

Alexis Grower  
Magrath & Co  
52-54 Maddox Street  
London  
W1R 7PA

By Fax: 071 409 1745 (3 pages)

30th October 1993

Dear Alexis

**Re: Polygram / Modo / WAU! / Orb etc.**

Regarding your fax to John Kennedy of October 29th setting out the position with regard to WAU Recordings, I would like to clarify point 1. A further question arises as to why it is headed 'Polygram Music / Orb', when Polygram Music have no connection with WAU!?

You say Modo (Records and Tapes) Ltd and WAU! (Recordings) Ltd. entered into a joint venture. This is not technically correct.

WAU! Recordings was a dormant company. Having been set up by Youth and Alex, it did not at any time during our working together (1989 to 1991) trade in any way.

Modo (Records and Tapes) Ltd. financed, managed, and administered the Trading Name WAU! Mr Modo. There was no written partnership agreement, no joint venture between two trading companies and no partnership.

As a 50% Shareholder of Modo (Records and Tapes) Ltd., and Co-Director for the period in question, the only agreement (verbal not written) between Modo and WAU! was a consideration by Modo to give Youth and Alex half of any company profits before tax.

Modo was responsible for promoting the label name for WAU!. We increased Youth's income by generating producers points (eg Blue Pearl, Zoe etc), song writing income, etc.

Modo (Records and Tapes) Ltd. did not make a profit at any point in those years, which would create a dividend or profit share payable to Youth.

We almost went bankrupt due partly to A&R decisions by Youth.

We knew nothing about David Yorath and his claims on Blue Pearl until a year after the record 'Naked in the Rain' was released and, if he had not been a 'friend' at the time, we would have refused any liability as he was not authorised to make deals on our behalf without Modo's approval unless he indemnified us against same, as any other producer does.

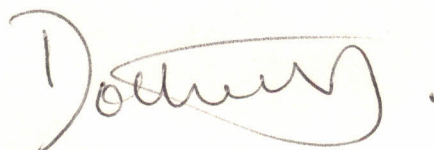
I feel it is dangerous to say that Modo (Records and Tapes) Ltd. and WAU! Recordings Ltd. was a joint venture between two companies.

When Modo started we didn't even know WAU! (Youth and Alex) had a company. WAU! Mr Modo is claimed by Modo (Records and Tapes) Ltd. to be a trading name (label name) owned by Modo with a share of Net Profit due to WAU! in return for A&R expertise.

It is ironic that the people involved in Modo (Adam, myself and now Dave Fagence) have earned far less from the WAU! Mr Modo label over the past four years than the people suing us (Youth and Jazz Summers).

This is just for the record.

Regards

pp Ann 

Yvonne O'Donovan

CC: Adam Morris  
Dave Fagence

P.S.

Finally, Alex and Adam made it very clear at the meeting in New York that the Orb signing to Island is not to be used to give Youth anything.



He has not earned 1% on the Orb. He is not getting any more money from us.

Modo has a right to sue him regarding David Yorath. Modo has a right to sue Jazz for robbing us.

I know we keep saying write off the past and concentrate on the future, but we have reached the limit.

We agreed to switch to points and write off the audit to get an agreement. We have agreed all his changes to our points agreement which are all in his favour.

We are digging our heels in on Youth and WAU! and any other change.

Enough is enough. If we keep giving points away we could be sued by Alex and Kris in the future.

Why should Kris buy off Youth? It is absolute nonsense.

Kris, Adam and Alex have signed a deal made on October 22nd 1993. They are not bound by any changes after that date.

Please send a copy of the Big life Settlement Agreement which has been signed to Sheffield and any other agreements relating to Big Life / Polygram / Orb / Island. I can arrange for Mark to collect on Monday as he is in London all day.

Thanking You.

Good Luck.



(1)

Summary Report re: Orb/Modo/Big Life/Island

Date of Report 16th November 1993.

Prepared by Y.O'Donovan

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1) M. Glover/D. Yorath: Litigation

Current delays re. claim by WAU! for share of deal.  
Modo accounted to D.Yorath, Surrey Sound based on Youth's instructions as producer which he confirmed on a sworn statement. Modo accepts no further liability.

2) Modo claims there was no valid partnership between WAU! & Modo in company law.

Refer share ownership and financing.

Refer to Partnership Act (1956?) re.failure to share losses.

<Note WAU! Mr Modo was the label name of a Joint Venture based on a verbal agreement (see below)>

3) Alex Paterson as Director and Shareholder in WAU! will both stop his co-director taking any action to sue anyone without his consent and he will sue Youth for acting against him, i.e. failing in his fiduciary duties as a director of WAU! and trading without his knowledge.

