

EXHIBIT 10

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Robert Carroll

From: Louman01@aol.com
Sent: Thursday, August 07, 2003 10:58 AM
To: Given, Ronald B.
Subject: Re: Bullet Points?
Attachments: CWTltr_LJFissues_08-06-2003.ZIP

Ron:

Sorry for the delay this AM. Attached is the letter & bullet points I drafted for Chuck. I need to talk with you about the vergiage used, layout and the numbers involved, because I know Chuck will be sharing twwhatever I give him with his investor group. I do not intent to share the excel spreadsheet with anyone but you.

Regards,

Lou

Louis J. Franco, RHU
President & CEO
CMGT, Inc.
2 S 647 White Birch Lane
Wheaton, IL 60187

voice: 630-260-9507
cell: 630-215-8193
fax: 978-389-1060

E-mail1: Louman01@aol.com
E-mail2: lfranco@cmgt.com

=====
NOTICE: This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 and is legally privileged. This information is confidential information and is intended only for the use of the individual or entity named above. If you have received this E-mail and are not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this E-mail by mistake, please notify us immediately by replying to the message and deleting it and attachment(s), if any, from your computer. Thank you for your cooperation.

CMGT, Inc. Management
=====

CMGT, Inc.[®]

DRAFT FOR DISCUSSION

First InTouch[™]

Louis J. Franco, RHU
Chairman, President & Chief Executive Officer

August 6, 2003

VIA UPS OVERNIGHT SERVICE (480) 767-6510

CONFIDENTIAL INFORMATION

Mr. Charles W. Trautner
13331 North 89th Way
Scottsdale, Arizona 85260

Re: **Proposal by Newco to acquire Assets of Oldco Corporation - Lou Franco Issues**

Dear Chuck:

As you requested, this letter is to provide you with a summary of the "Lou Franco" issues I need satisfactorily resolved in order to facilitate my family's immediate relocation to Scottsdale and to allow me to properly focus on successfully running Newco. Exhibit A, attached summarizes these issues.

You also asked me to summarize my required employment agreement terms. Exhibit B summarizes these points, which are incorporated in my current Employment Agreement with CMGT.

Thank you for mentioning that you wanted to make sure my family and I are properly recognized financially as part of the proposed Newco acquisition of Oldco (CMGT, Inc.) transaction. As you know this is much appreciated and is, in fact, necessary for me to relocate to Scottsdale, get back in shape financially and effectively manage the transition from development Company to robust operating enterprise. I am happy to discuss this in more detail with you at your convenience.

Chuck, I appreciate your taking the time to review these issues and helping facilitate a plan to handle these existing obligations.

Best personal regards,



DRAFT FOR DISCUSSION

Mr. Charles W. Trautner
 August 6, 2003
 Page 2 of 3

EXHIBIT A

SUMMARY OF EXISTING L. FRANCO OBLIGATIONS

1. Personal credit card debt incurred to operate Company (1999 – 2003) ¹	\$103,000
2. Repayment of personal loans	\$ 65,500
3. IRS obligations	
a. Amount owed for 2003 tax year ²	\$ 10,000
b. Amount owed from 1999 & 2000 tax years ³	\$ 19,000
c. Total IRS obligation	\$ 29,000
4. Necessary repairs to Franco residence to make home saleable	<u>\$ 23,800</u>
5. TOTAL EXISTING OBLIGATIONS	\$226,300

¹ Receipts available to substantiate business expenses incurred on behalf of Company

² Re: personal income taxes due in connection with Company payroll issued to L. Franco

³ Due to taxes & penalties in connection with L. Franco 401(k) withdrawals to fund Company operations

