

Heather Pettman,
50 Knoll Road,
Bexley,
Kent,
DA5 1BB.

heatherpettman@gmail.com

+44 7786 548278

28th May 2018

Tom Maker,
Quantuma LLP,
High Holborn House,
52-54 High Holborn,
London,
WC1V 6RL.

Dear Tom,

URGENT - PRIVATE AND CONFIDENTIAL
FOR QUANTUMA REPRESENTATIVES ONLY

In follow up to the creditor forms and proposals recently sent to you, we have a number of concerns we feel need to be raised with Quantuma. In general terms, we feel that there has been an alarming neglect towards many issues we've raised, since we appointed you to the administration process. We note that Quantuma have had substantial communication with Mr Daniels surrounding the business, but there has been no attempt to reach out to me as the other company director.

Broken PC following drive imaging:

Last month we willingly gave you our home computer for imaging. This machine was not company property but it was given to you in good faith that you use it as part of the investigations and forensics process as we understand you had also imaged computers held by the company.

Since this has been returned we've been unable to use this PC. We've reached out and our requests have been ignored. This has hampered our ability to file creditor claims relating to Heather's consulting and Stone Futures Ltd. It has also impeded our capacity to undertake other investigatory matters.

We kindly request that someone works with us on this matter. If the contents of the computer cannot be recovered we kindly request that you return a copy of the imaged data from it, and assist replacing any broken components. I'm sure you'll appreciate that being unlawfully excluded has made it unnecessarily difficult for us. Especially when we've seen the company taken out our hands despite numerous attempts to address wrongdoings.

Failure to recognise circumstances surrounding the administration:

Repeatedly Stuart and I have sent material outlining the the fraud and misconduct by Mr Daniels since being blocked access to the office in April 2017. Having been unlawfully frozen out of the business for this period we've had to go to great lengths to defend ourselves over this unlawful eviction and gather the evidence that back up our claims. Prior to the sale Stuart sent a comprehensive document outlining these concerns because of the very real threat of the company being sold to people not having the best interests of said company and who have colluded with Mr Daniels. This rendered our objectives of administration as pyrrhic. Absolutely no acknowledgement of these issues was made after it was sent. The completion of the sale has since proven that our warnings were ignored. It is very clear on Companies House that Global News Services Limited has been set up by Mr Daniel's during the High Court injunction.

Whilst it was understandable as administrators Quantuma needed to secure the sale of the business assets to proceed further and have resources to investigate concerns such as these after the sale, however we've had virtually no correspondence from Quantuma since the sale 2 months ago. This further reinforces our fears that investigations in to Mr Daniels will simply be nothing more than a whitewash of the facts.

The "Joint Administrators Proposals" document further cements these fears. Appendix I, Section 2.1 fails to acknowledge the following:

- Our eviction in 2017. This is important because since this date Mr Daniels has actively sought to not pay HMRC and divert money from Live Squawk. This was done with the sole intent of hoping HMRC would wind up the company and Mr Daniels would continue to transfer the business assets into various phoenix companies. Stuart has actively engaged with HMRC over this matter to highlight Mr Daniels misconduct in this regard.
- There is a blinding failure to acknowledge the High Court Injunction granted in September 2017. This key fact highlights Mr Daniels intent for the above plans. We've also sent screenshots of Metro Bank and HSBC initially rejecting applications for A1 News Ltd / LS News Ltd based on their basic due diligence / anti money laundering checks.
- Mr Daniels further High Court injunction breach was by trying to set up Market Audio News Limited (MAN). It has been clearly documented that Mr Daniels sent an email to Heather close to the 4th January 2018 stating that William Ingles was the new accountant. Mr Ingles happens to be a director of MAN Ltd on Companies House and with Quantuma's appointment it has been clearly documented Mr Matthews (shareholder of MAN) has approached Quantuma over his side of the story. Contempt of court claims will be issued in the coming months.

It seems all too convenient that these facts have been omitted, and that Quantuma have used section 2.2 to cover for the fact that section 2.1's statements are biased totally towards the Mr Daniels version of the truth. Both Mr Daniels and I were directors at the point of the administration and no attempt was made to ensure a balanced account of events was recorded.

