

From: Anastasiya Siro <[REDACTED]>

To: Jeffrey Epstein <jeevacation@gmail.com>

Subject: Fwd: Term Sheet and Loan Agreement

Date: Mon, 11 Sep 2017 14:32:47 +0000

Attachments: Signed_Termsheet_Magnus_Resch.pdf; Andy's_List,_Inc.-DE-Amendment_(1).pdf

Anastasiya Siro
[REDACTED]

Begin forwarded message:

From: Magnus Resch <[REDACTED]>

Subject: Re: Term Sheet and Loan Agreement

Date: February 19, 2016 at 6:56:23 PM EST

To: "Chan, Yvonne" <[REDACTED]>

Cc: Maximilian Straub <[REDACTED]>, Keith Fox <[REDACTED]>,

Anastasiya Siro <[REDACTED]>, "Deckelbaum, Ariel J"

<[REDACTED]>, Brad Wechsler <[REDACTED]>

Dear all,

Thank you all for making this happen in such short time. Special thanks to Keith and Anastasiya for showing so much flexibility and goal focus.

Please find the signatures attached. Below are also our banking account details.

All the best, Magnus

Beneficiary Name:

Andy's List Inc (our former name, see name change doc from Andy's List to Artace attached)

175W 12th Street Apt 9L

New York NY 10011

Beneficiary Bank & Address:

JPMORGAN CHASE BANK, N.A.

Union Square | 230 Park Ave S, New York, NY 10003

Account:
[REDACTED]

Routing Nr:
[REDACTED]

Swift:
[REDACTED]

On Fri, Feb 19, 2016 at 6:34 PM, Chan, Yvonne <[REDACTED]> wrote:

All

Attached is the execution copy of the Loan Agreement, together with the final form of the term sheet – we made a slight change in the definition of the Investor – for your reference, I attach a pdf of the changed page to reflect the change we made from the draft of the term sheet that Max circulated this afternoon.

We trust that the documents are in order. Attached is the signed signature page for the Black investing entity. Please hold it in escrow until we confirm receipt of the signature page duly signed by Artace and its majority stockholder.

By the terms of the loan agreement, the loan will be made within three business days of the date of thereof. So please send us your signature pages so that we can wrap up the documentation and fund accordingly.

Many thanks and best regards

Yvonne

Yvonne Y.F.Chan | Partner
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas | New York, NY 10019-6064

From: Maximilian Straub [mailto:]
Sent: Friday, February 19, 2016 1:55 PM
To: Chan, Yvonne < >
Cc: Keith Fox < >; Magnus Resch < >; Anastasiya Siro < >; Deckelbaum, Ariel J < >; Brad Wechsler < >

Subject: Re: Term Sheet and Loan Agreement

Dear all,

back with small edits, i.e. I adjusted the diluted share of Leon Black - as Anastasiya will not participate in this round of Series A preferred (Magnus just discussed with Brad), the fully diluted share should be 20% instead of 19.57%; I also put back the existing board member from Series Seed investors. No changes to the Loan agreement.

Best, Max

On Fri, Feb 19, 2016 at 6:23 PM, Chan, Yvonne <[REDACTED]> wrote:

All

Attached are revised drafts of the documents, including redlines marked to show changes against the versions you sent last night.

Please note that we have applied the AFR (applicable federal rate) for loans of this duration so as to ensure that this loan is treated as a loan. The current rate is 0.65%.

In addition, it is our client's expectation that Ms Anastasia's investment will be in shares of common stock and not preferred. This has been discussed with her.

Let us know if you have any further comments or questions on the documents.

Best regards

Yvonne

Yvonne Y.F.Chan | Partner
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas | New York, NY 10019-6064
[REDACTED]

From: Maximilian Straub [mailto:[REDACTED]]
Sent: Thursday, February 18, 2016 5:44 PM
To: Chan, Yvonne <[REDACTED]>
Cc: Keith Fox <[REDACTED]>; Magnus Resch <[REDACTED]>; Anastasiya Siro <[REDACTED]>; Deckelbaum, Ariel J <[REDACTED]>
Subject: Re: Term Sheet and Loan Agreement

Dear all,

please find attached the revised version of both loan agreement and term sheet. While I accepted almost all of the edits, I unfortunately spotted a mistake we made on the valuation and investment sum (i.e. given the agreed pre-money valuation of USD 9 mn and a total Series A investment of 2.5 mn (2.25 Leon Black, 0.25 Anastasiya Siro), the fully diluted share of Leon Black should be 19.57% - see cap table).

