

Re: J Earl Trading Limited intellectual property li...

Subject: Re: J Earl Trading Limited intellectual property licensing / settlement
From: Piers Larbey <Piers@Fletcherday.co.uk>
Date: 05/08/2016, 17:50
To: Adam Taylor <adam.taylor@Fletcherday.co.uk>
CC: "jason@je-trading.com" <jason@je-trading.com>

Thanks Adam. Yes that's right, I was referring to those points a to c.

Kind regards
Piers

On 5 Aug 2016, at 17:46, Adam Taylor <adam.taylor@Fletcherday.co.uk> wrote:

Fine with that but last paragraph seeking confirmation of points 1-3 etc. should remain

Regards

Adam

Adam Taylor | Partner

<image001.png>

Fletcher Day | 56 Conduit Street | Mayfair | London | W1S 2YZ
DX: 37227 Piccadilly
DDI: 0207 632 1444 | Fax: 0207 240 7617

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From: Piers Larbey
Sent: 05 August 2016 17:45
To: Adam Taylor <adam.taylor@Fletcherday.co.uk>
Cc: Jason, JE Trading <jason@je-trading.com>
Subject: Re: J Earl Trading Limited intellectual property licensing / settlement

Thanks Adam

Re points a and c, these are subject to contract so not set in stone but I agree with Adam that there is a lot in the email, some of which has been said before. Maybe it could stop after "legal advisors"?

Kind regards
Piers

On 5 Aug 2016, at 17:37, Adam Taylor <adam.taylor@Fletcherday.co.uk> wrote:

Hi Jason

I am concerned that you will not get the positive response you are hoping for as I feel there is too much in here. Are you sure the invoice is correct? Is VAT not applicable (and even if you are not VAT registered would this not trigger an obligation to register – forgive me but I am not a VAT expert – I assume your accountant would be able to confirm). If in doubt I wouldn't invoice now – you can always follow through with one next week. Piers may have some additional comments especially on the points I have numbered (a) to (c) and which I have not changed.

Subject to all that and trying to keep your style but shortening I suggest as follows:-

Dear George, & Adam,

We've had many discussions now since email below. I have spoken again with my legal advisors who are concerned that we need first to establish the basis of our agreement before we can begin to try to work together and agree a settlement.

I think from our discussions we are agreed on the basics and would be grateful if you could confirm your agreements to this:

1. RAN Ltd accept that I am owed £1.356 million for the historic use of 91 months of my intellectual property (description included below) – **WHERE IS THE DESCRIPTION – IF NOT JUST REMOVE THE WORDS IN BRACKETS**
2. RAN Ltd now accepts that this represents a fair market rate for my intellectual property (given its value to the company and in the market place vs other providers to the company)
3. In view of the historic dealings with Mr Singh who confirmed I would be rewarded with equity in the company as compensation, we all accept that it is fair and just that this debt should be treated now as due in full.

You are all aware that I've had a good relationship with the company and consider many of the employees to be friends. I do hope and believe that we can resolve this matter through negotiation / discussion - I believe we have now established the core terms for settlement and hope we can agree these and move forward to avoid me having to discuss further action with my legal advisors.

Following our most recent of discussions I outline again the terms that I understand may work as a resolution to this matter – I have been advised to make it clear that I do this without prejudice to my full legal rights and subject to contract, in the hope this will assist us all in closing this matter off quickly

- a) In order to protect the employees and to try and make the best of a bad situation I will agree to your increased proposed purchase price for all the "Squawk business trading assets" at £836k (£480k + £356k) - simply in order to facilitate resolution as I was considerate to agree to a discount for prompt resolution previously. We would need a formal trading asset sale contract that I understand your lawyer has offered to draft. He must ensure that it includes all the assets that will enable me to continue trading as a squawk business - I believe I can attain the newswire licenses required as I do not have RAN Ltd's history. Although I intend to change the trading name, this includes but is not limited to the rights and actual possession of the IT hardware, the domains, the processes, the client list and the contracts, the supplier contracts, the trademarks and the current staff (as or if appropriate). Please have your lawyer draft this ASAP.
- b) This would leave a residual amount of £500,000 outstanding.
- c) I would agree to accept a payment of £200,000 today and £100,000 per year over 3 years as this will enable RAN ltd to re-establish itself before being required to make any further payments as I understand RAN Ltd does not have the funds today.

