

LAW OFFICES OF RONALD JASON PALMIERI
911 Linda Flora Drive
Los Angeles, California 90049-1630

Telephone (310) 471-1881

Facsimile (310) 471-3511

December 6, 1999

Mr. Darren Bettencourt
M & C Estate
5255 Encino Avenue
Encino, California 91316

Via Messenger

Re: Option & Release Agreement

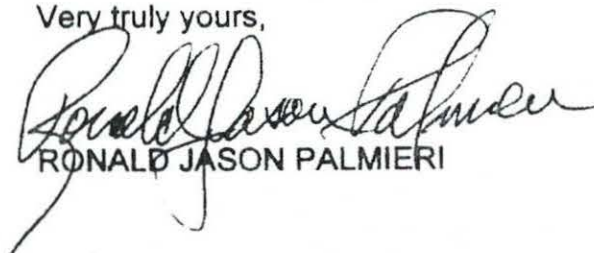
Dear Mr. Bettencourt:

Enclosed herewith is the Option and Release Agreement prepared by these offices in connection with the understanding and agreement between the parties set forth therein.

This Agreement concerns significant legal rights and, as such, it is urged that you consult with an attorney of your own choosing before executing same. These offices do not represent you and cannot, and will not, give you advice as to the enclosed Agreement other than to state that to the extent that you do not wish to consult with independent counsel, you are advised that it will most likely be deemed that you freely and voluntarily elected not to do so and the terms of the Option & Release Agreement shall be fully and completely legally binding upon you despite your choice not to discuss same with counsel of your choosing.

Please advise me when the enclosed Option & Release has been signed, after you have had the opportunity to consult with your independent counsel and return, if acceptable, two (2) fully executed originals of the Option & Release Agreement to my offices so I may obtain my clients' signatures. After fully executed, an original shall be returned to you for your files.

Very truly yours,


RONALD JASON PALMIERI

RJP:skt
Enclosures

Received and acknowledged:


Darren Bettencourt

LAW OFFICES OF RONALD JASON PALMIERI
911 Linda Flora Drive
Los Angeles, California 90049-1630

Telephone (310) 471-1881

Facsimile (310) 471-3511

DATE: April 24, 2000 (12:36pm)
TO: Mel Barman
M&C ESTATE
FAX: (818) 986-3658
FROM: Ronald Jason Palmieri
SUBJECT: MCR
PAGES: 30 plus cover page

MESSAGE:

Dear Mel: Pursuant to your request, please find copies of our billing statements for the last 6 months. Do not hesitate to call if there is anything further you need...Sklar K. Toy, Attorney Assistant.

ORIGINAL WILL NOT FOLLOW BY U.S. MAIL

If you do not receive all pages, please call us immediately (310) 471-1881.

THIS MESSAGE IS INTENDED ONLY FOR USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION OR COPYING OF THIS COMMUNICATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR, PLEASE NOTIFY US IMMEDIATELY BY TELEPHONE AND RETURN THE ORIGINAL MESSAGE TO US AT THE ABOVE ADDRESS VIA THE U.S. POSTAL SERVICE.

LAW OFFICES OF RONALD JASON PALMIERI
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Facsimile (310) 471-3511

April 21, 2000

Mr. Marc Collins-Rector
1620 West 21st Street
Miami Beach, Florida 33140

Via Facsimile and U.S. Mail
Fax: (305) 672-3586

Mr. Chad Shackley
M & C Estate
5255 Encino Avenue
Encino, California 91316

Fax: (818) 986-3658

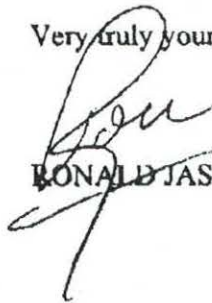
Re: DEN

Dear Marc and Chad:

I received the following chronology reflecting and Marc's ownership of DEN's shares. I believe that it is correct, but I thought you might wish to review it yourself in order to confirm that it is accurate.

If you have any questions with regard to the foregoing, please do not hesitate to contact me. As you know, the New Jersey matter has now been fully settled and certificates and appropriate sums transferred.

Very truly yours,


RONALD JASON PALMIERI

RJP:skta

Enclosure

MARC COLLINS-RECTOR CHRONOLOGY

as of April 19, 2000

<u>Date</u>	<u>Issuance</u>	<u>Co-Sale Rights Granted</u>
6/6/96	To MCR - 100 Common Shares (original issue)	
7/31/97	To MCR - 999,900 Common Shares (original issue)	
1/1/98	To MCR - 379,000 Common Shares (from Chad M. Shackley)	
7/98		David Neuman
8/98		Ed Winter
9/98		Alan Friel
9/98		Michael Ross
12/14/98	2-1 Stock Split (MCR now owns 2,758,000 shares)	
1/1/99	To Bryan Singer - 5,000 Common Shares (from MCR)	
3/99		*Jim Ritts
3/99		*Bruce Gamache
5/99		Gary Gersh
5/99		John Silva
5/21/99		Series B Purchasers
6/11/99	To David Mixner - 950 Common Shares (from MCR)	
11/24/99	Option to purchase 233,335 Common Shares at \$10.50	Robert Doede

SENT BY: L. A. KMZ

: 4-20-00 5:21PM ;

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310 471 3511:# 3/ 3

11/24/99	Option to purchase 66,700 Common Shares at \$10.50	Ronald J. Palmieri
12/1/99	Common Shares issued to MCR upon exercise of conversion rights 1,956,594	
12/14/99	To Alexander Burton - 66,667 Common Shares (from MCR)	
12/14/99	Mel Berman - 1,334 Common Shares (from MCR)	
12/14/99	Alexander Balkany - 667 Common Shares (from MCR)	
12/14/99	Yves Briclet - 334 Common Shares (from MCR)	
12/14/99	Alain Puy Chevrier - 334 Common Shares (from MCR)	
1/5/2000	Daniel Hechter - 100,000 Common Shares (from MCR)	
2/15/2000	Banque Syz & Co. S.A. - 100,000 Common Shares (from MCR)	
4/19/2000	Jacob Walker - 100,000 Common Shares (from MCR - pursuant to agreement)	
4/19/2000	Jacob Walker - 50,000 Common Shares (from MCR - pursuant to agreement)	
4/19/2000	Jacob Walker - 50,000 Common Shares (from MCR - pursuant to agreement)	
4/19/2000	Brian Stark - 1,000 Common Shares (from MCR)	
4/19/2000	MCR now owns 4,238,308 Common Shares as of 4/19/2000 (Doede and Palmieri option shares not deducted)	

*There is no written agreement granting Ritts or Gamache co-salo rights.

LAW OFFICES OF RONALD JASON PALMIERI
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April 14, 2000

PERSONAL AND CONFIDENTIAL

Attn: Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
5255 Encino Avenue
Encino, California 91316

Re: STATEMENT OF LEGAL SERVICES RENDERED

<u>DATE</u>	<u>DESCRIPTION OF SERVICES AND TIME EXPENDED</u>
03/01/00	P/C WITH CLIENT REGARDING PERRY & NEIDORF, BERRUTO, NEW JERSEY, OTHER MATTERS...0.25 HOUR.
03/02/00	P/C WITH A.FRIEL REGARDING MU.NEIDORF, POTENTIAL RESIGNATION AND REPLACEMENT AND OTHER MATTERS, P/C WITH MU.NEIDORF REGARDING CLIENT...0.50 HOUR.
03/03/00	P/C WITH MU.NEIDORF REGARDING CLIENT'S LAS VEGAS DEBT...0.25 HOUR.
03/06/00	CORRESPONDENCE TO CLIENT REGARDING PENDING MATTERS; CORRESPONDENCE TO MU.NEIDORF REGARDING CLIENT MATTERS; REVIEW MU.NEIDORF LETTERS TO CLIENT AND C.SHACKLEY; P/C WITH CLIENT REGARDING MU.NEIDORF, OTHER MATTERS; P/C WITH COUNSEL OF BERRUTO; FAX TO M.BERLMAN REGARDING MU.NEIDORF LETTERS...1.25 HOURS.
03/07/00	P/Cs WITH CLIENT REGARDING STOCK, OTHER MATTERS; P/C WITH MU.NEIDORF REGARDING PENDING MATTERS...0.50 HOUR.
03/10/00	P/C TO W.TIMPONE; P/C WITH TIMPONE'S SECRETARY REGARDING MEETING; REVIEW E-MAIL RE DE GIORGIS' CONTRACTS...0.50 HOUR.
03/11/00	REVIEW COMPASS AGREEMENT, FAX TO COMPASS AND CLIENT REGARDING AGREEMENT...0.50 HOUR.
03/14/00	P/C WITH TIMPONE REGARDING MEETING AND NEED TO REVISE SETTLEMENT; REVIEW FRIEL MEMO REGARDING LUTRELL; FAX TO CLIENT; REVIEW BOHER E-MAIL; SEND TO SHACKLEY; P/C WITH D.WEXLER; E-MAIL TO FD REGARDING COMPASS...1.25 HOURS.