Best, Max

P.S.: For completeness, Anastasiya's share would be 2.17% for her Series A shares or a total of 3.74% including common shares

On Thu, Feb 18, 2016 at 9:52 PM, Chan, Yvonne <[REDACTED]> wrote:

All

Attached are revised drafts of the loan agreement and the term sheet, reflecting our comments – and after a review of the current charter and stockholders agreement.

I attach clean and redlined versions, the redlined versions are marked to show the changes from the initial drafts we received.

Please let us know if you have any questions.

Best regards

Yvonne

Yvonne Y.F.Chan | Partner
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas | New York, NY 10019-6064
[REDACTED]

From: Keith Fox [mailto:████████████████████]

Sent: Thursday, February 18, 2016 3:16 PM

To: Magnus Resch <████████████████████>

Cc: Anastasiya Siro <████████████████████>; Maximilian Straub <████████████████████>; Chan, Yvonne <████████████████████>

Subject: RE: Term Sheet and Loan Agreement

Yvonne is traveling back to her office and will send term sheet and loan revisions shortly.

I spoke with several IP lawyers and would like your guidance on what I have learned. Here's the simple summary:

- data is fair usage and not an issue for the app

- user generated images and content is covered as long as we remove images, as requested. It's covered in DMCA, section 512

- scraped data is more problematic for several reasons:

1) many sites prohibit scraping in their terms and conditions and therefore image collection is a violation of their terms.

2) most commercial sites do not have the rights to the images. They are permitted for the sole purpose of the one-time commercial usage.

3) we are "commercial" and therefore required to clear rights through the artists directly, via galleries / institutions and through clearing houses like ARS and VAGA. You have \$86,000 in year 1 and \$172,800 in year 2 in your budget.

- Do you agree with this assessment?

- Many of the images and prices are from auction houses. Are you concerned that they might ask you to take down the images?

- Can you let me know how you projected your image rights budget?

Please let me know your thoughts. Keith

Keith Fox

CEO

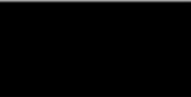
-

Phaidon

65 Bleecker Street, 8th FL

New York, NY 10012

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phaidon.com

From: Magnus Resch [[mailto:\[REDACTED\]](mailto:[REDACTED])]

Sent: Wednesday, February 17, 2016 10:53 PM

To: Keith Fox

Cc: Anastasiya Siro; Maximilian Straub

Subject: Re: Term Sheet and Loan Agreement

Thank you for the update, Keith! Looking forward to your revision tomorrow at around noon.

Btw: This is my lawyer ([here](#)). Goodwin Procter is considered as the top lawyer for the tech industry.

On Wed, Feb 17, 2016 at 10:43 PM, Keith Fox <[\[REDACTED\]](mailto:[REDACTED])> wrote:

We are reviewing the updated term sheet in the am with Leon. I plan to send you the revised documents tomorrow, hopefully by 12:00. (My meeting is at 11:00.)

I appreciate your quick responses. Keith

Keith Fox

CEO

-

Phaidon

65 Bleecker Street, 8th FL New York, NY 10012

-



On Feb 17, 2016, at 7:01 PM, Magnus Resch <[REDACTED]> wrote:

Dear Keith,

Today we have provided with

- all legal documents you asked for
- extensive answers to your technical question regarding the IT stack.

We replied within the shortest possible time. I pushed my team to act really fast because we are running against the deadline this Friday. Can you please give us an update on your next steps.

Thank you, Magnus

On Wed, Feb 17, 2016 at 10:26 AM, Keith Fox <[REDACTED]> wrote:

Ok. Reviewing with lawyers today at 12:30.

Ok on rent. Four isn't an issue. I can call you later today to walk you through how I am thinking about it. We are space constrained, but I would like to have you and your team here!

Keith Fox

CEO

-

Phaidon

65 Bleecker Street, 8th FL

New York, NY 10012

-

[REDACTED]

[REDACTED]

phaidon.com

From: Magnus Resch [mailto:[REDACTED]]
Sent: Wednesday, February 17, 2016 10:20 AM

To: Keith Fox
Cc: Anastasiya Siro; Maximilian Straub
Subject: Re: Term Sheet and Loan Agreement

Thank you. That's ok.

