# **EXHIBIT 15**

From:

Nancy J. McKibben <nmckibben@att.nct>

Sent:

Tuesday, December 3, 2002 4:51 PM

To:

mmckibben@leader.com

Subject:

**RE: Progress** 

Hi honey -

sounds good to me. Are you getting a good response?

Love you, Nancy

This message contains proprietary & confidential trade secret information that is intended for the named recipient(s) only. (c) 2002, Leader Technologies Incorporated, Michael T. McKibben, All Rights Reserved.

----Original Message-----

From: Michael T. McKibben [mailto:mmckibben@leader.com]

Sent: Tuesday, December 03, 2002 11:43 AM

To: mmckibben@leader.com

Subject: Progress

Proprietary & Confidential Information

Hi All:

In light of our financing circumstances, I wanted to give you a quick update. The news is very positive on all fronts except short term financing, where making progress is akin to extracting teeth. Go figure. Two years ago one could raise money on counting eyeballs, now you practically have to sacrifice your first born to get it. Leader's story has never been better, and yet, raising operating cash has never been harder. "This too will pass."

Based upon current investment presentations lined up and current conversations underway, I anticipate that we will be able to bring our deferred salaries current by the end of the month. This is an estimation, of course, and could change based on the results of the projected financing presentations over the next few weeks. But, I think it is a reasonable expectation based upon what is planned. Late yesterday evening I got a verbal confirmation of some additional financing to be received from my last Arizona trip. I will work to get that money in as soon as possible. I was able to raise a modest amount of money last week in Tucson. This amount was enough to cover essential operating expenses including health insurances, communications, equipment leases, rent, utilities, travel, etc. It was also enough to allow us to pay a "Christmas bonus" which we will get out this week. This will be in addition to the deferred salaries and is intended to help carry each of you through this time. Also, just so everyone knows, when Carrie was finding a place for the Christmas party, we had to commit to the place in advance. We are committed to that event (i.e., the money's already spent). We need to all go and have a great time! Ebaneezer Scrooge (read: the current miserly market for R&D investing) isn't going to spoil our Christmas!

Once we are through this period, I will sit down with Brad, Jeff and Steve to come up with an appropriate equity options package for you in consideration for the personal sacrifices you are now making.

## On Sales

We have the following prospects in the pipeline:

- Several large and medium-sized systems integration and defense contractors homeland security application, medical systems, knowledge management, collaboration, teleconferencing, video conferencing, security cameras
- Major pharmaceutical clinical trials, security, collaboration, teleconferencing
- Major healthcare consortium / Major national research hospital homeland security, physician continuing education, teleconferencing, video conferencing, emergency broadcasting



LTI102315

Highly Confidential - Attorneys' Eyes Only

- Major bank next-generation ATM, custom account management, collaboration, service delivery engine
- Major clothing retailer new product design collaboration, project teams, store communications, teleconferencing
- Major financial services player teleconferencing, value-added services delivery, custom account management.
- Several major international law firms teleconferencing, client collaboration
- · Regional healthcare organization file sharing, mobile support

All of the following meetings and customers represent a deal, that once under contract, will change our valuation position with institutional investors.

I meet with the Limited CIO, Jon Ricker, on Wednesday to discuss our next steps with them toward a contract, i am hoping this moves along quickly at this stage. They have already done their due diligence and are interested

I met with **Boston Scientific** last week. They want to use L2L Files tool to coordinate all clinical trials globally. That constitutes 35 trials, up to 80 hospitals per trial and 15 people per hospital. We are exchanging a mutual NDA and will proceed immediately to a prototype, which should take all of one day to put together. The last thing that must be tested is our scalability. (Stop the presses... their NDA just arrived for my signature.)

American Express is coming back with strong interest after Unified System's meetings with them and my meeting with them last Tuesday. They want me to fly to New York to discuss them investing in Leader plus them go-branding LeaderPhone and Leader2Leader.

Applied Materials: I do a L2L demo for them tomorrow. They are looking to the possibility of placing both a LeaderPhone Appliance and Leader2Leader Appliance behind their firewalls.

A **Japanese Bank** is looking to use the L2L platform as the basis for their new IP-based ATM system in the Pacific Rim. This opportunity is being pursued in conjunction with Ernst & Young.

These are just a few in addition to the new sign ups we are seeing daily.