DRAFT FOR DISCUSSION

Mr. Charles W. Trautner
 August 6, 2003
 Page 3 of 3

EXHIBIT B
SUMMARY OF L. FRANCO EMPLOYMENT AGREEMENT TERMS

Position:	<ul style="list-style-type: none"> Chairman of the Board of Directors, President, CEO & COO, Chairman of the Executive Committee
Term:	<ul style="list-style-type: none"> 5 Years Thereafter, automatically extended for two successive 36 month periods
Compensation & Related Matters:	
Salary:	<ul style="list-style-type: none"> BAE of \$250,000 annually Company to lend Executive up to \$8,000 per month. Upon funding Company will commence regular salary payments and pay the Executive sufficient funds to repay the Company loans and all federal and state income and Social Security liabilities due at that time, if any.
Bonus:	<ul style="list-style-type: none"> See Employment Agreement - Per performance bonus formula
Company Automobile:	<ul style="list-style-type: none"> Company-leased automobile to be replaced every 3 years \$900 per month lease payment allowance – standard business usage reimbursements by the Company Company will indemnify Executive for any federal or state tax liabilities incurred by Executive so Executive remains tax neutral
Stock Ownership:	<ul style="list-style-type: none"> Initially fully vested ownership of 400,000 shares founders stock Additional equity stock as determined by capitalization schedule
Stock Options:	<ul style="list-style-type: none"> CY 2000 – 350,000 shares/Exercisable after 12/31/2000 @ \$3/share Thereafter – As granted by the Company's Compensation Committee and approved by the Board of Directors
Business Expenses:	<ul style="list-style-type: none"> Company reimbursement for all reasonable business expenses
Health & Welfare Benefits:	<ul style="list-style-type: none"> Participation in all Company pension and welfare plans Company will provide Disability Income Replacement Insurance Policy Survivor benefits for wife in the event of Executive's death or disability
Vacation:	<ul style="list-style-type: none"> Per Company policy
Licenses & Professional Designations:	<ul style="list-style-type: none"> Payment for Resident Life & Health, P&C, A & H Producer Licenses Other professional licenses and/or professional designations as deemed reasonably necessary for discharge of duties and/or professional growth
Memberships & Dues:	<ul style="list-style-type: none"> One (1) Airline Club; additional by Company approval One (1) Health Club Membership dues for necessary industry affiliations
Relocation & Temporary Living Expenses	<ul style="list-style-type: none"> Up to 12 months temporary living expenses, including temporary housing costs All reasonable moving expenses to be paid by the Company Company indemnifies Executive against loss incurred as a result of sale of principal residence to relocate (up to \$25,000) Company will indemnify Executive for any federal or state tax liabilities incurred by Executive so Executive remains tax neutral
Duties & Responsibilities:	Consistent with duties of a President, CEO & COO
Place of Performance	The Company's corporate headquarters
Termination:	See Employment Agreement
Confidential Information; Noncompetition; Nonsolicitation	See Employment Agreement
General Provisions	See Employment Agreement

L. Franco Summary of Existing Obligations

Necessary Expense To Repair Franco Residence

Removal & replacement of wood floors on 1st floor due to flooding	\$ 12,000.00
Repair & paint residence exterior	\$ 3,000.00
Repair & replacement of landscaping due to broken sewer supply line	\$ 3,000.00
Repair of master bath, main bath & powder room	\$ 5,000.00
Seasonal maintenance of landscaping	<u>\$ 800.00</u>
TOTAL	\$ 23,800.00

Personal Credit Card Debt-Incurred To Operate Company (1999 - 2003) \$ 103,000.00

IRS Obligations¹

Amount tax owed - 1999 & 2000 tax years	\$ 19,000.00
Amount tax owed - 2003 tax year	<u>\$ 10,000.00</u>
TOTAL	\$ 29,000.00

Repayment of personal loans

Byron & Jan Hollins	\$ 23,000.00
Chuck Trautner	\$ 17,000.00
Dick Ross	\$ 14,000.00
Rob & Kim Quarles	\$ 11,000.00
Bill Walker	<u>\$ 500.00</u>
TOTAL	\$ 65,500.00