Mr. Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
April 14, 2000
Page 2

- 03/15/00 REVIEW CLIENT'S RESPONSES REGARDING LUTRELL AND OTHER MATTERS; E-MAIL TO DE GIORGIS REGARDING CLIENT'S POSITION...0.25 HOUR.
- 03/16/00 P/C WITH MU.NEIDORF REGARDING TAXES, DEMAND FOR MONEY REGARDING UNBILLED HOURS, CONDITION OF PREPARATION OF RETURNS, OTHER MATTERS...0.25 HOUR.
- 03/17/00 DRAFT EXTENSIVE LETTER TO MU.NEIDORF; P/C WITH MU.NEIDORF REGARDING DEMANDS; REVISE SAME; E-MAIL TO SHACKLEY; CORRESPONDENCE TO TIMPONE REGARDING NEW JERSEY MATTER...1.00 HOUR.
- 03/21/00 P/C WITH S.MOULTHROP REGARDING MEETING; REVISE MU.NEIDORF LETTER, E-MAIL SAME TO SHACKLEY FOR APPROVAL...0.50 HOUR.
- 03/22/00 REVIEW E-MAIL; E-MAIL TO R.DOEDE REGARDING VOTING TRUST; P/Cs WITH TIMPONE'S OFFICES REGARDING MEETING; E-MAIL TO SHACKLEY REGARDING NEW JERSEY DEAL; REVIEW RESPONSE REGARDING DEAL LIMITS; E-MAIL SHACKLEY BACK REGARDING SAME; P/C TO BOWERS, D.KLEINFELD; P/C WITH BOWERS REGARDING LETTER...1.25 HOURS.
- 03/23/00 P/C WITH KLEINFELD REGARDING NET WORTH; E-MAIL TO CLIENT REGARDING NDA; P/C WITH CLIENT REGARDING HOUSE, OTHER MATTERS; P/C WITH CLIENT REGARDING LISTING, SHAREHOLDER ADDRESSES, ETC....0.75 HOUR.
- 03/24/00 REVIEW MU.NEIDORF LETTER; RESPOND TO SAME...0.50 HOUR.
- 03/25/00 E-MAIL TO CLIENT REGARDING DEN MEETING...0.25 HOUR.
- 03/28/00 FAX TO DR. BOWERS REGARDING LETTER; REVIEW SAME...0.25 HOUR.
- 03/29/00 SEND REVISIONS TO DR. BOWERS; FAX TO KLEINFELD...0.25 HOUR.
- 03/30/00 P/C WITH CLIENT REGARDING NET WORTH STATEMENT, OTHER MATTERS; P/C TO DK REGARDING SAME...0.25 HOUR.
- 03/31/00 P/C WITH KLEINFELD REGARDING NET WORTH STATEMENT; REVIEW A.BURTON E-MAIL AND SOLO SEARCH NDA; FAX TO BURTON REGARDING NOT SIGNING SAME; REVIEW AND REVISE WWTIV NDA AND FAX TO M.BERMAN; P/C WITH FRIEL REGARDING SPREADSHEET; DRAFT ADDENDUM REGARDING J.WALKER...2.50 HOURS.

Mr. Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
April 14, 2000
Page 3

- 04/04/00 P/Cs WITH KLEINFELD; P/C WITH P.ECONOMARCOS; P/Cs WITH ACCOUNTANT REGARDING NET WORTH; REVIEW AND REVISE DOCUMENTS REGARDING SAME; P/C OFFICE REGARDING DEN DOCUMENTS; FAX REGARDING SAME...1.50 HOURS.
- 04/05/00 PREPARE AND REVIEW DOCUMENTS FROM DEN, BOWERS, POTTER FOR MEETING; FAX TO W.TIMPONE REGARDING CONFIDENTIALITY REGARDING MEETING; TRAVEL TO AND MEET IN NEW JERSEY WITH COUNSEL AND J.WALKER; MEET WITH S.MOULTHROP; EXTENDED P/Cs WITH CLIENT REGARDING SETTLEMENT TERMS AND OFFERS, COUNTEROFFERS; P/C WITH FRIEL REGARDING STATUS OF SERIES "E" PROGRESS; TRAVEL TO NEW YORK CITY; LATE NIGHT P/C WITH FRIEL REGARDING ASSISTANCE WITH INFORMATION TO WALKER'S COUNSEL REGARDING SETTLEMENT...12.50 HOURS.
- 04/06/00 REVIEW DRAFT OF SETTLEMENT DOCUMENTS; TRAVEL TO NEW JERSEY; MEET WITH WLAKER AND COUNSEL AND MOUTHROP; REVIEW, REVISE SETTLEMENT DOCUMENTS TO FINAL; ESCROW LETTER TO MU.NEIDORF TO FINAL; P/Cs WITH CLIENT AND BERMAN REGARDING EXECUTION AND REVIEW; TRAVEL TO NEW YORK CITY FOR RETURN LEG OF TRIP...7.50 HOURS.
- 04/10/00 P/C WITH CLIENT REGARDING LETTER AND TRANSMITTAL OF DOCUMENTS TO J.MARGOLIS; P/Cs WITH BERMAN RE NET WORTH FORMAT; CORRESPONDENCE TO M.NEIDORF REGARDING ESCROW ACCOUNT TRANSFER...1.00 HOUR.
- 04/13/00 REVIEW FINANCIALS; CONSTRUCT FIGURES; PREPARE DECLARATION; P/C WITH BERMAN, ECONOMACOS; P/C WITH FRIEL REGARDING DUE DILIGENCE; DRAFT, REVISE AND FINALIZE CLIENT'S DECLARATION; FAX SAME TO CLIENT...3.25 HOURS.
- 04/14/00 CORRESPONDENCE TO L.MODUGNO REGARDING TRANSMITTAL OF DECLARATION; P/Cs WITH M.BERMAN REGARDING RAPPAPORT...0.50 HOUR.

TOTAL ATTORNEY HOURS BILLED AT \$225.00 PER HOUR
(40.25 Hours x \$225.00 Per Hour = \$9,056.25)

* TOTAL ATTORNEY HOURS BILLED AT \$175.00 PER HOUR
(0.00 Hours x \$175.00 Per Hour = \$0.00)

Mr. Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
April 14, 2000
Page 4

TOTAL ATTORNEY HOURS THIS STATEMENT40.25 HOURS

TOTAL ATTORNEY FEES THIS STATEMENT \$ 9,056.25

COSTS:

MONTHLY 5% ADMINISTRATIVE CHARGE \$ 452.81
INCLUDES DOMESTIC AND INTERNATIONAL TELEPHONE CALLS,
IN HOUSE PHOTOCOPYING, FACSIMILES AND POSTAGE.

ITEMIZED COSTS THIS STATEMENT PERIOD:

**MESSENGRERS, FEDERAL EXPRESS, PARKING, FACSIMILE, POSTAGE, PHOTOCOPYING
& ATTORNEY SERVICE FEES:**

- Federal Express Invoice dated 03/10/00.....\$ 89.51
- Airfare for Business Trip to East Coast.....\$ 2,000.00
- Hotel Accommodations for 04/04/00 and 04/05/00.....\$ 685.24
- Tips for Limousine Transportation from 04/04/00 to 04/06/00.....\$ 100.00
- Transportation to LAX.....\$ 45.00
- Miscellaneous in room charges from 04/05/00 to 04/06/00.....\$ 150.00
- Avalon Transportation invoice dated 04/11/00.....\$ 991.73

TOTAL COSTS INCURRED THIS STATEMENT \$ 4,514.29

TOTAL FEES AND COSTS DUE THIS STATEMENT \$ 13,570.54

OUTSTANDING BALANCE DUE PER MARCH 1, 2000 STATEMENT \$ 0.00

TOTAL BALANCE DUE THIS STATEMENT \$ 13,570.54

SUMS RECEIVED FROM MARCH 1, 2000 THROUGH APRIL 14, 2000,
TO PAY OUTSTANDING BALANCE DUE AND TO REPLENISH RETAINER .. \$ 2,980.69

RETAINER BALANCE AFTER PAYMENT OF MARCH 1, 2000 STATEMENT .. \$ 2,019.31

RETAINER ON HAND PRIOR TO THIS STATEMENT \$ 5,000.00

Mr. Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
April 14, 2000
Page 5

RETAINER REMAINING AFTER PAYMENT OF THIS STATEMENT..... \$ 0.00
REMAINING BALANCE DUE THIS STATEMENT \$ 8,570.54

PLEASE ISSUE A CHECK IN THE SUM OF \$13,570.54 MADE PAYABLE TO
"RONALD JASON PALMIERI TRUST ACCOUNT" TO THE OUTSTANDING BALANCE
OF \$8,570.54 AND TO MAINTAIN YOUR RETAINER BALANCE AT THE MINIMUM
SUM OF \$5,000.00 PER YOUR RETAINER AGREEMENT.

cc: Pierre Economacos (via facsimile, Fax: 305-536-9101)

LAW OFFICES OF RONALD JASON PALMIERI
911 Linda Flora Drive
Los Angeles, California 90049

Telephone (310) 471-1881

Facsimile (310) 471-3511

DATE: April 13, 2000 (7:37pm)
TO: *Marc Collins-Rector
FACSIMILE NO.: *On File - M&C Estate
FROM: Ronald Jason Palmieri, Esq.
SUBJECT: *Declaration Re New Jersey Matter
PAGES *5 plus cover page

MESSAGE: Dear Marc: I have diligently gone through the financials that have been given to me to create the following Declaration. I have spent a lot of time on it and tried to give you significant flexibility in the figures. Please review and, if acceptable, return via fax so I may fax to Timpone. This is due tomorrow and I'm in deposition, so get it out as soon as possible. Thanks...RJP

ORIGINAL TO FOLLOW BY MAIL:

ORIGINAL WILL NOT FOLLOW: X

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DECLARATION OF MARC COLLINS-RECTOR

I, MARC COLLINS-RECTOR, do declare as follows:

1. On April 6, 2000, I entered into an Addendum to Confidential Agreement of Settlement And Mutual and General Release ("Addendum") which provided, inter alia, that I was to provide to Jacob Walker a duly subscribed sworn statement relating to my assets and liabilities as of about October 1, 1999, and as of about March 1, 2000 (hereinafter the "Operative Period"). In connection therewith, this Declaration is being provided.

2. It is understood and agreed that this Declaration is being delivered upon the express promise that it shall be kept and shall remain strictly confidential and that the actual Declaration and the substance herein shall not be disclosed to any person or entity including, but not limited to, governmental entities, except to the extent that such disclosure is compelled by legal process. The undersigned is relying on the oral representation that Jacob Walker and his counsel represent and warrant that the information contained herein, and the confidentiality thereof, shall continue in perpetuity and, except with regard to any claim which might be made in connection with the Addendum to Confidential Agreement of Settlement And Mutual and General Release, this Declaration shall not be utilized for any purposes whatsoever. In the event this condition of confidentiality is not acceptable, this Declaration should be returned to my counsel forthwith.

3. The information contained herein was obtained from records provided by my former accountants, Perry & Neidorf, LLP, and, further, from my Securities Brokers. In reliance thereon, I represent that, to the best of my knowledge upon information and belief, the figures contained herein are true and correct.

4. As of October 1, 1999, my assets consisted of rights to exercise or actual in hand shares of Digital Entertainment Network, Inc.; cash and publicly traded securities; and fixed assets including a one-half interest in my residence, furnishings, automobiles, and miscellaneous personal property.

5. The value of the foregoing on or about October 1, 1999, based upon the information provided to me, I would estimate to be as set forth below.