Please confirm your agreement now to points 1-3 above. I include a formal invoice for this debt and I will forward the full licence agreement as soon as I receive it from my lawyer.

Cheers,
Jase

Regards

Adam

Adam Taylor | Partner

<image001.png>

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From: Piers Larbey
Sent: 05 August 2016 16:51
To: Jason, JE Trading <jason@je-trading.com>
Cc: Adam Taylor <adam.taylor@Fletcherday.co.uk>
Subject: Re: J Earl Trading Limited intellectual property licensing / settlement

Thanks Jason and as per my email a few moments ago thank you for confirming you have sent money on account. I shall confirm receipt, which I think will arrive on Monday.

I got the message that the below email has not been sent and Adam (Taylor) has kindly agreed to review the below as I am not in the office.

Kind regards
Piers

On 5 Aug 2016, at 16:37, Jason, JE Trading <jason@je-trading.com> wrote:

Dear George, & Adam,

We've had many discussions now since email below. I have spoken again with my legal advisors and I think that we are now agreed the current situation is as follows, I would be grateful if you could confirm your agreements to this:

1. RAN Ltd accept that I am owed £1.356 million for the historic use of 91 months of my intellectual property (description included below)
2. RAN Ltd now accepts that this represents a fair market rate for my intellectual property (given its value to the company and in the market place vs other providers to the company)
3. RAN Ltd accept that my intellectual property, like MNI, DOW JONES and other supplier licenses has in effect been stolen and / or abused by Mr Singh, the previous CEO who in my case conveyed that I would be rewarded with equity in the company as compensation.
4. Given Mr Singh has now been expelled from the company for a multi million pound embezzlement, and the company is now facing other external challenges, we all accept that it is fair and just that this debt is now due in full.
5. RAN Ltd accept that I may now need, or be advised, to serve formal proceedings in regards this debt but that in doing so I do not remove the option for a more amicable settlement and remain open to our current discussions.

Despite the difficult circumstances in which we find ourselves, and despite the fact that I feel I have no choice but to pursue formal action

at this point. You are all aware that I've had a good relationship with the company and consider many of the employees to be friends. I do hope and believe that we can resolve this matter through negotiation / discussion - I believe we have already established the core terms for settlement - but given the seriousness of this matter until a suitable settlement agreement or repayment contract is signed I am afraid I am unwilling to withdraw the formal action I feel are required.

Following our most recent of discussions I outline again the terms that I understand may work as a resolution to this matter - I would be grateful if you could confirm these also.

1. In order to protect the employees and to try and make the best of a bad situation I will agree to your increased proposed purchase price for all the "Squawk business trading assets" at £836k (£480k + £356k) - simply in order to facilitate resolution as I was considerate to agree to a discount for prompt resolution previously. We would need a formal trading asset sale contract that I understand your lawyer has offered to draft. He must ensure that it includes all the assets that will enable me to continue trading as a squawk business - I believe I can attain the newswire licenses required as I do not have RAN Ltd's history. Although I intend to change the trading name, this includes but is not limited to the rights and actual possession of the IT hardware, the domains, the processes, the client list and the contracts, the supplier contracts, the trademarks and the current staff (as or if appropriate). Please have your lawyer draft this ASAP.
2. This would leave a residual amount of £500,000 outstanding.
3. I would agree to accept a payment of £200,000 today and £100,000 per year over 3 years as this will enable RAN Ltd to re-establish itself before being required to make any further payments as I understand RAN Ltd does not have the funds today.

Please confirm your agreement to my debt, the current situation and your agreement to the proposed terms.

I include a formal invoice for this debt and I will forward the full licence agreement as soon as I receive it from my lawyer.

Cheers,
Jase

----- Forwarded Message -----

Subject:RE: J Earl Trading Limited intellectual property licensing / settlement

Date:Thu, 4 Aug 2016 18:27:56 +0000

From:George Eaton-Busfield <george@g-cv.com>

To: Jason, JE Trading <jason@je-trading.com>, Adam Voce <adam@g-cv.com>
CC: Piers Larbey <Piers@Fletcherday.co.uk>, medwards@setfords.co.uk <medwards@setfords.co.uk>, Aubrey Hayward <aubrey.hayward@ransquawk.com>, Adam Linton <adam.linton@ransquawk.com>, George Eaton-Busfield <george@g-cv.com>

Dear Jason,

Thank you for your email below and our lengthy discussions on this of late. I have referred the matter to our legal counsel and we are investigating our options. We would be grateful if you could bear with us whilst we try to establish a suitable solution.