TOTAL EXISTING OBLIGATIONS **\$ 221,300.00**

¹ Exclusive of IRS penalties + interest

EXHIBIT 11

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Robert Carroll

From: lfranco [lfranco@cmgt.com]
Sent: Friday, August 08, 2003 12:15 AM
To: Wong, James M.; Byron Hollins; Catherine H. Garner; Catherine H. Garner; CC-1 Ltd. Partnership ; Charles W. Trautner; Deborah V. DiBenedetto; Forest Reed; Gerry Spehar; John S. Ross; Kevin W. Regan; Kim Quarles; Lee Rask; Melvin Spaeth; R. Leonard Carroll; Robert C. Crandall; Robert C. Crandall; Robert D. Spaeth; Robert D. Spaeth; Robert D. Spaeth; Ron Holman; Wayne J Baliga; William J. Donwen; William W. Walker
Cc: Given, Ronald B.
Subject: Letter of Intent For "Newco" To Acquire Assets of CMGT, Inc.
Attachments: CMGT_ShareholderLetter_08-07-2003_LJFinal.pdf; CWT_LOI_08-01-2003_noHeaders-NDA.pdf

Dear Valued Investor & Interested Parties:

Please see my letter, attached.

Regards,

Lou

Louis J. Franco, RHU
 President & CEO
 CMGT, Inc.
 2 S 647 White Birch Lane
 Wheaton, IL 60187

voice: 630-260-9507
 cell: 630-215-8193
 fax: 978-389-1060

E-mail: lfranco@cmgt.com

=====
 NOTICE: This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 and is legally privileged. This information is confidential information and is intended only for the use of the individual or entity named above. If you have received this E-mail and are not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this E-mail by mistake, please notify us immediately by replying to the message and deleting it and attachment(s), if any, from your computer. Thank you for your cooperation.

CMGT, Inc. Management
 =====

CMGT, Inc.®

First InTouch™

LOUIS J. FRANCO, RHU
Chairman, President and Chief Executive Officer

August 7, 2003

TO: ALL CMGT, INC. INVESTORS AND INTERESTED PARTIES

Re: Letter of Intent For "Newco" To Acquire Assets of CMGT, Inc.

Dear Valued Investors and Interested Parties:

I would first like to take this opportunity to reiterate my deep appreciation for all of our investors, individually and collectively, for your continued interest, trust and financial support of our Company during these past extremely tough economic times, limited capital markets and continued urgent state of securing financing for our Company. Our business and personal relationships mean the world to me and are essentially all that I have left today.

The purpose of this letter is to provide you with information about the attached Letter of Intent, dated July 31, 2003, that the Company has signed with a group of Scottsdale, AZ-based private investors, represented by one of our current shareholders, Mr. Charles W. ("Chuck") Trautner. The investor group has secured commitments for an initial capitalization structure of \$2.5 million to fund the proposed transaction. The LOI outlines the general business terms under which "Newco" proposes to acquire certain assets of CMGT, Inc. ("Oldco"). Although I encourage you and your advisors to carefully read the LOI on your own, here's a quick summary of the significant proposed purchase agreement terms:

- ❖ The proposal contemplates that Oldco would, in exchange for the sale to Newco of substantially all of Oldco's assets of value, receive:
 - (a) Unregistered shares in Newco that will constitute a minority position of 20% of Newco's capital stock at closing; or
 - (b) If the majority of Oldco's shareholders so elect, a sum certain of \$500,000 in cash. This cash election must be made by August 15, 2003.
- ❖ A commitment will be secured from Newco's investor group agreeing that Oldco's shares of Newco's stock will be subject to tag along and drag along rights and obligations in the event that Newco's investor group sells their own shares in a block transaction or in the event that Newco engages in an IPO.
- ❖ Newco would assume none of the liabilities of Oldco other than obligations arising after the closing under purchased client contracts.
- ❖ The parties have until September 30, 2003 to close the transaction. Other than pending prospects, the Company will deal with Newco on an exclusive basis until that time.
- ❖ Completion of the transaction is subject to a number of conditions, including approval by at least a majority of the Company's shareholders. It is contemplated that I will enter into an employment agreement with Newco that will include an equity position. Transition provisions will be made for