6. With regard to my stock in Digital Entertainment Network, Inc., the most recent price per share offered as of October 1, 1999 was approximately \$11.00 per share. Although I do not believe that I could have liquidated all my shares at said price, nor do I opine as to the value of any of said shares as of October 1, 1999, nor as of today, for the purposes of this Declaration, out of an excess of caution and for disclosure purposes only, it could be said that said shares had a potential value at

LAW OFFICES OF RONALD JASON PALMIERI**911 Linda Flora Drive
Los Angeles, California 90049****Telephone (310) 471-1881****Facsimile (310) 471-3511**

DATE: April 13, 2000 (7:37pm)
TO: *Marc Collins-Rector
FACSIMILE NO.: *On File - M&C Estate
FROM: Ronald Jason Palmieri, Esq.
SUBJECT: *Declaration Re New Jersey Matter
PAGES: *5 plus cover page

MESSAGE: Dear Marc: I have diligently gone through the financials that have been given to me to create the following Declaration. I have spent a lot of time on it and tried to give you significant flexibility in the figures. Please review and, if acceptable, return via fax so I may fax to Timpono. This is due tomorrow and I'm in deprecation, so get it out as soon as possible. Thanks...RJP

ORIGINAL TO FOLLOW BY MAIL:

ORIGINAL WILL NOT FOLLOW: X

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Ron,
Thanks for all the
hard work. Best Regards,
Marc

DECLARATION OF MARC COLLINS-RECTOR

I, MARC COLLINS-RECTOR, do declare as follows:

1. On April 6, 2000, I entered into an Addendum to Confidential Agreement of Settlement And Mutual and General Release ("Addendum") which provided, inter alia, that I was to provide to Jacob Walker a duly subscribed sworn statement relating to my assets and liabilities as of about October 1, 1999, and as of about March 1, 2000 (hereinafter the "Operative Period"). In connection therewith, this Declaration is being provided.

2. It is understood and agreed that this Declaration is being delivered upon the express promise that it shall be kept and shall remain strictly confidential and that the actual Declaration and the substance herein shall not be disclosed to any person or entity including, but not limited to, governmental entities, except to the extent that such disclosure is compelled by legal process. The undersigned is relying on the oral representation that Jacob Walker and his counsel represent and warrant that the information contained herein, and the confidentiality thereof, shall continue in perpetuity and, except with regard to any claim which might be made in connection with the Addendum to Confidential Agreement of Settlement And Mutual and General Release, this Declaration shall not be utilized for any purposes whatsoever. In the event this condition of confidentiality is not acceptable, this Declaration should be returned to my counsel forthwith.

3. The information contained herein was obtained from records provided by my former accountants, Perry & Neldorf, LLP, and, further, from my Securities Brokers. In reliance thereon, I represent that, to the best of my knowledge upon information and belief, the figures contained herein are true and correct.

4. As of October 1, 1999, my assets consisted of rights to exercise or actual in hand shares of Digital Entertainment Network, Inc.; cash and publicly traded securities; and fixed assets including a one-half interest in my residence, furnishings, automobiles, and miscellaneous personal property.

5. The value of the foregoing on or about October 1, 1999, based upon the information provided to me, I would estimate to be as set forth below.

6. With regard to my stock in Digital Entertainment Network, Inc., the most recent price per share offered as of October 1, 1999 was approximately \$11.00 per share. Although I do not believe that I could have liquidated all my shares at said price, nor do I opine as to the value of any of said shares as of October 1, 1999, nor as of today, for the purposes of this Declaration, out of an excess of caution and for disclosure purposes only, it could be said that said shares had a potential value at

Collins-Rector Declaration
4/13/2000

1

ACR

said time of well in excess of \$50,000,000. As set forth hereinbelow, although no representation is made, nor should any be relied upon by any reader hereof, as to the past or current value of my shares in Digital Entertainment Network, Inc., the fact is that the price per share substantially was reduced by the Company in or about December of 1999 from a former selling price of approximately \$11.00 per share to a selling price for Series "D" investors of approximately \$4.58 per share.

7. As to my personal residence, as of December 1, 1999, a value was placed thereon by my accountants, Perry & Neidorf, of approximately \$4,250,000. Since I am, and have always been, only a one-half owner in said property, I believe that as of October 1, 1999, the value of my interest in my personal residence was approximately \$2,125,000. Obviously, the fair market value of the residence is what a willing seller and buyer would accept in an arms length transaction and I hereby advise that the property is currently listed for selling for a price of \$5,475, 000.00, fully furnished. My brokers have been instructed to use their best efforts to obtain the highest price available in the marketplace.

8. As to cash and publicly traded securities at my accounts, the value of said accounts as of October 1, 1999 was within the range of \$7,000,000.00 to \$9,000,000.00. I cannot be more specific because, due to the change in my accountants, I only have a year end analysis as of December 31, 1999 and can't determine more precisely the figure as of October 1, 1999. Notwithstanding same, as set forth below, during the Operative Period, I did not transfer any of my assets outside the ordinary course of my lifestyle and/or business to hinder, delay or defraud any creditor, much less out of any purported concern as to the claims pending between me and Jay Walker, all of which were, and continue to be, denied.

9. With regard to other fixed assets such as furnishings, automobiles, and other miscellaneous personal property, based upon a review of a statement of assets and liabilities as of December 31, 1999, and representing that no substantial change in said assets occurred between October 1, 1999, and December 31, 1999, I believe that my interest in said assets, as of about October 1, 1999, had a value of approximately \$475,000.

10. As of October 1, 1999, I also had certain liabilities including, but not limited to, a mortgage on my personal residence and certain notes and loans payable, as well as estimated federal and state income taxes.

11. Based upon a review of documents provided to me, and discussion with my accountants, I am informed and believe and, therefore declare, that my liabilities as of about October 1, 1999, included, but were not limited to, approximately \$935,000 with regard to one half of the mortgage on my personal residence, notes and loans payable of approximately \$130,000, and estimated federal and state

income taxes for the year 1999 approximating \$5,000,000. In addition to the foregoing, ongoing monthly expenses for the maintenance of my residence, travel, and ordinary and customary living expenses existed as of October 1, 1999, and continued thereafter, and were substantial.

12. As of March 1, 2000, my assets consisted of shares of Digital Entertainment Network, Inc.; cash and publicly traded securities; and fixed assets including a one-half interest in my residence, furnishings, automobiles, and miscellaneous personal property.

13. The value of the foregoing on or about March 1, 2000, based upon the information provided to me, I would estimate to be as set forth hereinbelow.

14. I currently own approximately 4,800,000 shares of stock in Digital Entertainment Network, Inc. No representation is made, nor should any be relied upon by any reader hereof, as to the past or current value of my shares in Digital Entertainment Network, Inc., and, in accordance with Paragraph 4(c) of the Addendum, Mr. Walker and his counsel shall conduct a due diligence with regard to their opinion as to the value of said shares. As such, no value as of March 1, 2000 is attributed to the shares in this Declaration and my net worth can be assumed to be increased by any value attributed to said shares by Mr. Walker and his counsel, multiplied by 4,800,000.

15. As to my personal residence, as of December 1, 1999, a value was placed thereon by my accountants, Perry & Neidorf, of approximately \$4,250,000. Since I am, and have always been, only a one-half owner in said property, I believe that as of March 1, 2000, the value of my interest in my personal residence was approximately \$2,125,000. Obviously, the fair market value of the residence is what a willing seller and buyer would accept in an arms length transaction and I hereby advise that the property is currently listed for selling for a price of \$5,475,000.00, fully furnished. My brokers have been instructed to use their best efforts to obtain the highest price available in the marketplace.

16. As to cash and publicly traded securities at my accounts, the value of said accounts as of March 1, 2000 was approximately \$7,000,000.00 to \$8,500,000.00. I cannot be more specific because, due to the change in my accountants, I only have a year end analysis as of December 31, 1999 and can't determine more precisely the figure as of March 1, 2000 because accounts were being transferred to my new accountants. Notwithstanding same, as set forth below, during the Operative Period, I did not transfer any of my assets outside the ordinary course of my lifestyle and/or business to hinder, delay or defraud any creditor, much less out of any purported concern as to the claims pending between me and Jay Walker, all of which were, and continue to be, denied.

17. With regard to other fixed assets such as furnishings, automobiles, and other miscellaneous personal property, based upon a review of a statement of assets and liabilities as of December 31, 1999, and representing that no substantial change in said assets occurred between October 1, 1999, and March 1, 2000, I believe that my interest in said assets, as of about March 1, 2000, had a value of approximately \$475,000.

18. As of March 1, 2000, I also had certain liabilities including, but not limited to, a mortgage on my personal residence and certain notes and loans payable, as well as estimated federal and state income taxes.

19. Based upon a review of documents provided to me, and discussion with my accountants, I am informed and believe and, therefore declare, that my liabilities as of about March 1, 2000, included, but were not limited to, approximately \$935,000 with regard to one half of the mortgage on my personal residence, notes and loans payable of approximately \$130,000, and estimated federal and state income taxes for the year 1999 approximating \$5,000,000, as well as other federal and state income taxes for 2000. In addition to the foregoing, ongoing monthly expenses for the maintenance of my former residence in California, travel, and ordinary and customary living expenses existed as of March 1, 2000, and continued thereafter, and were and are substantial.

20. As set forth above, I hereby reiterate that during the Operative Period, I did not transfer any of my assets outside the ordinary course of my lifestyle and/or business to hinder, delay or defraud any creditor, much less out of any purported concern as to the claims pending between me and Jay Walker, all of which were, and continue to be, denied.

21. Once again, out of an excess of caution, and as Mr. Walker and his counsel have been advised, I declare that the foregoing are my best estimates based upon my personal knowledge and the information provided to me. In determining my net worth and your reliance thereon, you are asked to assume that the figures above may vary from the actual figures within a range of \$1,000,000.00 to \$2,000,000.00 in my favor. I also declare that these figures do not include the sums set aside in the Escrow Account established in October of 1999 relating to Mr. Walker.