I understand that you feel aggrieved and I understand the reasons that you wish to dissociate from RAN Ltd but as I say I hope that we can find some way forward as it has been an incredibly trying time for the company of late trying to repair the damage done by previous executives and directors.

I will try to discuss this more with you later – but in the meantime, I have my own thoughts, but could you confirm the following please?

1. How have you determined that the IP is your asset in the first place?
2. How have you established a valuation and a timeframe for the amount that you claim you are owed?
3. Do we infer from your email that you intend to make a formal statutory demand for this amount?
4. Regardless as to your answer to 3 above do I conclude that you are asking for us to make some significant progress in negotiations to stop us having access to your systems in the near future (i.e. 7 days is mentioned)

I would be grateful for this insight and I will speak to you later in any event. Please understand we are taking this matter very seriously and we acknowledge that there has been a significant failure in the company's ability to secure the appropriate licencing agreements with many of our suppliers and this is something we have to address head on.

I am of course following up with legal in the meantime and they are copied into this correspondence for transparency.

Regards,
George

From: Jason, JE Trading [<mailto:jason@je-trading.com>]
Sent: 03 August 2016 18:07

To: George Eaton-Busfield <george@g-cv.com>; Adam Voce <adam@g-cv.com>
Cc: Piers Larbey <Piers@Fletcherday.co.uk>
Subject: J Earl Trading Limited intellectual property licensing / settlement

Dear George & Adam,

Thanks for going discussions. As discussed I have sought legal advice and given the company's litigation history and past actions, including on a personal level how I have been treated I feel I have no choice but to cease my relationship with RAN limited in absolute. Therefore in line with our discussions I seek the full repayment of 91 months of license fees for the intellectual property that I have developed and that has been used historically and that Ranvir Singh inferred that I would be compensated for.

This means that I am hereby making a formal demand for £1.356 million which I require to be settled within 7 days, or I shall cease to provide authorization for the use of my intellectual property.

However as we have discussed in detail I am prepared to offer an alternative road to resolution of this issue.

But please do bear in mind I will be instructing formal legal demands in the near future. You should not take this as an idle communication.

The alternate settlement I am willing to agree with RAN limited:

- * You agree my company J Earl Trading Limited can purchase RAN Limited's squawk trading assets for £480K which I understand is equivalent to 1 year's net earnings and a fair market value given you will no longer have access to the technical infrastructure and intellectual property and that you no longer have access to ANY of the premium news wires that companies in this industry require.
- * You agree immediately to make a payment to my company, which is the owner of the intellectual property in discussion of £700K resulting in a net payment of £220K after consideration of £480K payment due from J Earl Trading to RAN Limited is netted off for the trading assets purchase
- * You agree to pay an additional £300K in 5 yearly payments on 4th of Aug, starting 2017 for £60K on each occasion
- * You agree to provide my company with a secure charge for this final £300K until it has been repaid in full.
- * You release Adam Linton from his employment and his non-compete, such that he is able to join J Earl Trading Limited and be employed by J Earl Trading Limited
- * I'm aware that RAN Limited is seeking material compensation for embezzlements by Mr Singh and Mr Cheung. I understand that RAN Limited may require working capital cash-flow to ensure it can realise the repayment of these debts. I am happy to offer on an informal basis to provide working capital cash-flow finance by way of 5% loans on a

on demand basis going forward. I will commit to this on behalf of this of my company as goodwill but informally I will not agree to incorporate this as part of any contract but you have my word that I will do my utmost to honor it should it be required.

It is not my intention to cause RAN limited significant duress but I feel it is a company I can no longer associate with in the longer term and I must do my best to protect my own career and provide security for my family in the future. I am sorry that circumstances have lead to this I look forward to your reply.

Regards,

Jason.

<JET_license_invoice.pdf>

— Attachments: —

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