

From: Gmax <gmax1@ellmax.com>

To: "jeevacation@gmail.com" <jeevacation@gmail.com>

Subject: I correct - please let me know today if you agree to me selling to david for 175,00 - it's what I think is best

Date: Wed, 18 Aug 2010 12:21:21 +0000

Re I Correct. I think David does not have a prayer to monetize the co. Or make it do anything. I don't think what I have seen can change the game field for people - only search engine optimization linked to corrections could in this day of twitter facebook etc - the business plan is a joke and I'd think it's better to cut out
See bellow e mail traffic and give me your views

Below from point a were my issues w/his shareholding agreement-

- a) Page 1 - Edgarley LLC - my company is not incorporated under United Kingdom laws but US Laws
- b) Page 2 - my ownership is 8.61% and will be further diluted if the 1,000,000 you put in is not enough - should probably only be for Net contributions not gross - OF THE MILLION HE WAS PUTTING IN 1/2 WAS GOING IN SALARY TO DAVID!
-) Page 3 - Section 3.21 - since you have the right since you own more than 65% of shares to sell the company, issue more debt, mortgage assets, dissolve company without your say..I think before you do any of those things you should alert us and ask for our input - the language as is - you could sell the co. And we would even know about it
- d) Page 4 - Section 5.5 - You must have more that 20% of shares to request an audit of company? I think if we want to look at the books we should be able to - there can't be a reason to not allow that
- e) Page 6 - Section 6.5 - Drag Along Rights - if 65% of shareholders You only agree to sell then all shareholders must follow - not a big deal just want to be kept in the loop and language is a bit off
- g) Page 11 - Section 15.2.2 - It is intention to establish ESOP plan? Please explain further your thoughts here?
- h) want to understand our liability here is I Correct is sued for what ever reason what is our exposure?
-IM NERVOUS ABOUT BEING IN A BUSUNESS I HAVE NOT CONTROL OR SAY IN AND BEING SUED
I know that we are all friends but I still like to really understand all things I sign today and be comfortable with it - it is a result of my history which has made me more anal than maybe always necessary. I realise that all of this may be a hindrance to you so am willing to sell my portion of the shares if you know someone who would be interested in partnering in this venture with you to find someone easier maybe to deal with ..
Let me know you thoughts
Have fun at the Cortina's
Gx

Thank you for your comments. -

I believe that some of your points are reasonable, but some not so much.

Be that as it may, you indicated that you wouldn't mind selling out, and so I suggest that I buy your stake.

As you know, the present capitalization of the company is \$1.685 million (and you are absolutely right that there will be further cash call which, if you did not follow pro rata, would dilute your stake further).

So your existing 8.61% can be valued at \$145,000. If you agree to this, I will be willing to

take your stake for this amount - and you might be the cleverest of us all, as you will have made a reasonable profit!

Please let me know because if you are selling the stake, we obviously don't need to go through your points.

You will be pleased to know that we are on the brink of launching ICorrect, believe it or not! It is, therefore, important for me to summarize the equity position of the company.

Between November 06 and April 08, each of us contributed equally 145K. Between May 08 and February 09, I had put an extra 23K for miscellaneous expenses, which I will be happy to treat as a shareholders loan. In November 09, I wrote to you both giving you an opportunity to participate in a further equity investment of 250K, which both of you declined and which I have now spent. In other words, our present equity is as follows:-

Maxwell:	145K (21.17%)
Weinberg:	145K (21.17%)
DT	395K (57.66%)

According to the latest business plan, which I will send you within a week, roughly US\$1 million will be required to launch the company in July. I am underwriting this amount, and want to make it fair for you both to participate in this latest capital requirement.

The two extreme positions are as follows (please see attached tables):-

a. No participation from either of you would result in the following equity position:-

Maxwell:	145K (8.61%)
Weinberg:	145K (8.61%)
DT:	1,395K (82.79%)

b. On the assumption of both of you following the increased equity by each contributing 211.7K, and mine to be 971.6K, then the position would be:-

Maxwell:	356.7K (21.17%)
Weinberg:	356.7K (21.17%)
DT:	971.6K (57.66%)

Of course I will be happy for you to invest any amount in between 0 to 211.7K.

Essentially, ICorrect will go live with passwords by June 3, when I will start to seek out the 100 founding correcters. Each of them will be a celebrated figure or a representative of a well-known institution. Each of them will join free.

Please note, however, that our business model is predicated on charging other correcters \$1,200 per year (i.e. \$100 per month) for the use of the site.

Accordingly, we will probably be the first website that charges significantly for a service - therefore, becoming the world's first "luxury" site. But I believe that people will pay this amount for the service when Icorrect become a recognized word like Google or Twitter or Facebook. But much more importantly, this is a business model that would bring in good cash-flow - and our subscription price could even increase when our number of browsers goes up, just like the advertising rate of a newspaper or magazine.

In time, I would need both of your help in getting more and more correcters because that is going to make us more and more money!

Dictated by Sir David Tang