22. Finally, I reiterate, my calculation of my net worth does not include any of my currently owned approximately 4,800,000 shares of stock in Digital Entertainment Network, Inc. No representation is made, nor should any be relied upon by any reader hereof, as to my opinion of the past or current value of my shares in Digital Entertainment Network, Inc., and, in accordance with Paragraph 4(c) of the Addendum, Mr. Walker and his counsel shall conduct a due diligence with regard to their opinion as to the value of said shares. As such, no value as of March

AKR

LAW OFFICES OF RONALD JASON PALMIERI
911 Linda Flora Drive
Los Angeles, California 90049-1630

Telephone (310) 471-1881

Facsimile (310) 471-3511

March 1, 2000

PERSONAL AND CONFIDENTIAL

Attn: Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
5255 Encino Avenue
Encino, California 91316

Re: STATEMENT OF LEGAL SERVICES RENDERED

<u>DATE</u>	<u>DESCRIPTION OF SERVICES AND TIME EXPENDED</u>
02/01/00	FAX TO A.MAILLOT REGARDING CLIENTS' ACCOUNTS...0.25 HOUR.
02/02/00	REVIEW D.BETTENCOURT AND C.SHACKLEY E-MAILS REGARDING LOS ANGELES TIMES ARTICLE; P/C WITH A.FRIEL REGARDING SAME...0.25 HOUR.
02/03/00	P/Cs WITH CLIENT REGARDING HOUSE, STOCK, PERRY & NEIDORF, SALE TO BANQUE SYZ/ FOREIGN CORPORATIONS, OTHER MATTERS; P/C WITH B.DOEDE REGARDING DEN; DRAFT AND REVISE SYZ/DEN AGREEMENTS...1.25 HOURS.
02/04/00	FAX TO CLIENT REGARDING FINANCIAL INFORMATION NEEDED BY A.M. ON B.PIERCE AND M.BERMAN...0.25 HOUR.
02/07/00	REVISE SYZ AGREEMENT; P/C WITH CLIENT REGARDING SAME AND OTHER MATTERS; P/C TO FRIEL...0.50 HOUR.
02/09/00	REVIEW SYZ FAX AND CONTRACT; P/C WITH CLIENT REGARDING FURTHER MENN INQUIRIES, STOCK OPTIONS FOR CERTAIN INDIVIDUALS; REVISE STEGER, EGAN AND STARK STOCK OPTIONS...1.25 HOURS.
02/10/00	P/C WITH J.MENN REGARDING LOS ANGELES TIMES ARTICLE, STILL INVESTIGATING OTHER ARTICLE...0.25 HOUR.
02/11/00	T/C WITH DOEDE REGARDING ARTICLES; T/C K.LAW REGARDING TRANSFER; EXTENDED T/C WITH CLIENT; LETTER TO M.LIJEK REGARDING BANQUE SYZ STOCK CERTIFICATE; P/C WITH LIJEK...1.25 HOURS.

Mr. Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
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02/14/00 CORRESPONDENCE TO LIJEK REGARDING STOCK CERTIFICATE FOR SYZ, OTHER MATTERS; P/C WITH LIJEK TO FOLLOW UP REGARDING CERTIFICATES...0.50 HOUR.

02/16/00 P/C WITH K.PIRENO AT KATTEN MUCHIN & ZAVIS REGARDING TRADEMARKS REGARDING CLIENT AND SHACKLEY...0.25 HOUR.

02/17/00 P/C WITH CLIENT REGARDING FEDERICO DE GIORGIS, OTHER MATTERS...0.25 HOUR.

02/18/00 P/C WITH DE GIORGIS, S.MARDEN REGARDING POTENTIAL SALE OF CLIENT'S SHARES...0.25 HOUR.

02/22/00 FAX AND E-MAIL TO D.WEXLER REGARDING COMPASS PARTNERS; P/C WITH WEXLER REGARDING SAME...0.50 HOUR.

02/23/00 P/C WITH CLIENT REGARDING STARK, E-MAIL, WEXLER/DE GIORGIS CONTACT, OTHER MATTERS; PREPARE NEW STARK AGREEMENT PER CLIENT; CORRESPONDENCE WITH SAME...1.00 HOUR.

02/24/00 P/C WITH CLIENT REGARDING DEN STOCK AND P.OPMAN; P/C WITH CLIENT REGARDING D.KLEINFELD, OTHER MATTERS; P/C WITH N.BEILM REGARDING TRUSTS; FURTHER P/C WITH CLIENT REGARDING OPMAN PEOPLE AND E-MAIL; REDRAFT S.DUNN OPTION; FAX TO DUNN'S COUNSEL...1.75 HOURS.

02/25/00 P/Cs WITH CLIENT REGARDING MENN, KLEINFELD, OTHER MATTERS; EXTENDED P/C WITH KLEINFELD REGARDING CORPORATIONS AND TRUSTS; TRANSMIT DOCUMENTS TO KLEINFELD...0.75 HOUR.

02/28/00 P/C WITH D.BERRUTO REGARDING HIS REQUEST FOR INFORMATION...0.25 HOUR.

02/29/00 REVIEW WEXLER FAX LETTER REGARDING DE GIORGIS; P/C WITH WEXLER REGARDING SAME...0.25 HOUR.

TOTAL ATTORNEY HOURS BILLED AT \$225.00 PER HOUR
(11.00 Hours x \$225.00 Per Hour = \$2,475.00)

* TOTAL ATTORNEY HOURS BILLED AT \$175.00 PER HOUR
(0.00 Hours x \$175.00 Per Hour = \$0.00)

Mr. Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
March 1, 2000
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TOTAL ATTORNEY HOURS THIS STATEMENT11.00 HOURS

TOTAL ATTORNEY FEES THIS STATEMENT \$ 2,475.00

COSTS:

MONTHLY 5% ADMINISTRATIVE CHARGE \$ 123.75
INCLUDES DOMESTIC AND INTERNATIONAL TELEPHONE CALLS,
IN HOUSE PHOTOCOPYING, FACSIMILES AND POSTAGE.

ITEMIZED COSTS THIS STATEMENT PERIOD:

MESSENGRERS, FEDERAL EXPRESS, PARKING, FACSIMILE, POSTAGE, PHOTOCOPYING
& ATTORNEY SERVICE FEES:

Express Network, Inc. invoice dated 01/31/00.....\$ 146.64
Express Network, Inc. invoice dated 02/15/00.....\$ 135.90
Federal Express invoice dated 01/30/00.....\$ 28.50
Federal Express invoice dated 02/02/00.....\$ 38.54
Federal Express invoice dated 02/16/00.....\$ 32.36

TOTAL COSTS INCURRED THIS STATEMENT \$ 505.69

TOTAL FEES AND COSTS DUE THIS STATEMENT \$ 2,980.69

OUTSTANDING BALANCE DUE PER FEBRUARY 1, 2000 STATEMENT \$ 23,238.46

SUMS RECEIVED IN FEBRUARY 2000, TO PAY OUTSTANDING
BALANCE DUE AND TO REPLENISH RETAINER \$ 23,238.46

RETAINER ON HAND PRIOR TO THIS STATEMENT \$ 5,000.00

RETAINER REMAINING AFTER PAYMENT OF THIS STATEMENT..... \$ 2,019.31

PLEASE ISSUE A CHECK IN THE SUM OF \$2,980.69 MADE PAYABLE TO "RONALD
JASON PALMIERI TRUST ACCOUNT" TO THE OUTSTANDING BALANCE OF
\$23,238.46 AND TO MAINTAIN YOUR RETAINER BALANCE AT THE MINIMUM SUM
OF \$5,000.00 PER YOUR RETAINER AGREEMENT.

cc: Murray Neidorf (via facsimile, Fax: 818-881-1610)

LAW OFFICES OF RONALD JASON PALMIERI
911 Linda Flora Drive
Los Angeles, California 90049-1630

Telephone (310) 471-1881

Facsimile (310) 471-3511

February 1, 2000

PERSONAL AND CONFIDENTIAL

Attn: Darren Bettencourt
 Mr. Marc Collins-Rector
 M&C ESTATE
 5255 Encino Avenue
 Encino, California 91316

Re: **STATEMENT OF LEGAL SERVICES RENDERED**

<u>DATE</u>	<u>DESCRIPTION OF SERVICES AND TIME EXPENDED</u>
01/03/00	P/Cs WITH CLIENT REGARDING INTERNATIONAL TRANSACTIONS; P/C WITH D.WEXLER REGARDING SAME; P/C WITH J.RITTS REGARDING LOS ANGELES TIMES ARTICLE; REVISE AGREEMENTS FOR INTERNATIONAL TRANSACTIONS, DO COVER LETTER, FAX SAME; FURTHER P/C WITH CLIENT...3.25 HOURS.
01/04/00	P/C WITH CLIENT REGARDING HECKTOR, VERY EXTENDED CONFERENCE CALL WITH CLIENT, B.DOEDE REGARDING FUTURE OPTIONS; FURTHER P/C WITH CLIENT REGARDING DOEDE PARTICIPATION; P/Cs WITH D.BETTENCOURT, A.BALKANY REGARDING DOCUMENT EXECUTION, OTHER SALES; FURTHER P/C WITH DOEDE REGARDING HIS INVOLVEMENT; FURTHER P/Cs WITH BALKANY REGARDING TRANSMITTAL OF LUONG AGREEMENT...3.00 HOURS.
01/05/00	REVIEW HECKTER BANK FAX, FAX TO CLIENT, FAX TO LIJEK REGARDING CERTIFICATE; P/C WITH MUNEIDORF REGARDING TAX PAYMENT; P/C WITH MICHAEL NEIDORF REGARDING CREDIT CARD, OTHER CLIENT MATTERS; P/C WITH A. FRIEL REGARDING STOCK SALE; P/C WITH CONLEY REGARDING STOCK CERTIFICATE; P/Cs WITH D.BETTENCOURT REGARDING OPTIONS, TRAVEL; P/C WITH R.BEARD; P/Cs WITH BALKANY REGARDING CHANGE IN BALKANY DEAL; CREATE DOCUMENTS; B.PIERCE DEAL WITH DR, CREATE DOCUMENTS, FAX DOCUMENTS; P/C WITH CLIENT REGARDING \$250,000 DEAL AND "OK" ON PIERCE DEAL...3.25 HOURS.