4) A.Morris can prove coercion in signing the Big Life Records licencing agreement in Jan. 92 (backdated to Aug.91) by Martin Glover & Jazz Summers. He can prove he was manipulated into a situation where he had no choice but to sign an agreement he visibly objected signing. (note WAU! Recordings Ltd. should never have been a signatory. This was at Jazz Summers insistence).

5) There is no valid recording agreement between WAU! and The Orb.

6) Modo and The Orb claim legal costs against Martin Glover and Jazz Summers currently standing @ £75,000.



(2)

- 7) Our verbal agreement with Martin Glover & Alex Paterson was that we would share Net Profits before Tax on a 50/50 basis. As Big Life were accepted as Major Licencees for various releases, due primarily to considerations re. M. Glovers personal career as producer (managed by Jazz), Modo acted in good faith in allowing projects to go ahead without signed agreements.
- 8) M. Glover and Jazz Summers (acting independantly or together) held themselves out as management of The Orb, while clearly aiming to discredit A. Morris as manager.
- 9) The audit report re. The Orb record royalties prepared by Ross Bennet-Smith in June '93 was written off (by mutual verbal agreement between Modo Records & Big Life Records) on the basis that all legal settlement documents would be signed off prior to release of the single 'Little Fluffy Clouds'. As Big Life refused to act as promised, we are now claiming the full value of the Audit Report (min. £135,000)
- 10) Throughout this current negotiations Modo have attempted to accomodate every claimants demands to achieve an amicable settlement. Whilst these negotiations have continued, Big Life records have failed to account to Modo/Orb on catalogue sales. Big Life have refused to send accounts unless settlement documents have been signed. Big Life have refused to sign the settlement documents. The outcome of this is that Modo/Orb have not been accounted to since the period to December 1992. We hereby claim damages and interest on failure to account.
- 11) We have good reason to believe from four years of dealing with Big Life Records and its Managing Director Jazz Summers, that this is a conscious tactic, to force us out of business.
- 12) We hereby claim damages and loss of income from Martin Glover and Big Life Records for their injuction against Modo's releases of Suzuki and Maurizio. These releases were put into production with the full agreement of M. Glover and were injuncted by Jazz Summers with M. Glovers support four months later (Jan/Feb '93) with a loss to our company of £25,000.

(3)

- 13) We, Modo & Orb can demonstrate that thru' our business relationships with Jazz Summers and Martin Glover we have suffered losses of at least £250,000, excluding monies due from Para. 10 above.
- 14) The same people are now preventing us signing a deal agreed with a Major record company, obstructing us in every way from earning our living and generally demonstrating a complete lack of willingness to act in 'good faith'.





To: Peter Thomson, Big Life Records

Fax No: 071 323 5392

Pages: 1 (inclusive)

8th October 1993

6.10pm

Dear Peter

It is now close of business on the 8th of October 1993 and you have failed to provide royalty accounts as promised. I am extremely concerned at not having heard from you.

Yours sincerely

Yvonne O'Donovan



A. D. RUSSELL  
R. A. W. PAGE  
A. J. ENGLISH  
B. K. HOWARD  
C. D. ORGAN  
M. E. SINNOTT  
S. M. TEEGARD  
M. R. HARTKE

Solicitors

REGENCY HOUSE  
1/4 WARWICK STREET  
LONDON W1R 5WB

TELEPHONE 021 439 8492  
FAX 021 439 8582  
DX 1721 REGENT

Our ref  
Your ref

A:MS/ELG/H301

17th November 1993

Alexis Grower Esq  
Magrath & Co  
Solicitors  
52/54 Maddox Street  
London W1R 9PA

BY FAX: 409 1/45

WITHOUT PREJUDICE

SUBJECT TO CONTRACT

Dear Alexis

Modo (Records & Tapes) Limited - Martin Glover pka Youth

I am writing to set out Youth's position in relation to the settlement of this matter. It is acknowledged that Wau Recordings Limited, Modo (Records & Tapes) Limited, Alex Paterson ("Mr Paterson"), Martin Glover ("Youth") and others participated together in the signing and/or development and/or recording of various recording artists. Such participation is referred to herein as "the Wau Modo Joint Venture".

