

EXHIBIT K

[Fwd: Yesterday in CWC (Monday-Wednesday, 8/26-28/2002)]

From: Steve Hanna <steve@computerwizards.com>
Sent: Thursday, August 29, 2002 10:26 AM
To: khouser@leader.com
Subject: [Fwd: Yesterday in CWC (Monday-Wednesday, 8/26-28/2002)]

Karen ... just wanted to share this one with you you no doubt will not fully approve of all that I share, but I thought this one would be meaningful to you.
Steve

GENERAL:

Mike had 2 demos on Tuesday (one to the State of OH Police who are interested in the L2L platform); yesterday there was one demo/presentation to the Ohio Education Association.
The calendar does not show any demos today or tomorrow, however I believe that Mike has activity on Friday?

** I had lunch with Mike yesterday. I thought that I would take a few minutes and jot down some of the highlights from the conversation to keep everyone as 'in the loop' as possible.

Mike is very excited about where we are as a company and the current contacts that he has been and is making, both on the investor front, but also with prospective customers.

Last week he met with the 10th largest law firms in the U.S. and they were interested in the use of the LP service and also in L2L. There turned out to be a huge coincidence that worked in our favor, as the head of this firm was a former student of professor Chandler; Mike took full advantage of this relationship and got the professor on the phone real time to engage in major smoozing. The firm would like to get involved 1) they are trying out LP 2) they may work with us to get us in front of big \$\$ investors to complete the new large round of investment \$\$ for this they would like to be our corporate council, which is in conflict with the current relationship we have with Fenwick & West more balls for Mike to juggle...:-)

He was encouraged by the meeting with Dell computers, but he did not dwell on that; he said that they (Dell) were to have an internal meeting yesterday to discuss the LP service & them he had not heard anything as of mid day yesterday.

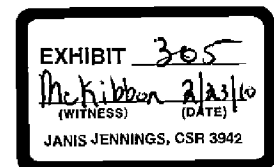
Mike acknowledged the fact that we are in 'low' period financially; he is aggressively attacking that issue (as we have observed over the past two weeks);

his view is that things will continue to be tight for at least the next 6 weeks, and should ease some after that.

Mike feels that we are close to bigger deals on both the LP and L2L front. There are high level discussions happening with companies such as Mastercard, Bankone and others for wholesale use of the LP service; there are follow up meetings scheduled with multi-national corporations regarding the L2L platform, as well as strong interests from smaller organizations such as the Ohio Police, etc.

Good news / Bad news ...My perspective:

-First, the bad news Karen's last full time employment with Leader



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LTI 145929

DEFENDANT'S EXHIBIT
DTX 0181
CASE NO. 1:08-CV-00862-LPS

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is this week she keeps telling everyone that is the case but there just does not seem to be the concern / preparation on the part of the rest of Leader that there SHOULD be. I am afraid that those in the position to make a difference are too busy and are relying too much on her promise to work part time in the future what they aren't grasping is that she WILL be PART-TIME only she will not be there to do all of the underlying tasks that keep the office propped up each and every day.

I have come to respect and rely on Karen, professionally and as a friend she will be sorely missed.

-Scott Heitkamp (accountant):

Scott is on board and has jumped in with both feet. He is doing a great job in these early days with the company. I liked Gloria and miss seeing her at the office, but I have to say that Scott is a more outgoing, aggressive force in the accounting/controller position and will be a very positive factor for Leader and CWC.

-Lisa Porter (in-house direct Sales person):

Lisa has hit the ground running. She has come up to speed on the LP product very fast and has immediately begun the process of establishing a customer base. Her experience and direct customer contact will be a very positive force for our team, and we need to pay attention to her inputs when they start coming to us, as the result of her first hand exposure to LP customers.

-Kim Wohlford - LP Operator plus:

Kim was a steal! She was brought in under the umbrella of providing the LP Operator assistance to LP customers. It was understood up front that there was a huge unknown as to the level of effort for the operator position, and as a result we made sure that the person knew that they would be asked to wear many hats, at least one of those being an admin. assistant hat. Well, she not only easily covers the operator & admin. requirements, she brings developer talents that have already been engaged.

-Jerry Rampelt - Senior level, business development, etc.:

Jerry's role is not one that most of us have direct day-to-day contact with, however it 'appears' that he is a positive factor already. Mike has been a one-man show on the investor & business development front for quite a while. Jerry is bringing with him a 'new' set of potential investors and companies that might be interested in the Leader products. He has set up many investor and potential customer meetings. I don't think that he is a dynamic presenter, etc. (like Mike), but he appears to be a great front man, establishing contacts with investors and companies and 'setting the table' for Mike. Time will tell how well this all works out, but so far so good.

[I provided these notes to give the remote folks greater insight into the newest members of our larger team and their roles I hope it is helpful]

PERSONNEL Misc.:

Travel / vacation:

-none Monday

-Eric and I were in Columbus Tuesday & Wednesday (yesterday).

*Vonda's birthday is Today Happy Birthday Vonda!

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NON LEADER CUSTOMER ACTIVITIES:

***Flag is continuing to be a problem yesterday Bud and others spent time trying to resolve performance issues; today the saga continues email 'seems' ok, but taskman is unavailable, and other hosted sites on that server are hit and miss.

Spammotel - Bud has assembled a new server for the new version of Spammote;, once configured this will be shipped to Jeff and he will begin work on the modified version of spammotel**Bud has run into issues with the server that have delayed its completion
Atlas - Jeff is continuing some low level work for Chuck.

LEADERPHONE(tm) Support & Development:

-We created the branch and began testing Monday ... initial problems were uncovered by Betsy; testing Tuesday and Wednesday uncovered cosmetic issues that Andrew and Wendy addressed. There are low level issues identified, but no show stoppers.
-work continues in the background, identifying the necessary pieces of a redundant LP system

L2L:

-Andrea & Betsy are working changes to User Package ... these are being done on Tim's branch and will be merged with Tim's work to main soon.
-the long awaited release of VBSF (3.1) occurred yesterday; Tim is making final tweaks to the current branch that implements all of the necessary new schema, etc. for 3.x compatibility, while still using VBSF 2.3 features; this will be merged to main soon (perhaps today) and we will test and fix remaining areas in the application. A new branch will be created by Tim, where he will implement the performance enhancing features of 3.1.
-Mark has implemented the PDF file conversion feature for projector, and this will go to main today

MILESTONES:

o move the Beta equipment suite from Leader to the hosting facility (Adelphia)... now looking like the 2nd week in Sept.
o start the external beta with external customer(s) now looking like NET 2nd week in Sept.

SC:

-Work is continuing at a low level (Eric, and Bill)

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