#### On Financing

I am slated to go back to Tucson twice this month to meet with new prospective angel investors. We are also pursuing angel financing in Wisconsin. On the institutional financing front, we have firm interest from:

- Blue Chip Ventures
- River Cities Capital
- Primus Fund
- Battelle Venture Fund
- American Express
- In addition, we have retained Vox Partners, an investment banking firm out of Dallas, Texas to assist us over the next 60 days (the length of their contract) to secure our \$10M round. The main negotiating point is the valuation of the company. Current company valuations in general have created a buyer's market for companies at our stage of development: that is, just coming into revenues. The most significant factor that can improve our negotiating position in these valuation discussions is the acquisition of "marquee" paying customers. In other words, brand-name customers that provide third party validation for the interest of the market in Leader's products. The longer we can hold out with regard to our cash needs, and at the same time get name customers signed up, the better our valuation will be. The practical implication of this strategy for you as a shareholder is that it will mean less dilution of your stock when the institutional money invests. Said another way, the quicker we take this \$10M in the near term, the more dilution that occurs. It is in the shareholders best interest not to take this money too quickly... if we can sustain ourselves in the interim. This interim financing over the next few months requires some additional angel investing which we are pursuing.

## On Prospective Estimations

Forward-looking projections are, at best, educated guesswork. The challenge when letting you know about "possibilities" and "prospects" and "likilihoods" is that no human being, in fact, has a crystal ball on the future. And yet, everyone wants to hear from me what can, could or will happen going forward. This is the balancing act we face in sharing prospective opportunities. It's tough. It's a two-edged sword, if we're right, we're the heroes. If we're wrong, we're the bad guys!

believe what I have shared is reasonable, but we cannot promise it 100%. The general economy is on rocky financial times. Since we live in this economy, those things affect us to. That said, I believe we are at the "corner turning" stage. It isn't easy building a company from scratch. But we have done it. Also, we are not infallible. We make projections based on the best information we have, but as we move forward, we must alter and adjust those projections based on what actually happens. For example, projections prepared and presented just a few years ago were based upon market conditions that are very different from the ones we face now. That said, I still think our projections are reasonable... once we have a full contingent of funding, which all of our projections were predicated upon. This down economy is, in fact, forcing companies to consider more economical alternatives. Ours is such an alternative. The bottom line is that we have built the product we said we would build. Now predicting how it will sell and be accepted in the market (and how fast) is a whole new ball game which are starting to enter. I can assure you that we are making every effort to "make it happen."

I hope this gives you a better feel for what is going on. There is a lot of activity and I firmly believe it will pan out in the near term. This current situation is but a blip on the radar screen. As always, where there is a will there is a way. We don't want to lose anybody because of their individual cash flow constraints if we can avoid it. A little good fortune and one good break is all we need in addition to all our hard work. We are very close.

I would welcome the opportunity to speak with each of you individually. Or, if you would prefer to ask questions via Email, that's OK too. I have been through these kinds of situations many times in my life and career. Perhaps there is a perspective I can bring to your personal situation that might help you think of options and approaches that you might not have thought of. Perhaps not. But, we've been through so much together, it is certainly worth a try. Therefore, especially before you might decide to do something precipitous, please do sit down with me, or me and Jeff, or me and Steve, or me and Brad so we can talk about your concerns. Your truly,

## -Mike

Michael T. McKibben
Chairman & CEO
Leader Technologies Incorporated
Spectrum Commerce Center
921 Eastwind Drive, Suite 118
Westerville, Ohio 43081
(614) 890-1986 Voice
(614) 864-7922 Fax
(614) 496-5442 Cellular
mmckibben@leader.com Email
www.leader.com WWW

This message contains proprietary and confidential trade secret information intended for the sole use of the intended recipient(s). This message is protected by the Uniform Trade Secrets Act and the Economic Espionage Act of 1996 which stipulates that any violation of said laws may be subject to penalties of \$10M and up to 15 years imprisonment, and various other penalties. This message is also subject to the Leader Proprietary & Confidentiality Agreement. If you have received or are viewing this message in error, please delete it immediately and kindly notify the Leader CEO, Michael T. McKibben at (614) 890-1986 or <a href="mmckibben@leader.com">mmckibben@leader.com</a>. Abuse of Leader copyrights, trademarks, service marks, trade secrets and all other proprietary property rights will be prosecuted to the fullest extent of the law. Click on "Report a Security Incident" at <a href="mmwww.leader.com">www.leader.com</a> if you have knowledge of improper use of this information.

LTI102317