1. The Modo Parties (as hereinafter defined) will pay or procure the immediate payment to Youth upon conclusion of this settlement the sum of £25,000 plus VAT to be used by Youth in settling proceedings issued against him by David Yorath. The cheque should be payable to MPA Glover.
2. The Modo Parties will pay or procure the immediate payment upon conclusion of this settlement Youth's legal fees with respect to this matter as detailed in the invoice attached hereto.
3. Mr Paterson will resign as a director of Wau Recordings Limited and transfer his shares in the company to Youth at par.
4. All rights that there may be in the name "Wau" and any name similar thereto and any logos, trademarks, tradenames etc will belong to Youth and the Modo Parties will not make any use of this name or any name similar thereto save that all recordings previously recorded for or in connection with the Wau Modo Joint Venture shall be released using the



Wau/Modo logo and the Modo Parties agree to procure that this shall happen.

5. With respect to all other artists who recorded for or in connection with the Wau Modo Joint Venture (other than The Orb and Blue Pearl) the Modo Parties and Youth shall negotiate reasonably with a view to reaching agreement with respect to such artists and whilst such negotiations are proceeding there shall be no new exploitation of recordings recorded by such artists without Youth's prior written approval.
6. Notwithstanding paragraph 8(a) this settlement shall not affect any entitlement that Youth may have as a producer of and/or writer of any material for any of the artists the subject matter hereof and all such rights are entirely reserved.
7. Youth confirms that Mr Paterson may sign on behalf of Wau Recordings Limited the settlement relating to The Orb between Big Life Records Limited, Modo (Records & Tapes) Limited, Wau Recordings Limited, Kristian Weston, Mr Paterson, Big Life Music Limited and Mr Paterson & Adam Morris.
8. (a) Youth and Wau Recordings Limited agree that subject to paragraphs 5 and 6 the above is in full and final settlement of any claims that they may have either individually or collectively against Mr Paterson, The Orb, Adam Morris, Modo (Records & Tapes) Limited or the Wau Modo Joint Venture (together jointly and severally referred to as "the Modo Parties") in respect of Youth's and/or Wau Recordings Limited's interest in the Wau Modo Joint Venture and/or any artists who have recorded recordings for the Wau Modo Joint Venture and/or in respect of the recordings recorded by such artists and the Modo Parties are released from any such claims.  
  
(b) The Modo Parties acknowledge and agree that the above is in full and final settlement of any claims that they may have either individually or collectively against Youth and/or Wau Recordings Limited in respect of any interest or involvement of Youth and/or Wau Recordings Limited in the Wau Modo Joint Venture and/or any artists who have recorded recordings for the Wau Modo Joint Venture and/or in respect of the recordings recorded by such artists and Youth and Wau Recordings Limited are released from any such claims.

Please confirm in open correspondence that the above is acceptable to you on behalf of your client and let me have cheques for the amounts specified in points 1 and 2 above whereupon the "without prejudice" and "subject to



contract" condition of this letter will cease and our exchange of correspondence shall constitute a binding agreement between our respective clients.

Finally I have been asked to point out that my client is personally getting absolutely nothing out of this settlement.

Regards

Yours sincerely

*Mark S.*  
MARK SINNOTT

Enc.



## RUSSELLS

Solicitors

REGENCY HOUSE  
1/4 WARWICK STREET  
LONDON W1R 3WBA. D. RUSSELL  
R. W. PAGE  
A. J. ENGLISH  
B. K. HOWARD  
C. D. ORGAN  
M. F. SINNOTT  
S. M. TRICEAR  
M. R. HAFTKETELEPHONE 071 494 3582  
FAX 071 494 3582  
DX 1000000000000000MARTIN GLOVER ESQ  
pka Youth

Date 17.11.93

## VAT INVOICE

DATE	OUR REFERENCE	VAT REGISTRATION NUMBER	TAX POINT	VALUE OF SERVICE	RATE	VAT AMOUNT
17.11.93	MS. ELG.1398/1	234 2282 87	17.11.93	7,500.00	17 1/2%	1,312.50

Supply of Legal Services

TOTAL VAT £

1,312.50

to Way Recordings Limited

Date 17th November 1993

Re our Professional Charges

incurred in acting on your behalf and  
advising you regarding your dispute with Alex  
Person and Modo (Records & Tapes) Limited.

To include attending you and Debbie Kempson  
at various times and advising as to the  
proceedings initiated by Big Life; receiving  
and perusing various documentation regarding  
the background to this matter; attending  
Alexis Grower and discussing possible  
settlement terms; further protracted  
communication and correspondence with Alexis  
Grower and various other parties in an effort  
to settle this matter before finally reaching  
agreement, agreed fee

Russells.

