

From: "jeffrey E." <jeevacation@gmail.com>
To: Eileen Alexanderson <[REDACTED]>, Melanie Spinella <[REDACTED]>
Cc: Richard Joslin <[REDACTED]>
Subject: Re: Artspace Bridge loan - Part II
Date: Wed, 06 Aug 2014 11:43:27 +0000

1. these emails are undated? 2. this specifically says NOT all shareholders. only preferred B. 3. some of the email is redacted. why. ?? 4. IT says that the loan (can) will be paid back in STOCK of the acquirer , now it makes more sense that shareholders would pass . receiving stock in another entity , would hardly seem attractive to a shareholder who has lost all his three to four year money in only 9 months.

On Tue, Aug 5, 2014 at 8:54 PM, Eileen Alexanderson <[REDACTED]> wrote:

Sent from my iPhone

Begin forwarded message:

From: "Catherine Levene" <[REDACTED]>
To: "Eileen Alexanderson" <[REDACTED]>, "John Murphy" <[REDACTED]>
Subject: Fwd: Artspace Bridge loan - Part II

Dear Eileen and John -

Below is the email sent to all preferred shareholders related to the second installment of the bridge loan and attached are the related documents.

Also, I have uploaded all of the signed documents related to the loan to the dropbox in a file called Bridge Loan Documents.

Please let me know if you have any questions.

Look forward to getting this done and working together!

Best
Catherine

----- Forwarded message -----

Dear Artspace Shareholders:

In connection with the bridge loan that you approved in mid-June pursuant to my email dated June 10, 2014 (below) attached please find a stockholder consent/preemptive rights waiver in connection with amending the loan documents to increase the aggregate loan amount to \$925,000 and to amend certain other terms as reflected in the attached documents. The additional loan amount will allow Artspace to continue operating as we continue negotiations with a potential bidder for the company. The amended loan documents have been

unanimously approved by the non-interested members of the board, subject to approval of holders of a majority of the voting power of the company, including a majority of the preferred stock. Each stockholder may participate in the balance of the bridge loan in an amount equal to its pro rata share based on its equity ownership in Artspace. In order to participate, you must deliver to us a fully executed note purchase agreement by July 25th, 2014, together with a check or wire transfer in the amount invested.

The current bridge loan will have the same terms as the previous bridge loan, with a 3x return on capital as noted in the attached documents, which can be paid back in capital stock of the acquiring company.

Unfortunately, the expected sales price will result in no proceeds to holders of Series A preferred stock...
REMAINING REDACTED.

If you would like to discuss the state of acquisition discussions with me, please let me know and we can schedule a call. We have a final term sheet and are moving into contract phase with a potential acquirer with a goal of closing at the latest August 15th. Of course, as in any deal, nothing is guaranteed.

Thanks for your consideration and your attention to the attached documents. Your signature is requested on the attached Stockholder Consent, even if you are not planning to participate in the loan.

Best

Catherine

Begin forwarded message:

Marc, call me on the below when you a chance. Thanks.

Dear Artspace Stockholders:

Attached please find a stockholder consent/preemptive rights waiver in connection with a bridge loan of up to \$500,000. The bridge loan will allow Artspace to continue operating as we continue exploratory discussions with a potential bidder for the company. Canaan Partners (our lead investor in our series b preferred stock financing) and one of our series A preferred stock investors, each of which has a board seat, have committed to fund an initial \$133,333 of the bridge loan on or about June 10, which will fund operations through June 17. The bridge loan has been unanimously approved by the non-interested members of the board, subject to approval of a holders of a majority of the voting power of the company, including a majority of the preferred stock. Each stockholder may participate in the balance of the bridge loan an amount equal to its pro rata share based on its equity ownership in Artspace. In order to participate, you must deliver to us a fully executed note purchase agreement by Monday June 16, together with a check or wire transfer in the amount invested.

Catherine Levene
CEO
Artspace Marketplace, Inc.

[REDACTED] <[REDACTED]>
[REDACTED] <mailto:[REDACTED]>

Insider Access to the World's Best Art.

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please note

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