Concerns over creditor claims:

After reviewing "Attachment C" from the proposals it is clear a number of creditors have emerged since the appointment/wind up petition back in March. We have particular concerns over the claims held by Microlatency Ltd, Geoffrey Dixon & Billy Johnson.

The Microlatency claim for £300,000 is an odious debt at best as we have highlighted this on numerous occasions. The "Fraud and Misconduct Summary" document sent prior to the sale of the assets it was outlined that Mr Daniels and Mr Poel planned to "siphon off" money into Microlatency. This has been further proven by the fact Mr Daniels in Skype conversations with Mr Poel has requested money back from Microlatency in order to pay for his defence for the injunction. Andrew Wand of Capstick-Dale & Partners solicitors (related to Richard Poel of Microlatency) is well aware of these concerns.

Furthermore, Mr Daniels was given a specific disclosure order (with costs awarded against) yet still to date Mr Daniels has not delivered Microlatency bank statements or indeed any communication with Microlatency. In addition, LSHIL's accounts for 2017 are an exact duplicate of the ones submitted in 2016 and therefore absolutely fraudulent as no Microlatency monies have been accounted for. I find this very strange especially as Mr Daniels has a registered company (Global News Services Ltd Co No: 11312113) at the very same address where Microlatency's lawyers are based (who incidentally refused to give information and Mr Daniels said he was not in communication with Microlatency).

We believe that Geoffrey Dixon & Billy Johnson's creditor claims are questionable and void. As a director, I would have needed to sign off on any debts / funding taken on board by the company. This has not happened and thus this is yet another example of Mr Daniels misconduct. We believe that these are loans Mr Daniels has solicited from "friends" without my approval as a director.

We also note that Mr Daniels has a claim for £15,000 appears on Appendix C. Yet as a director, I was told that my claims could not be added. It does not seem right that as a director Mr Daniels is allowed to proceed with his claim whilst I was told not to put in a claim.

It is also a concern because a number of creditors such as Mr Dixon and Mr Johnson claims have appeared subsequent to the sale of the company assets. It is our understanding that unsecured creditor claims are frozen at the appointment of the administrators.

We'd like to know the circumstances surrounding Mr Dixon and Mr Johnson's claims because these debts would have required board approval from Mr Daniels and I prior. Furthermore, we'd like to understand the process in which creditor claims are validated.

We also have separate concerns that Mr James Bevis of Precision Accountancy has a claim as creditor and this has not been recognised. Whilst it is down to Mr Bevis to independently pursue his claim, it seems that no one has reached out to him relating to previous accounts. This is something that we'd expect to happen in light of the circumstances leading up to the administration, as the current accountants Clemence Hoar Cummings LLP had not been approved by me as a director.

Questions surrounding company solvency

Validity of debts surrounding creditors such as Microlatency, Mr Dixon and Mr Johnson (CM00 / CJ00 / CD00 respectively) are salient matters if the following points were argued:

- If CM00 / CJ00 / CD00 debts are invalid this would bring the outstanding debts to circa £440,000
- If money has been siphoned off to Microlatency (we estimate this to be in the region of £200,000 - £300,000) then Live Squawk would have potentially an extra £300,000 extra on it's books.
- This would substantially change the financial position of the company. Company assets would not need to be sold off. The company would be able to enter a CVA such that creditors would reach far higher return.
- In this situation Stuart would be willing to write-off his debts to some degree. This would be a far more palatable outcome for us as we'd still continue to have a stakeholding in the company and it could have continued to trade as Live Squawk Limited. Since our departure it seem apparent that Live Squawk has followed the way of Mr Daniel's previous company, First Call Market Squawk Limited.

Clearly this is a very different outcome from the one we and the other creditors find ourselves in. Whilst we cannot undo the misconduct by Mr Daniels during the 14 months since our departure, it is for this reason that it is imperative that a full and proper investigation into the company going forward is conducted so that any director misconduct is held to account. I understand that Mr Daniels has made allegations regarding us taking money from the company. Throughout this our stance has been consistently that a full independent audit of the company's finances should happen as a priority so that allegations from both sides can be addressed from an independent and impartial body.