The Standard For Integrated Absence Management™

CHICAGO CORPORATE OFFICE 2 S 647 White Birch Lane, Wheaton, IL 60187 • Tel: 630.260.9507 • Fax: 978.389.1060
TORONTO OFFICE 4 Wilkinson Road, Brampton, ON L6T 5L1 • Tel: 905.796.5233 • Fax: 905.796.5237

Letter To CMGT, Inc. Investors
August 7, 2003
Page 2 of 2

the services of the Company's Toronto staff and its accountants, and payments will be made to the Company's lawyers to assure their continued services. There will be no deal unless these conditions are met.

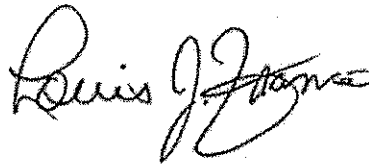
Your management and the Company's legal counsel have reviewed the terms of this LOI and determined it represents a bona fide tender offer and that the bidder has the ability to follow through with the offer.

As mentioned in the LOI, notwithstanding our Herculean efforts during the past three+ years, the fact of the matter is that CMGT, Inc. has been unable to secure the funding required for its successful operation and can be expected to fail within the very near future without funding. The simple bottom line is that neither you nor I can continue with the status quo.

While the terms presented by the LOI are not ideal, they compare favorably to other proposals we have received and, given the current state of affairs, I believe this is a deal we should and must do. There are no alternatives.

I will attempt to contact each of you to respond to any questions that you might have about this LOI. I will also be in touch with all of you very shortly by letter regarding necessary shareholder acknowledgments and decisions, including the "cash" or "stock" decision we must make by August 15th. Meanwhile, please feel free to directly contact me directly at any time.

Very truly yours,



Louis J. Franco, RHU

Attachment: (July 31, 2003 Letter Of Intent)

Cc: Ronald B. Given, Esq., Mayer, Brown, Rowe & Maw, Chicago

CHARLES W. TRAUTNER
(On behalf of "Newco" referenced below)
13331 North 89th Way
Scottsdale, Arizona 85260

July 31, 2003

CMGT, Inc.
2 S 647 White Birch Lane
Wheaton, Illinois 60187

Attention: Louis J. Franco, Chairman, President and CEO

Re: Proposal by Newco to acquire Assets of Oldco Corporation

Low:

This letter outlines the proposal by a corporation, which will be formed by the undersigned Charles W. Trautner and others for purposes of engaging in this proposed transaction ("Newco"), to purchase selected assets of CMGT, Inc. ("Oldco") on the principal terms and conditions set forth in this letter.

Notwithstanding your very hard efforts during the past three years, the fact of the matter is that CMGT, Inc. has been unable to secure the equity funding required for its successful operation and can be expected to fail within the very near future. The proposal outlined herein contemplates that Oldco would, in exchange for the sale to Newco of substantially all of Oldco's assets of value, receive shares in Newco that will constitute a minority position (or, if the majority of Oldco's shareholders so elect, a sum certain of cash). Newco's shares will be unregistered and there can be no assurance that Oldco will ever be able to realize any value in connection with such shares. Neither Newco nor any of its investors will have any involvement with the current stakeholders of Oldco. Any claims that the current stakeholders of Oldco have against Oldco, or against one another, will have to be resolved in the ordinary course by such stakeholders among themselves. Following the transaction proposed hereby, the only assets of Oldco available in respect of such claims would be the consideration it receives from Newco.

The proposal outlined herein is fair under the circumstances and, except where otherwise noted, effectively treats all of Oldco's current stakeholders equally. As you know, the undersigned Charles W. Trautner is a substantial shareholder of Oldco and, if the proposed transaction goes forward, his investment in Oldco, as will the investment by all of the other Oldco stakeholders, be limited to the consideration Oldco receives from Newco.

