

**To:** Jeffrey Epstein[jeevacation@gmail.com]  
**From:** Adam Bly  
**Sent:** Mon 8/30/2010 3:57:33 PM  
**Subject:** terms

what do you think?

<b>Company</b>	Seed Media Group LLC
<b>Investor</b>	Hirth Family LLC
<b>Investment Amount</b>	\$1,000,000
<b>Security</b>	Secure Convertible Debenture (the "Debenture") convertible at the holder's option into Senior Preferred shares representing 51% of the Company
<b>Liquidation Preference</b>	First priority
<b>Use or Proceeds</b>	Working capital
<b>Board of Directors</b>	Concurrent with closing, the Company's Board of Directors shall be restructured with five (5) seats, as follows: Two (2) seats for the Investor, one (1) seat for Innovium, one (1) seat for Walnut, and one (1) seat for the Founder
<b>Conversion of Shareholder Loans</b>	Concurrent with closing, Walnut/Hauser shall convert its Series B Extension Notes into Preferred shares and Innovium/Brookfield shall convert its 2010 Bridge Loans into Preferred shares
<b>Conditions of Closing</b>	<ul style="list-style-type: none"><li>- Unanimous consent resolution from the Board of Directors approving the transaction</li><li>- Necessary shareholder approvals</li><li>- Amendment of necessary corporate documents</li><li>- Satisfactory completion of due diligence</li><li>- Management's presentation of a 1-year budget and business plan</li></ul>
<b>Closing Date</b>	September 15