Any comments on the TS?

And if you find the time please let me know your offer regarding rent. I would prefer a charge per seat. Initially I will need three seats which will go up to 10 seats until year end.

On Wed, Feb 17, 2016 at 10:14 AM, Keith Fox <[REDACTED]> wrote:

Please see my edits:

It is intended that Phaidon, Artspace and Artace form a strategic partnership in regards to their activities in e-commerce, lead generation, editorial content and data analysis. Phaidon and Artspace Inc. are Artace's exclusive partners for these activities and Artace grants them a right of first refusal on data integration, gallery listings, analytics, and search functionality of Artace's app within Artspace and Phaidon.com. Artspace and Phaidon will create and execute promotional and editorial programs to extend Artace's reach and adoption, as guided by Artace, and provide additional services as required.

Phaidon will in good faith provide publishing services for Artace art market reports, as required. Additionally, Phaidon will offer Artace favorable rent terms for up to 10 employees, or as needed.

Magnus will provide advisory services to Artspace including but not limited to IT efficiencies, global gallery sales strategy and digital marketing initiatives.

Keith

Keith Fox

CEO

-

Phaidon

65 Bleecker Street, 8th FL

New York, NY 10012

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[REDACTED]

[REDACTED]

phaidon.com

From: Magnus Resch [mailto:[REDACTED]]

Sent: Tuesday, February 16, 2016 3:20 PM

To: Keith Fox

Cc: Anastasiya Siro; Maximilian Straub

Subject: Re: Term Sheet and Loan Agreement

It is intended that Phaidon Digital, Artspace and Artace form a strategic partnership in regards to their activities in e-commerce, lead generation and data analysis. Phaidon Digital and Artspace Inc. are Artace's preferred partners for these activities and Artace grants them a right of first refusal.

On Tue, Feb 16, 2016 at 3:12 PM, Keith Fox <[REDACTED]> wrote:

We have reviewed the documents and are currently getting outside guidance on the language. Our meeting with our lawyers is tomorrow a.m. We'll provide edits soon after.

I'd also like to incorporate basic language on the strategic intent of the investment, including what you discussed with me and Leon. Would you like me to take the lead on drafting or would you like to take the lead? Thanks. Keith

Keith Fox

CEO

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Phaidon

65 Bleecker Street, 8th FL

New York, NY 10012

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[REDACTED]

[REDACTED]

phaidon.com

From: Magnus Resch [mailto:[REDACTED]]

Sent: Tuesday, February 16, 2016 2:00 PM

To: Keith Fox; Anastasiya Siro

Cc: Maximilian Straub

Subject: Re: Term Sheet and Loan Agreement

Dear Keith,

I hope this finds you well and you enjoyed the long weekend. I wanted to follow up on the TS and loan agreement I sent over last week. We are still working against the deadline of the 19th (i.e. Friday) to close it. Please make sure to come back with any input today or tomorrow (Leon mentioned one change - 20% for 2.25mio, not 21.74% for 2.5mio) as otherwise I am getting under pressure from my alternative investors to close with them. Let's avoid that!

All the best, Magnus

On Fri, Feb 12, 2016 at 9:42 AM, Keith Fox <[REDACTED]> wrote:

I am traveling and will be able to review these early this afternoon. Thanks. Keith

Keith Fox

CEO

-

Phaidon

65 Bleecker Street, 8th FL New York, NY 10012

-

[REDACTED]

[REDACTED]

On Feb 12, 2016, at 8:33 AM, Magnus Resch <[REDACTED]> wrote:

Dear Keith,

Please find attached the term sheet and loan agreement. Both are standard documents, just adapted to our needs. I would also like to introduce you to Maximilian Straub. Max was my partner in previous businesses, works for McKinsey and is member of the board of Artace. In this role he is taking care of all legal matters of the company and also coordinates with our lawyers.

In order to structure the process please do the following:

- If you would like to change/add something, please edit the docs via "Track Changes"
- Max Straub (cc'd) and I will review it then and reply with our comments/changes in the document

Since I need to verify every changes with Max and in order to facilitate the process, please understand that I prefer a written communication on every matter related to these documents.

Best, Magnus

<Term Sheet_Artace_Feb2016_V2.docx>

<Loan Agreement_Artace_Feb2016_V2.docx>

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Maximilian Straub
Gärtliweg 1

CH-6300 Zug



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