1. **Acquisition.** Newco proposes to acquire all of the following assets of Oldco (the Assets): cash, client contracts, accounts receivable, notes receivable, inventories, equipment, trademarks, trade names, service marks, all other intellectual property (including without limitation the Touch Speed software and associated rights), and covenants not to compete. All such assets would be transferred to Newco free and clear of all liens and other encumbrances.

2. Purchase Price.

(a) The consideration that will be paid to Oldco will be, at Oldco's option, *either*

(i) \$500,000 in cash, or

(ii) shares in Newco constituting 20% of Newco's capital stock at closing.

A cash election must be made by August 15, 2003. In the event Oldco elects to receive Newco stock, *then*

(A) Oldco will receive an assurance that Newco's initial capitalization will be at least \$2,500,000.

(B) The Newco shares received by Oldco will constitute a minority stake in Newco, and neither Oldco nor any of its current stakeholders (with the exception of Charles W. Trautner) will have any control whatsoever over Newco.

(C) A commitment will be secured from Newco's investor group agreeing that Oldco's shares of Newco's stock will be subject to tag along and drag along rights and obligations in the event that Newco's investor group sells their own shares in a block transaction or in the event that Newco engages in an IPO. This means that if Newco's investor group sells their shares in a block transaction they will be required to also cause Oldco's shares in Newco to be sold on the same terms as part of the same transaction, and Oldco (and its assigns) will be required to sell all of its shares in that transaction. This also means that if Newco's investor group sells their shares in a block transaction as part of an IPO, Oldco (and its assigns) will also be required to sell all of its shares as part of the same IPO.

3. Assumed Liabilities. Newco would assume none of the liabilities of Oldco other than obligations arising after the closing under purchased client contracts.

4. Certain Conditions Precedent. The proposed transaction will be subject to the following conditions precedent, and only the following conditions precedent (other than definitive documentation), required by Newco:

(a) Louis J. Franco must enter into an employment agreement with Newco. This employment agreement will provide for cash compensation, stock in Newco, and other benefits as will be negotiated to the satisfaction of both Louis J. Franco and Newco.

(b) A transition services agreement must be successfully negotiated by Newco with Rob Crandall and the Toronto staff, as well as with Wong & Knowles, so as to assure that the obligations under the purchased client contracts continue to be serviced during the period of time (which is estimated to be about 90 days) that it will take Newco to get its own operations up and running.

(c) Because of Mayer, Brown, Rowe & Maw's familiarity with Oldco, Newco requires that they document the proposed transaction. Such work will be paid for by

Newco on an hourly basis plus an agreement to also reimburse a certain percentage of legal fees that are currently unpaid, all as agreed to between Mayer, Brown, Rowe & Maw and Newco.

5. Definitive Agreement. Upon the acceptance of this letter by Oldco, Newco and Oldco will promptly negotiate, in good faith, the terms of a definitive agreement (the "Definitive Agreement"). The Definitive Agreement will be in a form customary for transactions of this type and will include, in addition to those matters specifically set forth in this letter, customary representations, warranties, indemnities, covenants and agreements of Oldco and Newco, customary conditions of closing (including without limitation the requirement that at least a majority of the shareholders of Oldco shall have approved the transaction), and other customary matters.

6. Conduct of Business by Oldco. Pending execution of the Definitive Agreement, Oldco (i) will conduct the business of the Assets in the ordinary course and use its best efforts to maintain the business and assets of the Assets, (ii) will not issue or agree to issue any voting preferred stock, any additional shares of common stock or of any other voting security or any rights to acquire any such additional common stock or voting security, and (iii) will not authorize or consummate any dividends or distributions of assets of the Assets to Oldco's shareholders, any consolidation, merger, sale of any assets of the Assets other than in the ordinary course of business or purchase of all or substantially all of the assets of any entity for the Assets, or any other extraordinary corporate transaction.