WITH COMPLIMENTS

A:MS103

7,500.00	17 1/2%	1,312.50
7,500.00		1,312.50
1,312.50		
£8,812.50		

# MAGRATH & CO

SOLICITORS

52/54 Maddox Street, London W1R 9PA  
Telephone: 071-495 3003 Fax: 071-409 1745 DX: 9009 (West End)  
Emergency Pager No: 0459 108877

BY FAX: 0742-729562

Ms Yvonne O'Donovan  
Inter-Modo  
1-3 Sidney Street  
Sheffield  
S1 4RG

Your reference

Our Reference AG/LL/2198/2

Date 1 July 1994

direct fax: 071-499-5037

Dear Yvonne

RE: THE ORB - RAGE MANAGEMENT - KRISTIAN WESTON

I did send you up the draft letter that I suggested we sent to Karen's lawyers, but have not as yet heard from you with your comments thereon.

I believe that Karen's lawyers may be about to issue proceedings. This may not in itself be a problem as it will really focus Karen's mind on the cost of litigation, but it may not be something that you will welcome.

In any event I look forward to hearing from you at your convenience.

Kindest regards.

Yours sincerely,

*Alexis*

ALEXIS GROWER

## ULTANTS

Grower  
BA\*†  
Consultant  
†itted with Practising Certificate

## PARTNERS

Chris Magrath BA\*  
Aileen Colhoun LLB M.Phil  
David Ashton BA (Hons)  
Mark Haslam MA (Cantab)  
Lesley A Kemp BA (Hons)  
\*Member of the New York Bar

## ASSOCIATE

Derek Cockle LLB (Hons)

## ASSOCIATE OFFICE

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665 Fifth Avenue  
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This firm is authorised by the Law Society in the conduct of investment business



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Ms Yvonne O'Donovan  
Inter-Modo  
1-3 Sidney Street  
Sheffield  
S1 4RG

Your reference

Our Reference AG/LL/2198/2

Date 21 June 1994

Dear Yvonne

I enclose herewith a first draft of a letter I propose sending to Karen Boardman's solicitors for your comments.

I must make it clear that my view is that if we are to send this letter out, we must do so only when you have let me have all of the documentation so that I can make sure that if an appointment is requested, I can agree to the same without too much delay.

Kindest regards.

Yours sincerely

*Alexis*

ALEXIS GROWER

## CONSULTANTS

Alexis Grower  
Ira Levy BA\*†  
\*US Visa Consultant  
†Not admitted with Practising Certificate

## PARTNERS

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## **DRAFT LETTER**

Mr David Kent  
Messrs Seddons  
Solicitors  
DX 9061  
WEST END

DK/ag/RAG01-3

AG/LL/2198/2

21 June 1994

direct fax: 071-499-5037

Dear David

### **RE: THE ORB - RAGE MANAGEMENT - KRISTIAN WESTON**

I have now had an opportunity of considering this matter in some detail with my clients and have reviewed the correspondence that has passed between yourself of the one part and my clients of the other.

The arrangement that Karen Boardman entered into with Kristian Weston concerning Karen Boardman's interest in Kristian Weston's income is set out in the letter sent to Kristian by Adam Morris on the 8th July 1991, which was counter-signed by Karen Boardman on the 14th July 1991. This arrangement to which I will refer later on, governs in my view the position that existed from the 1st July 1991 until May of 1993 when Kristian terminated his relationship with Karen Boardman.

The letter itself confirms the position with regard to management commission to be deducted from earnings from the 1st July 1991. The question that therefore arises is what the word "earnings" means. My clients tell me that throughout the relationship that existed between Karen Boardman and Kristian Weston, Karen received her 7½% commission on cash received by Kristian Weston and bearing in mind the nature of the relationship, it is my view that that is indeed the correct construction to put on the term "earnings".

Bearing the above in mind, I am able to confirm that there are five main sources of income during the period July 1991 to May 1993, which would have given rise to commissionable earnings, namely:-



1. Recording/producers royalties
2. Publishing income
3. Merchandising
4. Re-mixing
5. Live

Dealing with each source of income in turn, I can thus inform you as follows:-

1. **RECORDING/PRODUCERS ROYALTIES**

Prior to May 1993, there were two Orb albums released namely (a) Adventures Beyond the Ultraworld, both in its original form and in its remixed form, which was entitled "Aubrey Mixes" and (b) "UF Orb". Kristian Weston was not concerned at all with Adventures Beyond the Ultraworld as this was written and recorded prior to Kristian's involvement with the group. I am now able to let you have a copy of the Big Life Records ~~agreement~~ royalty statements to June 1993 which was delayed in its receipt because of the litigation between Big Life and The Orb, but was finally received on the 22nd November 1993. That statement, together with all relevant back-up documentation is available for you and Karen Boardman and any accountants appointed by her, to inspect at my office upon prior appointment, but in any event by agreement.

