

Dr Phillip King-Wilson

From: Julian Waits Sr. [julian@pivotpointra.com]
Sent: 12 April 2016 23:40
To: Dr. Phillip King-Wilson
Subject: PivotPoint and Quantar Discussion

Phillip,

I hope that this email finds you well and good health. I additionally hope that everything you're doing to move your family back to the UK is going well. I moved my family across country before. I can't imagine how much tedious it is to move across the ocean.

I'm writing you in hope of settling on a deal that we can come to agreement on. Let me first thank you for the correspondence that you sent me on April 6th. It did a great job of laying out your interests, and aiding me with seeing where all parties are on the same page. As you outlined in your email, I agree with you that it's in everyone's best interest for PivotPoint to acquire the patents, and associated product IP outright.

[REDACTED]. The key issue that I ran into, is as I floated that idea to a couple of my trusted venture capitalist (VC) associates, [REDACTED] [REDACTED] such an arrangement could kill a potential acquisition of PivotPoint should the opportunity to sell present itself [REDACTED]. That would not be in anyone's best interest.

As you and I discussed, we are working [REDACTED] towards funding a transaction like we are currently contemplating. The company is gaining traction. I'm building out a sales and marketing team to meet the demand, or the company will never gain the momentum that it needs to get venture funding in what has become a very sluggish environment.

[REDACTED] VCs are being very cautious concerning series A investments that they'll actually do. While in my estimation, growth stage companies seem to be having better traction with growth stage VCs, deal volume has slowed in cyber no matter what stage a company is at. This situation has made my job more difficult as PivotPoint is both, pre-funded, and has a small number, but growing base of customers today.

With that stated, Cyber Risk Quantification is now on the forefront of corporate board agendas, the insurance industry, and forward looking corporate technology executives. You and I agree that the market is now coming into its own and poised to grow at a rapid pace if one, or more, companies in our space can get traction. PivotPoint is demonstrating that as I write this email. Though the company only began marketing efforts, as an independent entity from CyberPoint, in October 2015, our awards and customers are demonstrating that PivotPoint is gaining traction with CyVaR. As I mentioned to you, the Business Insurance 2016 Innovation Award came as a surprise to me. It demonstrates the traction that PivotPoint is gaining within the cyber insurance community.

Phillip, I can't give you any absolutes. As you've been at this much longer than I have, you know how difficult it is to build a new company from nothing in an undefined market. However, that is my track record, building companies from the ground up, and selling them at multiples that benefit the company's investors and employees. I say all of this only to state that there has to be a bit of trust and confidence in me on your end.

[REDACTED]

Karl and I would like to offer you [REDACTED]

[REDACTED] He and I
propose [REDACTED]

Pivot Point is most definitely established itself as the market leader. In my opinion, PivotPoint has a much better chance than any of the other companies claiming to be in the space. If you agree with that, this is a great place for you to make a bet, on me and Pivot Point.

I'd also like you to consider a seat on PivotPoint's Advisory Board. Your knowledge in the space would be most valuable. This would also allow you to keep a pulse on how well the business is performing.

Please inform me when you've got a moment to speak. As I informed you in my text last evening. I met with Karl. He's very anxious and has informed me that he wants a letter of intent in place by [REDACTED]. It is my sincerest wish that you and I get this behind us and concentrate our efforts on building a great market together. When is a good time for you and I to speak?

Best Regards,

Julian W. Waits, Sr.

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