7. No-Shop Agreement. Other than with the pending prospects listed on Exhibit A hereto, Oldco will not, nor will it permit any of its officers, directors, employees, financial advisers, brokers, stockholders or any person acting on Oldco's behalf, to consider, solicit or negotiate, or cause to be considered, solicited or negotiated on behalf of Oldco or its shareholders, or provide or cause to be provided information to any third party in connection with, any proposal or offer from a third party with respect to the acquisition of the Assets, or all or substantially all of its assets, until the date, if any, that the transactions contemplated by this letter have been terminated or abandoned by the parties in accordance with the terms of this letter.

8. Brokers. Oldco has not retained or used, and will not retain or use, the services of any broker or finder which would result in the imposition of a fee upon the Assets or Newco should the transactions contemplated by this letter be consummated. Newco has not retained or used, and will not retain or use, the services of any broker or finder which would result in the imposition of a fee upon Oldco should the transactions contemplated by this letter be consummated.

9. Expenses. Except as otherwise provided herein, each party would bear its own expenses and costs of the transactions contemplated hereby, including, but not limited to, the fees of attorneys and financial advisors.

10. Confidentiality. Except for the use of such information and documents in connection with the proposed transactions or as otherwise required by law or regulations, each party agrees to keep confidential any information obtained by it from the other party in connection with its investigations or otherwise in connection with these transactions and, if such

transactions are not consummated, to return to the other party any documents and copies thereof received or obtained by it in connection with the proposed transactions.

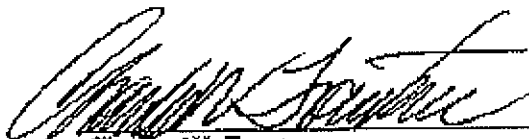
11. Governing Law. This letter of intent and the Definitive Agreement will be governed by Illinois law.

12. Binding Effect; Termination. The parties agree to negotiate in good faith the terms and conditions of the Definitive Agreement until this letter is terminated in accordance with this paragraph. Except for paragraphs 6 through 10 (inclusive), which are intended to be binding, the parties agree that this letter is not intended to be a binding agreement between the parties but merely an expression of their intent with regard to the transactions described herein, and each party covenants never to contend to the contrary. The parties will use their best efforts to consummate the transactions herein contemplated on or prior to September 30, 2003, provided that, in that event a Definitive Agreement with respect to the transactions contemplated herein is not signed on or prior to August 30, 2003, this letter will terminate and (except with respect to paragraphs 6 through 10, inclusive) the parties shall no longer have any rights or obligations with respect to this letter.

13. Severability. If any term, provision, covenant or restriction contained in this letter that is intended to be binding and enforceable is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions contained in this letter shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

If you agree to the foregoing, please return a signed copy of this letter to the undersigned no later than 5:00 p.m. (Scottsdale, Arizona time) on August 1, 2003, after which time this letter will expire if not so accepted.

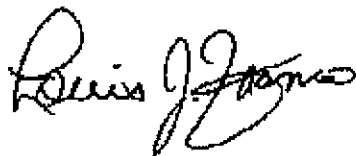
Sincerely yours,



Charles W. Trautner,
(on behalf of the referenced "Newco")

ACCEPTED AND AGREED to
this 1st day of August, 2003:

CMGT, INC.



By:

