
From: David Mitchell <[REDACTED]>
Sent: Tuesday, January 7, 2014 8:16 PM
To: Jeffrey Epstein
Subject: <no subject>

Dear Jeffery
Happy New Year again,
I will see you on Friday morning

I just tried you but Lesley told me someone just arrived for a meeting=/div>

In brief I wanted to update you on the fundraising in Adfin

1. We completed a \$2 million convertible placement with Cantor Ventures at the end of the year,
2. The Company needed the cash sooner than was planned
3. Cantor is doing another \$4 million in April targeting = \$16-18 million valuation(100-120% higher than what we paid)
4. Separate from Cantor effort I am also trying to raise money at higher than \$18 million valuation (Cantor can match this as they have ROFR)

The terms of the \$2 million in very high level bullet point are; =/div>

- * Convertible in to AdFin stock at the lower of 50% higher than we invested at or the valuation of the B round (see above)
- * If and when they convert they get a board seat (we will have to increase board to 7 people as we have 5 now)
- * Carries an 8% coupon
- * Note due in one year=/li>
- * All shares that they receive have no other special terms

*I have an agreement with Jonathan Leitersdorf ,which I am in the processing now, that he will always vote with us in the event that Cantor converted. Currently we have an agreement which is in effect that either two of the three of us (JEE,JL or DJM) could block certain actions of the Company

Darren Indyk and I spent some time with the Company counsel going over the details of the transaction

Will give you more color on Friday,
David

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