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- 01/06/00 P/C WITH P.OPMON REGARDING EXTENSION OF TIME TO CLOSE TRANSACTION; P/C WITH BALKANY REGARDING NEW BUYER, CREATE DOCUMENT, FAX TO PARIS, P/C WITH D.NEUMAN REGARDING LOS ANGELES TIMES ARTICLE...1.75 HOURS.
- 01/07/00 P/Cs WITH CLIENT REGARDING DEALS, OPMAN, LOS ANGELES TIMES ARTICLE, J.GREYMER; P/Cs WITH BETTENCOURT REGARDING GREYMER, LOS ANGELES TIMES ARTICLE, OTHER MATTERS; P/C WITH PIERCE REGARDING GREYMER; P/C TO NEUMAN, RITTS; P/C WITH MINEIDORF REGARDING ACCOUNTS; P/C WITH P.ECONOMARCOS REGARDING FUNDS; P/C WITH OPMAN'S ATTORNEY; CORRESPONDENCE TO FISHER REGARDING HECHTER STOCK; EXTENDED P/C WITH NEUMAN REGARDING LOS ANGELES TIMES ARTICLE, GREYMER...3.50 HOURS.
- 01/08/00 DRAFT AND REVISE LETTER TO J.MENN AND COUNSEL FOR LOS ANGELES TIMES, FAX TO INTERESTED PARTIES...1.00 HOUR.
- **PREPARE FILES FOR EUROPE TRIP INCLUDING INTERNATIONAL DEALS, SEVERANCE AGREEMENTS, DISCS, AGENDAS, ETC...3.00 HOURS.
- 01/08/00 - TRAVEL TO PARIS, MEET WITH CLIENT, C.SHACKLEY REGARDING
01/09/00 PENDING MATTERS...17.75 HOURS.
- 01/10/00 P/C WITH MINEIDORF; MEETINGS WITH CLIENTS, FRENCH COUNSEL; FAX TO MINEIDORF REGARDING ASSETS OF CLIENT AND SOURCE THEREOF; P/C WITH WEXLER AND FAX REGARDING NASDAQ TRANSACTION; MEET WITH CLIENTS REGARDING OPTIONS, WEXLER COMMENTS, DOEDE, OTHER MATTERS...9.75 HOURS.
- 01/11/00 MEETINGS WITH CLIENTS AND FRENCH COUNSEL; FURTHER MEETING WITH FRENCH COUNSEL AND P/PEREZ REGARDING DEN DEAL; MEET WITH CLIENTS REGARDING WILLS AND REGARDING AMENDMENT TO TRUSTS; FAXES TO SELCE, ECONOMICOS; P/Cs WITH ECONOMICOS, DE LAPPE REGARDING DOCUMENTS; P/Cs WITH FRIEL REGARDING LOS ANGELES TIMES REPORTER; P/C WITH MENN REGARDING ARTICLE; FURTHER MEETING WITH PIERCE REGARDING MOBASSER; P/Cs WITH WEXLER AND OFFICE REGARDING NASDAQ AND STOCK SALES; FAX TO GRODE'S OFFICE; REVIEW, REVISE WILLS; REVIEW LOS ANGELES FAXES; P/C WITH OFFICES...13.50 HOURS.

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- 01/11/00 *REVIEW WILLS; T/C TO GRODE; T/Cs WITH RJP; PREPARE AMENDMENTS TO TRUSTS OF CLIENT AND SHACKLEY; PREPARE WILLS OF BERMAN AND PIERCE; PREPARE WILLS OF CLIENT AND SHACKLEY...4.00 HOURS.
- 01/12/00 REVIEW WEXLER FAXES FROM LOS ANGELES REGARDING DEALS, ETC.; REVIEW CLIENT FAX TO PP REGARDING CANAL +; REVIEW BERMAN, PIERCE, SHACKLEY AND CLIENT'S WILLS; REVIEW SKT'S FAX REGARDING TRUST; FAX TO RPW REGARDING REVISIONS; REVIEW FRIEL FAX REGARDING ARTICLE; MEET WITH CLIENTS AND FRENCH COUNSEL, SELCE FAX; P/C TO SELCE REGARDING \$150K SHORTFALL; P/C WITH PIERCE REGARDING SAME; P/Cs WITH ECONOMICOS, DE LAPPE; P/C TO RAU, PIERCE REGARDING MULTIPLE SALES; PREPARE FAX TO CONLEY, LIJEK; EXTENDED P/C WITH RAU; FURTHER P/Cs WITH CLIENTS, SCHMIDT REGARDING RAU & OPPMAN; MEET WITH BERMAN, PIERCE REGARDING EXECUTOR OF WILLS; P/C DOEDE OFFICES; P/Cs WITH NEUMAN REGARDING LOS ANGELES TIMES, BALKANY REGARDING PIERRE DEAL; REVIEW RPW FAXES REGARDING WILLS AND TRUSTS; P/C TO RPW REGARDING REVISIONS; REVIEW NEW WILLS AND TRUSTS; REVISE FAX TO CONLEY, LIJEK AND SEND SAME TO KATTEN, MUCHIN & ZAVIS, ST FOR FOLLOW UP; P/C TO DOEDE'S OFFICES REGARDING FOLLOW UP; FURTHER P/Cs WITH OFFICE REGARDING WILLS, ETC...12.00 HOURS.
- *COMPLETE ESTATE PLANNING DOCUMENTS...2.50 HOURS.
- 01/13/00 REVIEW MOBASSER FAX; PREPARE AND REVIEW FILES AND DOCUMENTS FOR FINAL CLIENT DISCUSSION; FAX TO MOBASSER; MEET WITH BERMAN REGARDING WILLS AND TRUST EXECUTION; RETURN TO LOS ANGELES FROM PARIS...18.50 HOURS.

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Mr. Marc Collins-Rector
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- 01/14/00 P/C WITH PIERCE REGARDING WIRE TRANSFER; P/C BERMAN REGARDING WILLS, TRUSTS EXECUTION; P/C WITH CLIENT REGARDING STOCK TRANSACTION; P/C WITH PAYNE REGARDING RECEIPT OF FUNDS; P/C WITH PIERCE AND CLIENT REGARDING TRANSACTIONS AND TRANSFER OF FUNDS, FAXES TO LIJEK AND CONLEY REGARDING PIERCE CONVERSION, SELCE STOCK, NUMBER OF SHARES OWNED BY FOUNDERS; P/C WITH LIJEK REGARDING SAME; P/C WITH CLIENT; P/C WITH DOEDE REGARDING DEALS IN EUROPE, ETC; DETAILED CORRESPONDENCE TO FRIEL REGARDING SERIES "D" AND EXCHANGE AGREEMENT; P/Cs WITH LIJEK REGARDING CLIENT, PIERCE STOCK; FAX TO WEXLER; FURTHER P/C WITH FRIEL, LIJEK AND CONLEY REGARDING LETTER AND STOCK; FAX TO K.LAW REGARDING WIRE TRANSFER AND TRANSFER FROM CLIENT TO PIERCE REGARDING SELCE; FURTHER P/C WITH CLIENT REGARDING LETTER, OTHER MATTERS; CONFERENCE CALL WITH DOEDE, CLIENT; P/C WITH DOEDE REGARDING LETTER, ETC; P/Cs WITH LIJEK AND CONLEY REGARDING TAG ALONG RIGHTS, STOCK OWNERSHIP...4.25 HOURS.
- 01/17/00 P/C WITH CLIENT REGARDING DOMICILE/RESIDENCY, APPEARANCE BEFORE DEN BOARD; P/C WITH DOEDE REGARDING BOARD APPEARANCE...0.50 HOUR.
- 01/18/00 EXTENDED P/C WITH CLIENT REGARDING RESIDENCY AND TRIP TO FLORIDA; P/C WITH A.MAILLOT REGARDING PIERCE WILL AND OTHER MATTERS; FAX FRIEL REGARDING STOCK AND OTHER MATTERS; REVIEW CONLEY CORRESPONDENCE, LIJEK CORRESPONDENCE, O'DONNELL CORRESPONDENCE; CORRESPONDENCE TO WEXLER REGARDING CO-SALE, OTHER MATTERS; P/C WITH DOEDE REGARDING WANDER, CLIENT, POTENTIAL MOVES; CORRESPONDENCE TO LIJEK; VERY EXTENDED P/C WITH WEXLER REGARDING CLIENT STOCK ISSUES AND OPTIONS...3.25 HOURS.

Mr. Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
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- 01/19/00 FAX TO MAILLOT REGARDING PIERCE WILL, FAX TO PIERCE SAME; FAX PIERCE NOTICE FROM PAINWEBBER REGARDING TRANSFER; P/C WITH CLIENT IN PARIS REGARDING FAXES TO PIERCE AND TOPICS OF WEXLER CONVERSATION REGARDING OPTIONS/STRATEGY; P/C WITH L.LOOKOFSKY REGARDING SUMMER OPTION; P/C WITH CLIENT REGARDING DEN SHAKE UP; P/C TO D.NEUMAN; P/C WITH FRIEL; P/C WITH RITTS; P/C TO DOEDE; P/C WITH MUNEIDORF REGARDING BOARD/MANAGEMENT MOVES, TRANSFER OF CLIENT SHARES TO SHACKLEY; FURTHER P/C WITH CLIENT REGARDING P/Cs WITH RITTS AND MUNEIDORF; P/C WITH DOEDE REGARDING STATUS; P/C WITH NEUMAN REGARDING STATUS; P/C WITH WEXLER REGARDING DOCUMENTS AND REPORT; P/C WITH LIJEK REGARDING PERCENTAGES; P/C WITH CONLEY; EXTENDED P/C WITH CONLEY; REVIEW AND DO CHART OF FIGURES, FAX TO CLIENT AND WEXLER...4.75 HOURS.
- 01/20/00 P/C WITH CLIENT REGARDING PERCENTAGES AND FAX REGARDING SAME, CARPENTER, RITTS AND NEUMAN MOVES, STRATEGY; REVIEW LATHAM & WATKINS LETTER REGARDING RJP LETTER TO FRIEL, FAX TO WEXLER...0.50 HOUR.
- 01/21/00 P/C WITH WEXLER REGARDING QUESTIONS TO MEMO; P/C WITH CLIENT REGARDING SAME; CORRESPONDENCE TO SELCE AND TRANSMISSION REGARDING STOCK; EXTENDED P/C WITH DOEDE REGARDING STATUS OF DEN; CONFERENCE CALL WITH CLIENT AND ECONOMICOS REGARDING NDA; RECEIVE AND REVISE SAME; FAX TO ECONOMICOS; FURTHER P/Cs WITH ECONOMICOS...2.50 HOURS.
- 01/22/00 MULTIPLE P/Cs WITH CLIENT; P/Cs WITH WEXLER; FAX TO WEXLER REGARDING CO-SALE AGREEMENT FOR ANALYSIS...1.00 HOUR.
- 01/23/00 REVIEW WEXLER ANALYSIS; FAX TO CLIENT IN PARIS; EXTENDED P/C WITH CLIENT REGARDING SAME...1.00 HOUR.
- 01/24/00 REVIEW CLIENT MEMOS; P/C WITH CLIENT; FAX NDA TO CLIENT AND ECONOMARCOS; P/C TO A.MAILLOT; EXTENDED P/C WITH DOEDE REGARDING CLIENT LETTER AND POTENTIAL ACQUISITION; P/C WITH FRIEL REGARDING NEED FOR BOARD APPEARANCE, DOMAIN DEN.COM NAME, SALE OF CLIENT STOCK; P/C WITH MAILLOT REGARDING CORPORATIONS; FURTHER P/C WITH CLIENT REGARDING UPDATE ON ALL OF THE ABOVE, JW DEAL; P/C WITH WEXLER REGARDING BOARD/SHAREHOLDERS...2.25 HOURS.
- 01/25/00 CORRESPONDENCE TO CLIENT REGARDING SHACKLEY AND CLIENT

Mr. Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
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MEMOS; REVISE AND DRAFT CORRESPONDENCE TO DEN BOARD; P/C WITH CLIENT REGARDING SAME; P/C WITH FRIEL REGARDING BOARD APPEARANCE; P/C WITH CLIENT REGARDING SAME...1.75 HOURS.

