

Kenneth R. Kappel

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By Facsimile and CRRR

Mr. Bruce Fancher
Partner/President
Evolution Online Systems Inc.
and
Phantom Access Technologies, Inc.
1133 Broadway
New York, NY 10011

August 17, 1995

Re: Annexed Statement and final Invoice

Dear Bruce

After seven months I understand that Mark Edwards terminated his employment because your corporation(s) (which, based on information and belief are merged in practice and fact), no longer have regular computer programming work for him.

I regret that we have been unable to reach mutual agreement over the past seven months in terms of the 10% finder's fee owed to me for locating Mr. Edwards, which I did, as you have acknowledged, at your request. Consequently, if you or your representative has not contacted me by the close of business, Wednesday, August 23, 1995, I will have no other recourse, but to proceed to filing and collection through the court.

Upon information and belief the annexed Affidavit is a true rendering of the facts in this matter and will be presented to the court.

Mr. Edwards reported daily maintaining regular hours to your place of business five days a week for six months, worked on computers and software provided by you, and performed work defined and under the direction of you and your partners. Consequently, Mr. Edwards relationship was clearly and in fact that of an employee. See, NY Times, 8/16/95, "University admits...." annexed hereto.

The fact that you placed all your personnel on your new payroll system in the first quarter of this year proves your awareness of Service Regulations and the law in these matters. Consequently, you will see that the annexed Final Statement and Final Invoice reflect approximately the entire amounts that you may have paid for Mr. Edward's services if you treated his employment in the manner in which you treated all other personnel, including yourself and your partners.

Because I am neither a CPA or an attorney, frankly, I am baffled and have no idea why you dealt with the situation as you have. Therefore, I have based my 10% finder's fee on the lawful expense to your company(s) for the length of Mr. Edward's actual employment. I believe the court will enlighten me regarding such practice.

Very truly yours,


Kenneth R. Kappel

Encls.