighted my niggles (as you said yourself) and proposed some options to you so that we can resolve and so that there is nothing "niggling" away at me or you as we move forward - **more than anything I value that we can now talk openly to one another and have a stronger frendship than ever - and come what may that is the most important thing.**

The attatched word document / letter explains everything and the spreadsheet just provides the back up in terms of why the options represent equality and fairness - I have included a Summary at the end of the letter.

Please take your time to digest and understand fully - I honestly look forward to hearing back from you so that I can make some decisions one way or the other and move forward without any "niggles"

Give me a call to discuss once you have had chance to digest / spoken to Sonia etc and as I have said herein - I would appreciate us working through this before discussing with the other directors

RE Harry - Again as stated in the letter - I am currently working on it but believe I have a 95% delta that i can make it happen so as to benefit RAN and you (for the objectives you stated the other week)... I will work on the NTKN deal as well once I have dealt with Us and Harry - I am sending a holding memo to state that I will be picking up the negotiations - I would appreciate it if you could forward me the email where they asked us to come back with a proposal.

**Call me once gone through the attatched.**

Thanks mate  
G

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