01/26/00 P/C WITH MAILLOT REGARDING NEED FOR LETTERS FROM BANKS REGARDING FINANCIAL EXCHANGE; P/C WITH CLIENT REGARDING CLIENT REVISIONS TO DEN BOARD MEMBERS; FAX TO ECONOMARCOS AND MINEIDORF REGARDING BANK; FURTHER REVISION OF BOARD LETTER; P/C WITH LAW AT PAINWEBBER AND MINEIDORF REGARDING BANK LETTERS; FINAL REVISIONS TO BOARD LETTERS AND DISPATCH; P/C WITH WEXLER REGARDING STATUS...2.50 HOURS.

01/27/00 P/C WITH CLIENT REGARDING DISPATCH OF LETTER; P/C WITH DOEDE REGARDING LETTER, OTHER MATTERS; P/C WITH L.CASTRO AT CIBC OPPENHEIMER; CORRESPONDENCE TO G.SIMON AT CIBC OPPENHEIMER; FAX TO CLIENT...1.00 HOUR.

01/28/00 P/Cs WITH CLIENT REGARDING TRANSFER OF FUNDS, OTHER MATTERS; FAX TO CIBC OPPENHEIMER...0.50 HOUR.

01/31/00 P/C WITH ECONOMICOS; P/C WITH CLIENT...0.25 HOUR.

TOTAL ATTORNEY HOURS BILLED AT \$225.00 PER HOUR
(112.75 Hours x \$225.00 Per Hour = \$25,368.75)

* TOTAL ATTORNEY HOURS BILLED AT \$175.00 PER HOUR
(6.50 Hours x \$175.00 Per Hour = \$1,137.50)

TOTAL ATTORNEY HOURS THIS STATEMENT119.25 HOURS

TOTAL ATTORNEY FEES THIS STATEMENT \$ 26,506.25

** TOTAL PARALEGAL HOURS BILLED AT \$60.00 PER HOUR
(3.00 Hour x \$60.00 Per Hour = \$180.00)

TOTAL PARALEGAL HOURS THIS STATEMENT 3.00 HOURS

TOTAL PARALEGAL FEES THIS STATEMENT \$ 180.00

COSTS:

Mr. Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
February 1, 2000
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MONTHLY 5% ADMINISTRATIVE CHARGE \$ 1,325.31
INCLUDES DOMESTIC AND INTERNATIONAL TELEPHONE CALLS,
IN HOUSE PHOTOCOPYING, FACSIMILES AND POSTAGE.

ITEMIZED COSTS THIS STATEMENT PERIOD:
MESSENGERS, FEDERAL EXPRESS, PARKING, FACSIMILE, POSTAGE, PHOTOCOPYING
& ATTORNEY SERVICE FEES:

Express Network, Inc., invoice dated 12/31/99.....	\$ 27.90
Express Network, Inc., invoice dated 01/15/00.....	\$ 80.00
Federal Express invoice dated 01/14/00.....	\$ 29.00
Federal Express invoice dated 01/16/00.....	\$ 31.50
Federal Express invoice dated 01/30/00.....	\$ 28.50
DHL Worldwide Express Invoice dated 12/25/99.....	\$ 30.00

TOTAL COSTS INCURRED THIS STATEMENT \$ 1,562.21

TOTAL FEES AND COSTS DUE THIS STATEMENT \$ 28,238.46

OUTSTANDING BALANCE DUE PER JANUARY 1, 2000 STATEMENT \$ 6,871.49

**SUMS RECEIVED IN JANUARY 2000, TO PAY OUTSTANDING
BALANCE DUE AND TO REPLENISH RETAINER** \$ 11,871.49

RETAINER ON HAND PRIOR TO THIS STATEMENT \$ 5,000.00

RETAINER REMAINING AFTER PAYMENT OF THIS STATEMENT..... \$ 0.00

TOTAL BALANCE DUE THIS STATEMENT \$ 23,238.46

PLEASE ISSUE A CHECK IN THE SUM OF \$28,238.46 MADE PAYABLE TO
"RONALD JASON PALMIERI TRUST ACCOUNT" TO THE OUTSTANDING BALANCE
OF \$23,238.46 AND TO MAINTAIN YOUR RETAINER BALANCE AT THE MINIMUM
SUM OF \$5,000.00 PER YOUR RETAINER AGREEMENT.

cc: Murray Neidorf (via facsimile, Fax: 818-881-1610)

LAW OFFICES OF RONALD JASON PALMIERI
911 Linda Flora Drive
Los Angeles, California 90049-1630

Telephone (310) 471-1881

Facsimile (310) 471-3511

January 1, 2000

PERSONAL AND CONFIDENTIAL

Attn: Darren Bettencourt
Mr. Marc Collins-Rector
M&C ESTATE
5255 Encino Avenue
Encino, California 91316

Re: **STATEMENT OF LEGAL SERVICES RENDERED**

<u>DATE</u>	<u>DESCRIPTION OF SERVICES AND TIME EXPENDED</u>
12/03/99	* <u>PIERCE</u> - DRAFT COMPLAINT, SUMMONS, CERTIFICATE OF ASSIGNMENT, CIVIL COVER SHEET...1.00 HOUR.
12/06/99	PREPARE AND REVISE TO FINAL AGREEMENTS AND RELEASES FOR STAFF; PREPARE CORRESPONDENCE REGARDING SAME; P/Cs WITH CLIENT REGARDING SAME AND HUFFINGTON SALE; P/Cs WITH A.FRIEL REGARDING D.WEXLER INVOLVEMENT...2.75 HOURS. * <u>PIERCE</u> - LETTER TO S.MAYER...0.25 HOUR.
12/08/99	P/Cs WITH FRIEL REGARDING NEW REGISTRATION RIGHTS PACKAGE; P/C WITH WEXLER REGARDING SAME; MEET WITH B.DOEDE REGARDING M.HUFFINGTON SALE AND OTHER MATTERS...1.50 HOURS.
12/09/99	P/C WITH FRIEL REGARDING REGISTRATION RIGHTS AGREEMENT PACKAGE, NEED FOR CONVERSION LETTER; P/Cs TO FRIEL REGARDING SAME; REVIEW DOCUMENTS; P/C WITH WEXLER'S OFFICES...1.50 HOURS.
12/10/99	PREPARE B.PIERCE AND C.SHACKLEY OPTIONS PER CLIENTS' REQUEST; P/C WITH FRIEL REGARDING AGREEMENTS; P/C WITH PIERCE REGARDING M.BERMAN EMPLOYMENT CONTRACT; P/C WITH FRIEL, WEXLER; REVIEW DOCUMENTS...3.50 HOURS.
12/13/99	P/C WITH CLIENT REGARDING GIFTS; REVIEW REVISIONS TO DOCUMENTS; P/C WITH WEXLER REGARDING SAME; P/C WITH L.WILSON'S OFFICES REGARDING DOCUMENTS...1.25 HOURS.

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- 12/14/99 P/Cs WITH CLIENT REGARDING FURTHER GIFTS; P/Cs WITH FRIEL, WILSON, WEXLER REGARDING REVISIONS TO AGREEMENTS; CORRESPONDENCE TO CLIENT REGARDING EXECUTION OF DOCUMENTS; CORRESPONDENCE TO FRIEL REGARDING STOCK, EXECUTED DOCUMENTS; EXTENDED P/Cs WITH WEXLER, M. CONLEY; REVIEW REVISED DOCUMENTS; FAXES TO CLIENTS REGARDING CONVERSION, OTHER RIGHTS; P/C TO DOEDE REGARDING TRIP; REVIEW FINAL MH AGREEMENT FROM WEXLER... 4.50 HOURS.
- *RESEARCH REGARDING MINORITY SIGNATURES ON OPTION AGREEMENTS... 1.00 HOUR
- 12/15/99 FAX TO FRIEL, CONLEY AUTHORIZATION, STOCK POWER, SHACKLEY CONVERSION; FAX TO MUNEIDORF REGARDING PAINWEBBER; P/C WITH MUNEIDORF REGARDING TRANSFER OF FUNDS; P/Cs WITH WEXLER, ETC REGARDING AGREEMENTS... 1.50 HOURS.
- 12/16/99 EXTENDED P/C WITH CLIENT REGARDING VARIOUS MATTERS; CONFERENCE CALL WITH CLIENT AND PAINWEBBER REGARDING ACCOUNT; P/C WITH M. BERMAN REGARDING CITIBANK; P/Cs WITH CONLEY, WEXLER REGARDING REGISTRATION RIGHTS AGREEMENT, OTHER MATTERS; P/C WITH P. ECONOMARCOS REGARDING ACCOUNT; P/C WITH CONLEY REGARDING HUFFINGTON AND GIFTED SHARES; P/C WITH PAINWEBBER REGARDING TRANSFER AND OTHER MATTERS; P/Cs WITH CLIENT AND BERMAN REGARDING EXECUTION OF HUFFINGTON AGREEMENT; FAX SAME; FAX TO R. BEARD, CONLEY, WEXLER OF HUFFINGTON AGREEMENT... 3.25 HOURS.
- 12/17/99 P/C TO R. BEARD, CONLEY, M. LIJEK AND FRIEL REGARDING STOCK CERTIFICATES; REVIEW LIJEK CORRESPONDENCE, GET STOCK; P/C WITH WEXLER REGARDING REGISTRATION RIGHTS AGREEMENT AND REVIEW THEREOF; P/Cs TO CONLEY REGARDING STATUS; P/C WITH FRIEL'S OFFICE, O'HALLORAN AND FRIEL REGARDING HUFFINGTON AGREEMENT; P/C WITH DOEDE, FRIEL AND CONFERENCE CALL REGARDING PROBLEMS AND STRATEGIES; FURTHER P/C TO DOEDE REGARDING STRATEGIES, P/C WITH O'HALLORAN REGARDING STATUS OF DEAL AND STRATEGIES, TRANSMIT DOCUMENTS TO EUROPE FOR SIGNATURES REGARDING PIERCE, SHACKLEY REGARDING ASSIGNMENTS, MCR REGARDING SERIES D AND EXCHANGE AGREEMENT CHANGES; P/C WITH FRIEL REGARDING SAME... 3.00 HOURS.