Louis J. Franco, President, Chairman, and CEO

EXHIBIT A

- 1) Mitre & Associates, LLC/Robert Mitre - American & Other Native American Corporations
 - a) Huna Totem Corporation (ANC)
 - b) Bethel Native Corporation (ANC)
 - c) Doyon Ltd. (ANC)
 - d) Chugatch Alaska Corporation (ANC)
 - e) Salt River Pima-Maricopa Indian Community
 - f) Haida Corporation (ANC)
 - g) Native American Finance Officers Association (NAFOA)
 - h) National Congress of American Indians (Wash. DC)
 - i) Paoite Native Corporation (NM, ND)
 - j) Standing Rock Sioux Tribal Council (ND)
 - k) Spirit Lake Tribal Council (ND)
 - l) Viejas Tribal Council (ND)
 - m) Pueblo Tribes of New Mexico (various NM)
 - n) Mescalero Apache Tribe (NM)
 - o) Woodfords Community Council (CA)
 - p) Viejas Tribal Council (CA)
 - q) Ho-Chunk Nation (WI)
- 2) Council Tree Communications LLC - working with Madison Dearborn Partners, LLC
 - a) Artic Slope Regional Corporation (ANC)
 - b) Doyon Ltd. (ANC)
 - c) Sealaska Corporation (ANC)
- 3) Madison Dearborn Partners, LLC - working with Council Tree Communications LLC
- 3) Fallon Paiute, Duckwater & Ely County Shoshone Tribal Business Council (NV)
- 4) Warburg Pincus LLC
- 5) FlexBen, Inc.
- 6) WorkSteps, Inc./OneComp, Inc. (Peter Gallaher & partners)
- 7) Richard Eskow (representing various private investors & Silicon Valley VCs)
- 8) Siemens Information & Communications Networks/Andrea Davis - Various So. CA & NV tribes
- 9) Generations Partners, LLC
- 10) Spehar Capital, LLC

EXHIBIT 12

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Robert Carroll

From: Louman01@aol.com
Sent: Wednesday, August 06, 2003 3:36 AM
To: Given, Ronald B.
Subject: Draft LJF CMGT Shareholder Ltr
Attachments: CWT_LOI_08-01-2003_noHeaders-NDA.ZIP

In a message dated 8/5/2003 9:59:36 AM Central Daylight Time, RGiven@mayerbrownrowe.com writes:

Subj: FYI
Date: 8/5/2003 9:59:36 AM Central Daylight Time
From: RGiven@mayerbrownrowe.com
To: Louman01@aol.com
File: faxjob.pdf (187453 bytes) DL Time (TCP/IP): <1 minute
Sent from the Internet

See attached: <<faxjob.pdf>>

Ronald B. Given

Mayer, Brown, Rowe & Maw LLP
190 S. LaSalle Street
Suite 3132
Chicago, IL 60603-3441
Phone: (312) 701-7382
Fax: (312) 706-8137
Cell: (312) 286-5252
Res.: (312) 431-9952
Email: <<mailto:rgiven@mayerbrownrowe.com>>

Assistant to Ronald B. Given:

Evajejan T. Bugajski
Phone: (312) 701-7632
Email: <<mailto:ebugajski@mayerbrownrowe.com>>

NOTICE: This e-mail message and all attachments transmitted with it are intended solely for the use of the addressee and may contain legally privileged and confidential information. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately by replying to this message and please delete it from your computer.

Ron: Attached is my draft CMGT shareholder letter & PDF of Chuck's signed LOI (headers showing John Politan's fax info deleted) as an attachment. Sorry I went over the 2-page target - we can discuss in the AM so you can help me refine & condense.

Regards,

Lou
Louis J. Franco, RHU
President & CEO
CMGT, Inc.
2 S 647 White Birch Lane
Wheaton, IL 60187

voice: 630-260-9507
cell: 630-215-8193
fax: 978-389-1060

E-mail1: Louman01@aol.com
E-mail2: lfranco@cmgt.com

=====
NOTICE: This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 and is legally privileged. This information is confidential information and is intended only for the use of the individual or entity named above. If you have received this E-mail and are not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this E-mail by mistake, please notify us immediately by replying to the message and deleting it and attachment(s), if any, from your computer. Thank you for your cooperation.

CMGT, Inc. Management
=====

_____ NOTICE: This e-mail message and all attachments transmitted with it are intended solely for the use of the addressee and may contain legally privileged and confidential information. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately by replying to this message and please delete it from your computer.