2. **PUBLISHING INCOME**

I now have the statements from Big Life Music to June 1993 together with the computer printouts showing the publishing splits between Orb Music writers and which details the original agreements as to songwriters splits and sample clearance payments. These are available for you, Karen Boardman or her Chartered Accountants to examine upon prior written appointment.

3. **MERCHANDISING**

A merchandising agreement was entered into with Bravado which provided for, inter alia, an advance payment of £35,000, all of which was used to make up tour losses. The advances have not yet been recouped and Bravado statements are available for you to examine in similar manner as above together with tour accounts.

4. **RE-MIXING INCOME**

All relevant statements are available for you to examine as indicated above.

5. **TOURING INCOME**

All accounts relating to tour income are available for you to examine at my offices as indicated above.

In the meantime you say in your letter of the 29th March 1994 that the figures supplied by my clients indicate that Karen Boardman is owed a further £1,700 commission over and above that which she was previously aware of.

Please would you quantify precisely how that figure is arrived at, as if that is indeed the case our clients will pay over the monies without delay. One of the problems we have in ascertaining the position is that it would appear that Karen Boardman has commissioned, not only for monies due to Kristian Weston but also to herself and that her invoices in this regard are "mixed up". You may think it wise at this stage for Karen Boardman to prepare a full financial statement showing precisely what income she has had to date, what she thinks she is entitled to and why. Can you please also ensure that Karen Boardman includes in that statement reference to PRS income and PPL income, as we believe those monies flowed through to Karen Boardman without reference to our clients at all.

**NB: PLEASE DEAL ADEQUATELY WITH THE FACT THAT ALL PREVIOUS MONIES HAVE BEEN COMMISSIONED ON CASH RECEIVED BASIS.**

The accounts that now exist appear to me to be clear and up to date and now that Big Life Records have indeed accounted to my clients, as will be seen from your inspection, there is no unrecouped balance to due Mado at all. The reference to an unrecouped balance question in your letter of the 29th March (paragraph 7) has been dealt with by the accounting position.

With regard to the Island Records agreement, this does not concern Karen Boardman at all. Nothing was written off in that agreement, as an examination of the accounting referred to above will clearly confirm. It is correct that Kristian Weston's income will be affected in the future as a result of the settlement of the litigation, but that takes effect as from the settlement that is to say November 1993, long after Karen Boardman's entitlement commission had come to an end.



As to your suggestion that in some way Karen Boardman was actively involved in the negotiation process of a new contract with Island Records, whether or not that is the case and I must tell you that Karen Boardman's involvement was of a very minimal nature indeed in any event, no income arose as a result of that involvement until long after her arrangement with Kristian Weston had come to an end.

Dealing with your reference to Gordon Biggins' involvement whilst Gordon Biggins was in the United States of America, my clients have asked me to point out that Gordon Biggins was in the United States of America on his own business, entirely separate to that of The Orb. There is quite clearly no "on-going" commission due or for any expenses to be reimbursed to Mr Biggins, although if you would let us have a full list of the same we will take our client's specific instructions on each item, on an item by item basis, so that we can understand the precise nature of your claim.

<sup>My</sup>  
~~Our~~ clients instruct us that over a period of time, Karen Boardman has received a considerable sum from Kristian Weston although during the period of time in which Karen Boardman was involved with Kristian Weston, he did not earn more than £50,000. Accordingly, it would appear to us that Karen Boardman was paid sums in excess of those she was entitled to and if that indeed is the case, then our clients reserve the right to claim back from Karen Boardman any such monies that were paid.

May I suggest therefore that in the first instance you have your client prepare a detailed set of accounts so that it is easily understandable as to what monies she has received and on what basis and when, at which time if you wish to pursue the matter then you arrange to call at my office to examine the various royalty statements and backup documentation.

My firm view of this matter is that on reflection it may be that your client will not wish to pursue the same as in all she has received more than she is entitled to. However, if your client does wish to proceed that is entirely a matter for her, but you may take it that my clients will resist any proceedings as strenuously as necessary to defeat the same.

Kindest regards.

Yours sincerely

ALEXIS GROWER