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- 12/20/99 P/Cs WITH CLIENT IN PARIS; P/Cs WITH FRIEL, DOEDE REGARDING STRATEGIES, ETC.; CONFERENCE CALL WITH CLIENT, MuNEIDORF REGARDING STRATEGY; MULTIPLE FURTHER P/Cs AND CONFERENCE CALL WITH CLIENT, MuNEIDORF, DOEDE, FRIEL AND WEXLER REGARDING STRATEGIES, ANTI-DELUTION, PRIVATE SALES, ETC....3.75 HOURS.
- 12/21/99 P/Cs WITH CLIENT IN GIVERNY REGARDING BOARD MEETING; P/Cs WITH DOEDE REGARDING SAME; P/C WITH FOUNDERS & WEXLER REGARDING DISSOLVING BOARD; P/C WITH DOEDE; FURTHER P/C WITH CLIENT REGARDING SAME; EXTENDED CONFERENCE CALL WITH DOEDE, MuNEIDORF AND J.RITTS REGARDING STATUS; EXTENDED CONFERENCE CALL WITH DOEDE, MuNEIDORF AND CLIENT REGARDING ALTERNATIVES; FURTHER P/C WITH DOEDE REGARDING RELEASE/CLIENT'S SHARES; CONFERENCE CALL WITH DOEDE AND CLIENT REGARDING POSITION; CONFERENCE CALL WITH WEXLER AND CLIENT REGARDING REGISTRATION RIGHTS AGREEMENT; P/C WITH FRIEL REGARDING FINAL REGISTRATION RIGHTS AGREEMENT; P/C TO CLIENT; FAX CHART OF PERCENT INTEREST; FAX REGISTRATION RIGHTS AGREEMENT SIGNATURE PAGES; P/C WITH WEXLER; CONFERENCE CALL WITH WEXLER AND FRIEL; P/C WITH DOEDE REGARDING VENTURE CAPITALISTS' GREED, NON-MOVEMENT; P/C WITH V.CAMERON; P/C TO MuNEIDORF; P/C WITH WEXLER REGARDING REGISTRATION RIGHTS AGREEMENT; P/C WITH FRIEL...7.50 HOURS.
- *PIERCE - T/C WITH COUNSEL; MEMORANDUM TO RJP; DRAFT SETTLEMENT AGREEMENT...1.00 HOUR.
- 12/22/99 P/Cs TO WEXLER REGARDING E-MAIL; P/CS WITH FRIEL REGARDING EXECUTED DOCUMENTS; CORRESPONDENCE TO CLIENT REGARDING DOCUMENTS; P/Cs WITH CLIENT REGARDING SAME AND SHELL CORPORATION; CONFERENCE CALL WITH CLIENT AND WEXLER CONFIRMING POTENTIAL OF 2.5 MILLION PLUS SHARE SALES OF FOUNDS AS POSSIBILITY AND OTHER MATTERS...1.25 HOURS.
- 12/23/99 P/Cs WITH A.CALDWELL, FRIEL, SUMMER; REVIEW E-MAIL REGARDING LOS ANGELES TIMES REPORTER; P/C TO SUMMER REGARDING LOS ANGELES TIMES...1.00 HOUR.

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- 12/27/99 P/C WITH CLIENT REGARDING NEW PROJECTS, LOS ANGELES TIMES ARTICLE; P/C TO DEN, CONLEY, BEARD; FURTHER P/C WITH CLIENT REGARDING MEETING; CALL TO MENN; CORRESPONDENCE TO LOS ANGELES TIMES AND MENN; P/C WITH LOS ANGELES TIMES' COUNSEL K.GOLLER; FAX TO WEXLER REGARDING ASSET MANAGEMENT ATTORNEY; P/C WITH BETTENCOURT REGARDING ROLLING STONES MAGAZINE REPORTER AND AULT INTERVIEW; P/C TO BEARD REGARDING MCR OFFER AT \$4.52 PER SHARE; P/C WITH CLIENT REGARDING SAME; P/C WITH P.SCANUEL; P/C WITH CLIENT REGARDING SAME; FAX REGARDING PIERCE SETTLEMENT; FAX REGARDING PIERCE CONVERSION...3.50 HOURS.
- 12/28/99 CORRESPONDENCE TO MB REGARDING AB RELEASE, TRANSMIT SAME, CORRESPONDENCE TO KATTEN, MUCHIN & ZAVIS REGARDING PIERCE CONVERSION; CORRESPONDENCE TO AB REGARDING DEN STOCK; P/C WITH CONLEY; P/C WITH FRIEL REGARDING LOS ANGELES TIMES, OTHER MATTERS; DRAFT PIERCE SECURED NOTE; P/C TO BEARD; P/C TO MENN FROM LOS ANGELES TIMES; P/C TO CLIENT...2.50 HOURS.
- 12/29/99 EXTENDED P/C WITH CLIENT REGARDING HUFFINGTON OFFER, LOS ANGELES TIMES ARTICLE AND QUESTIONS, RETURNING TO PARIS, OTHER MATTERS; P/C WITH BEARD; REVIEW BEARD FAX; FAX TO CLIENT REGARDING REJECTION OF HUFFINGTON OFFER; CORRESPONDENCE TO BEARD REGARDING OFFER; P/C WITH MUNEIDORF AND DOEDE REGARDING SERIES "D," HUFFINGTON AND LOS ANGELES TIMES; CORRESPONDENCE TO MENN REGARDING QUESTIONS; FURTHER P/Cs WITH CLIENT REGARDING TRAVEL AND ARTICLE; P/C WITH BEARD...2.75 HOURS.
- 12/30/99 *PIERCE - T/C WITH MAYER; REVISE SETTLEMENT AGREEMENT AND FAX TO MAYER AND CLIENT...0.75 HOUR.
- MULTIPLE P/CS WITH CLIENT REGARDING INTERNATIONAL TRANSACTION AND PARIS MEETING...0.25 HOUR.
- 12/31/99 FURTHER P/CS WITH CLIENT REGARDING INTERNATIONAL TRANSACTION...0.50 HOUR.

TOTAL ATTORNEY HOURS BILLED AT \$225.00 PER HOUR
(45.75 Hours x \$225.00 Per Hour = \$10,293.75)

LAW OFFICES OF RONALD JASON PALMIERI
911 Linda Flora Drive
Los Angeles, California 90049-1630

Telephone (310) 471-1881

Facsimile (310) 471-3511

December 1, 1999

PERSONAL AND CONFIDENTIAL

Attn: Darren Bettencourt
 Mr. Marc Collins-Rector
 M&C ESTATE
 5255 Encino Avenue
 Encino, California 91316

Re: STATEMENT OF LEGAL SERVICES RENDERED

<u>DATE</u>	<u>DESCRIPTION OF SERVICES AND TIME EXPENDED</u>
11/01/99	P/Cs WITH CLIENT, A.FRIEL; P/Cs WITH BUSINESS WEEK REPORTER; P/C WITH B.PIERCE; P/C WITH B.DOEDE...1.50 HOURS.
11/02/99	P/C WITH FRIEL REGARDING DEN STATEMENT; P/C TO DOEDE; EXTENDED P/C WITH CLIENT RE PROBLEMS, ORGANIZATIONS, ARTICLE; P/C WITH CLIENT REGARDING WIRED ARTICLE; P/C WITH DOEDE REGARDING ONLINE BUSINESS WEEK ARTICLE; P/C WITH NEW YORK POST; P/C WITH DOEDE REGARDING SAME; P/C TO FRIEL REGARDING COPY OF STATEMENT; P/C WITH CLIENT REGARDING NEW YORK POST ARTICLE, OTHER MATTERS; REVIEW DEN STATEMENT, REVISE SAME AND FAX TO FRIEL...2.25 HOURS. *PIERCE - T/C WITH MOYER; MEMORANDUM TO RJP...0.25 HOUR.
11/03/99	RETRIEVE NEW YORK POST ARTICLE; FAX TO FRIEL AND DOEDE; P/Cs WITH FRIEL AND DOEDE REGARDING ARTICLE AND DEN STATEMENT; P/C WITH CLIENT REGARDING SAME; EXTENDED P/C WITH DOEDE REGARDING STOCK GIVE UP; P/C WITH M.HILSIG OF THE LOS ANGELES TIMES; P/Cs TO COLDWELL REGARDING LOS ANGELES TIMES AND STATEMENT ; P/C WITH J.EDWARDS AT APBWS.COM; P/C WITH LOS ANGELES TIMES AGAIN; FURTHER P/C WITH ASHLEY OF THE LOS ANGELES TIMES REGARDING CLARIFICATION; P/C WITH M.NEIDORF REGARDING CHECKS; P/Cs WITH R.ROSALES REGARDING PRESS INQUIRIES, DEN STATEMENT, LETTER AGREEMENT; FAX TO M.CONLEY REGARDING EXECUTED DOCUMENTS; FAX TO FRIEL REGARDING SAME AND CNC; HANDWRITTEN FAX TO CLIENT REGARDING DOEDE OPTIONS AND ADVICE NOT TO AGREE AS YET...4.50 HOURS.