India income:

On the 15th of May 2018 Stuart raised to you via email that he believes LS India (Live Squawk Info Solutions pvt Ltd) should be marked on the accounts as a debtor to Live Squawk and this does not seem to be the case according to the proposal document sent to us. LS India should be paying Live Squawk Limited a monthly fee as part of a licensing agreement for the utilisation of the Live Squawk brand. Clearly this too would have an impact on the funds available for disbursement to creditors / solvency of

Live Squawk Limited. Equally, there was around £80,000 of monies due back to LS India from the setting up of the office as well as the travel from SP/HD/HP. Again it seems these monies have just disappeared.

Further investigations:

As stated previously Stuart and I have on numerous occasions drawn attention to evidence relating to Mr Daniels and his co-conspirators. Since the appointment of Quantuma I have taken it upon myself to raise the embargo breaches and insider dealing with the FCA as a separate concern, where I supplied them with a subset of the evidence that has previously been shared with Quantuma. Based on the evidence supplied the FCA have expressed eagerness towards independently investigating this aspect of Mr Daniels and Mr Poel's behaviour. There are now 3 active investigations being undertaken by the FCA as well as these issues another of my allegations has been elevated to the fraud department of the HMRC where we have equally made statements. Unfortunately It appears that Quantuma have not deemed these issues important due to the complete disregard to the information sent highlighting the issues or any communication with us. I also believe that the sale of Live Squawk's assets to Life Trading requires special dispensation / approval from the FCA, which has concurrently been raised with them. This is part of another investigation as Live Squawk has since been sold/or part sold to Arb Trading again highlighted by us to you prior to administration.

For the avoidance of doubt I will reattach the evidence / notes relating to Mr Daniels frauds alongside this letter. Seeing as Mr Daniel's has had ample opportunity to put his version of events forward as illustrated by section 2.1 of the proposal document, we kindly request that someone from Quantuma reach out to us regarding this matter so that these can be clearly explained.

Resolutions and response:

A number of points have been raised in this letter. The close proximity towards the vote towards the outlined proposals and the lack of correspondence relating to misconducts does not fill us with the confidence needed to allow us to back these proposals. We seek to get further clarity from our lawyers on a number of the above matters and kindly ask if the vote could be adjourned until we've managed to discuss this further.

Please could we kindly get clarity on the following matters:

- Getting our computer working as this has evidence on it.
- Clarity over background surrounding the creditor claims for CM00 / CJ00 / CD00. Including why these have been allowed to be added after the administration process has started, and what process is used to validate claims held by the creditors.
- Why Mr Daniels has been allowed to put in a creditor claim when I was told not to file a claim as a director.
- Failure to reach out to us relating to facts surrounding the administration of Live Squawk and the glaring omissions in section 2.1 of the proposals. We find this quite disappointing given that we appointed you as administrators and further believe this goes against 400.4.b of the insolvency practitioner code of ethics.
- What assurances we can get that investigations will be conducted in an unbiased and objective manner going forward. The omission of facts in 2.1 of the proposal make us very concerned. One key reason for pursuing the administration route was the fact that we understand from <https://www.thegazette.co.uk/insolvency/content/100621> is that administrators hold powers to act on the wrongful and fraudulent nature of Mr Daniel's trading.
- We would like full details/transparency of the Microlatency debt as I am an active director of Live Squawk Holdings International Ltd (Stuart is a shareholder) which is a 50% shareholder of Microlatency Ltd. For your information there is an active asset misappropriation and phoenix fraud investigation into Microlatency (Mr Poel and the 3 directors)

Please note that the details we have supplied are just the tip of the iceberg. Evidence on a much larger scale has been submitted to Authorities, Police departments and Central Banks worldwide.

Please confirm receipt of this letter by return and that you understand that it is to be kept private and confidential and must not be shared outside the offices/staff of Quantuma.

Thank you Tom.

Kind regards,

Heather Pettman