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- 11/04/99 P/C WITH CLIENT REGARDING STOCK FOR EXECUTIVES, PRESS; EXTENDED MULTIPLE P/Cs WITH DOEDE REGARDING EXECUTIVE COMPENSATION/OPTIONS; FURTHER P/C WITH CLIENT REGARDING SAME; MULTIPLE FURTHER P/Cs WITH DOEDE AND CLIENT REGARDING SAME; VERY EXTENDED P/C WITH CLIENT REGARDING WALL STREET JOURNAL ARTICLE, STOCK TRANSFERS TO MULTIPLE FRIENDS AND STAFF; P/C WITH B.PIERCE REGARDING WALL STREET JOURNAL ARTICLE, OTHER MATTERS...2.75 HOURS.
- 11/05/99 P/C WITH STROBILLA AND BUA REGARDING STOCK, OTHER MATTERS; P/C WITH DOEDE REGARDING OPTIONS; P/C WITH CONLEY...0.75 HOUR.
- 11/07/99 REVIEW OPTIONS FOR EXECUTIVE COMPENSATION FROM DOEDE, CREATE LIST OF ITEMS NEEDED; EXTENDED CONFERENCE CALL WITH DOEDE AND J.RITTS REGARDING SAME...0.75 HOUR.
- 11/08/99 *PIERCE - T/C WITH MAYER...0.25 HOUR.
- 11/09/99 REVIEW WEXLER MEMO REGARDING COLLINS-RECTOR REGISTRATION RIGHTS AGREEMENT; P/C WITH D.WEXLER REGARDING SAME; REVIEW RITTS EMPLOYEE PACKAGE; P/C WITH RITTS REGARDING SAME; P/C WITH D.BETTENCOURT REGARDING PHOTOGRAPHER AT ESTATE; P/C WITH ROLLING STONE MAGAZINE; P/C WITH ANNA REGARDING INQUERY; EXTENDED P/C WITH RITTS REGARDING MEETING...2.25 HOURS.
- 11/10/99 EXTENDED P/C WITH DOEDE REGARDING STATUS OF EXECUTIVE PACKAGE; EXTENDED MEETING AT DEN OFFICES WITH RITTS AND B.GAMACHE; MEETING WITH FRIEL REGARDING EXCHANGE AGREEMENT AND TERMS THEREOF, AND E-MAIL TO CLIENT REGARDING STATUS...5.00 HOURS.
- 11/11/99 P/C WITH FRIEL REGARDING STOCK OPTION TERMS AND GIFTS TO THIRD PARTIES; P/C WITH C.SHACKLEY REGARDING UPDATE ON STATUS; P/C WITH DOEDE REGARDING STOCK SALE FOR COLLINS-RECTOR, OTHER MATTERS...0.75 HOUR.
- 11/12/99 P/Cs WITH CONLEY REGARDING EXCHANGE AGREEMENT TERMS; P/C WITH FRIEL REGARDING LIST OF EXECUTIVES; P/C WITH GAMACHE REGARDING SAME, TRANSMIT TO FRIEL; P/C WITH DOEDE REGARDING DEAL POINTS, SALE OF MCR STOCK, PAYOFF ON NOTE...1.25 HOURS.
- *PIERCE - LETTER TO MEYER...0.25 HOUR.

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- 11/15/99 P/C WITH MICHAEL NEIDORF REGARDING MEETING REGARDING TAX IMPLICATIONS OF EXCHANGE AGREEMENT; P/C FRIEL REGARDING POTENTIAL OPTIONS; REVIEW REGISTRATION RIGHTS AGREEMENT; P/C WITH D. WEXLER REGARDING DESIGNATED HOLDERS AND RRA, PREPARE CHART REGARDING EXECUTIVE COMPENSATION...1.50 HOURS.
- 11/16/99 DRAFT MEMO TO NEIDORFS' REGARDING TAX IMPLICATIONS OF OPTIONS TO STAFF, FRIENDS AND EXCHANGE AGREEMENT; FAX SAME, P/C FRIEL REGARDING REVISIONS AND ?????, P/C WITH WEXLER REGARDING DATA HAVEN FORMATION AND FURTHER REVISIONS TO REGISTRATION RIGHTS AGREEMENT, P/C DOEDE REGARDING STATUS AND CLIENT'S PLANS; DO FILE MEMO FOR MURRAY NEIDORF; P/Cs WITH FRIEL AND RITTS REGARDING STATUS OF DOCUMENTS; MEETING WITH NEIDORFS REGARDING COMPENSATION PACKAGE, DETAILED LETTER TO CLIENT REGARDING OPTIONS...6.00 HOURS.
- 11/17/99 REVISE TO FINAL DETAILED MEMO TO CLIENT REGARDING RECOMMENDATIONS FOR EXECUTIVE COMPENSATION; P/C WITH FRIEL REGARDING STATUS; E-MAIL TO CLIENT, FRIEL, DOEDE; CORRESPONDENCE TO MURRAY NEIDORF REGARDING RECOMMENDATIONS TO CLIENT AND DISAGREEMENT WITH HIS POSITION; P/Cs TO FRIEL; P/Cs TO DOEDE; P/Cs TO WEXLER; P/Cs MURRAY NEIDORF REGARDING POSITIONS AND RECOMMENDATIONS; REVIEW AND FAX ENRON MEMO...3.00 HOURS.
- 11/18/99 P/C WITH MURRAY NEIDORF REGARDING EXECUTIVE COMMITTEE MEETING, OPTIONS, EXECUTIVE SALARIES, FIRST BOSTON POSITION; P/C DOEDE REGARDING STATUS; P/C TO GAMACHE REGARDING STOCK CHART AND REGARDING CLIENT AND RITTS' MEETING; P/C TO DOEDE REGARDING UPDATE ON EXECUTIVES' POSITIONS; P/C WITH J.KANE REGARDING STOCKHOLDERS AGREEMENT...1.25 HOURS.
- 11/19/99 P/C WITH FRIEL REGARDING STATUS OF NEGOTIATIONS; P/C TO RITTS AND GAMACHE REGARDING UPDATE; P/C RITTS; REVIEW CORRESPONDENCE TO ENRON...0.50 HOUR.

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11/22/99 P/C WITH CLIENT REGARDING TRANSFER OF STOCK TO ALEXANDER BURTON; P/Cs WITH FRIEL REGARDING SAME; CORRESPONDENCE TO NEIDORF AND FRIEL REGARDING SAME; P/Cs WITH WILSON AND CONLEY REGARDING SAME; P/C WITH DOEDE REGARDING STATUS OF EXECUTIVE PACKAGE, STOCK SALE; FURTHER P/Cs WITH FRIEL REGARDING STATUS OF CERTIFICATE; FURTHER P/C WITH CLIENT REGARDING STATUS...2.50 HOURS.

11/23/99 EXTENDED P/C WITH CONLEY REGARDING REVISIONS TO REGISTRATION RIGHTS AGREEMENT, EXECUTIVE PACKAGE, OTHER MATTERS; P/C TO FRIEL; P/C TO WEXLER; P/C TO DOEDE; DRAFT AB RELEASE; EXTENDED CONFERENCE CALL WITH FRIEL AND DOEDE REGARDING FINAL DEAL POINTS; P/C WITH WEXLER REGARDING SAME...2.50 HOURS.

11/24/99 ENTIRE DAY OF NEGOTIATIONS, REVISIONS, FINAL DRAFTING AND CORRESPONDENCE REGARDING ROBERT DOEDE OPTION, REGISTRATION RIGHTS, EXCHANGE, NOTES, RELEASE, EXECUTIVE COMPENSATION PACKAGE; MULTIPLE P/Cs WITH CLIENT, DOEDE, FRIEL, CONLEY, WILSON, CANE, WEXLER REGARDING THE ABOVE; PREPARE FINAL PACKAGES AND CORRESPONDENCE REGARDING SAME FOR E-MAIL AND FEDERAL EXPRESS TO EUROPE...8.25 HOURS.

11/25/99 P/C WITH DOEDE REGARDING DOCUMENTS; CONFERENCE CALL WITH CLIENT AND DOEDE REGARDING DOCUMENTS AND EXECUTION; FURTHER P/C WITH CLIENT REGARDING DETAILS OF AGREEMENT...0.50 HOUR.

TOTAL ATTORNEY HOURS BILLED AT \$225.00 PER HOUR
(47.75 Hours x \$225.00 Per Hour = \$10,743.75)

* TOTAL ATTORNEY HOURS BILLED AT \$175.00 PER HOUR
(0.75 Hour x \$175.00 Per Hour = \$131.25)

TOTAL ATTORNEY HOURS THIS STATEMENT 48.50 HOURS

TOTAL ATTORNEY FEES THIS STATEMENT \$ 10,875.00

COSTS:
MONTHLY 5% ADMINISTRATIVE CHARGE \$ 543.75
INCLUDES DOMESTIC AND INTERNATIONAL TELEPHONE CALLS,
IN HOUSE PHOTOCOPYING, FACSIMILES AND POSTAGE.

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ITEMIZED COSTS THIS STATEMENT PERIOD:**MESSENGERS, FEDERAL EXPRESS, PARKING, FACSIMILE, POSTAGE, PHOTOCOPYING
& ATTORNEY SERVICE FEES:**

Express Network, Inc., invoice dated 10/31/99.....	\$	39.90
Express Network, Inc., invoice dated 10/15/99.....	\$	55.50
Federal Express invoice dated 10/15/99.....	\$	39.50

TOTAL COSTS INCURRED THIS STATEMENT \$ 678.65**TOTAL FEES AND COSTS DUE THIS STATEMENT \$ 11,553.65****OUTSTANDING BALANCE DUE PER NOVEMBER 1, 1999 STATEMENT..... \$ 32,187.01****SUMS RECEIVED IN NOVEMBER 1999, TO PAY OUTSTANDING
BALANCE DUE AND TO REPLENISH RETAINER \$ 36,983.26****RETAINER ON HAND PRIOR TO THIS STATEMENT..... \$ 4,816.25****RETAINER REMAINING AFTER PAYMENT OF THIS STATEMENT..... \$ 0.00****TOTAL BALANCE DUE THIS STATEMENT \$ 6,737.40**

**PLEASE ISSUE A CHECK IN THE SUM OF \$11,737.40 MADE PAYABLE TO
"RONALD JASON PALMIERI TRUST ACCOUNT" TO THE OUTSTANDING BALANCE
OF \$6,737.40 AND TO MAINTAIN YOUR RETAINER BALANCE AT THE MINIMUM
SUM OF \$5,000.00 PER YOUR RETAINER AGREEMENT.**

cc: Murray Neidorf (via facsimile, Fax: 818-881-1610)