LOUIS J. FRANCO, RHU
Chairman, President and Chief Executive Officer

August 5, 2003

TO: ALL CMGT, INC. INVESTORS

Re: Letter of Intent For "Newco" To Acquire Assets of CMGT, Inc.

Dear Valued Investors:

While it has been over two years since my last letter to you all, I would like to take this opportunity to reiterate my deep appreciation for all of our investors, individually and collectively, for your continued interest, trust and financial support of our Company during these past extremely tough economic times, limited capital markets and continued urgent state of securing financing for our Company.

The purpose of this letter is to provide you with information about the attached non-binding Letter of Intent, dated July 31, 2003, that the Company has signed with a group of Scottsdale, AZ-based private investors, represented by one of our current shareholders, Mr. Charles W. ("Chuck") Trautner, who has tendered a proposal by a corporation, which will be formed by Chuck Trautner and others for purposes of purchasing selected assets of CMGT. The investor group has secured commitments for an acquisition transaction based on an initial capitalization structure of \$2.5 million from its existing pool of investors to fund the proposed transaction. I encourage you to read the LOI carefully and understand that this proposed transaction is being negotiated by your management at arm's-length, although Chuck Trautner and your management team are current CMGT shareholders and potential shareholders of the contemplated acquiring company ("Newco"). The LOI outlines the general business terms under which "Newco" proposes to acquire certain assets of CMGT, Inc. ("Oldco"). Here's a quick summary of the significant proposed purchase agreement terms:

- ❖ The proposal contemplates that Oldco would, in exchange for the sale to Newco of substantially all of Oldco's assets of value, receive:
 - (a) Unregistered shares in Newco that will constitute a minority position of 20% of Newco's capital stock at closing; or
 - (b) If the majority of Oldco's shareholders so elect, a sum certain of cash based on a proportionate share of \$500,000. This cash election must be made by August 15, 2003.

Neither Newco nor any of its investors will have any involvement with the current stakeholders of Oldco and the Newco shares received by Oldco will constitute a minority stake in Newco. Neither Oldco nor any of its current stakeholders (with the exception of Charles W. Trautner) will have any control whatsoever over Newco.

- ❖ A commitment will be secured from Newco's investor group agreeing that Oldco's shares of Newco's stock will be subject to tag along and drag along rights and obligations in the event that Newco's investor group sells their own shares in a block transaction or in the event that Newco engages in an IPO. This means that if Newco's investor group sells their shares in a block transaction they will be required to also cause Oldco's shares in Newco to be sold on the same terms as part of the same transaction, and Oldco (and its assigns) will be required to sell all of its shares in that transaction. This also means that if Newco's investor group sells their shares in a

Letter To CMGT, Inc. Investors
August 5, 2003
Page 2 of 3

block transaction as part of an IPO, Oldco (and its assigns) will also be required to sell all of its shares as part of the same IPO.

- ❖ Newco would assume none of the liabilities of Oldco other than obligations arising after the closing under purchased client contracts.
- ❖ The companies will negotiate exclusively with each other until the LOI is terminated, with the exception of certain sources of private and institutional venture capital your management team is in current discussions with. The parties have until September 30, 2003, to complete due diligence, sign a definitive agreement and close the transaction or the LOI will expire.
- ❖ Completion of the transaction is subject to a number of conditions, including but not limited to, exchange acceptance and by Newco and Oldco and majority of the minority shareholder approvals. Newco would assume none of the liabilities of Oldco other than obligations arising after the closing under purchased client contracts. The transaction cannot close until the required shareholder approvals are obtained.
- ❖ There can be no assurance that the transaction will be completed as proposed or at all.

Your management and the Company's legal counsel have reviewed the terms of this LOI and determined it represents a bona fide tender offer and that the bidder has the ability to follow through with the offer.

As you all know, CMGT has experienced extreme difficulty in securing financing, has experienced several proposed transactions that did not close and for over three years our management team made significant personal sacrifices and have worked full-time 24/7 with partial or, since September 2000 no salary, to maintain the Company's Toronto-based data and call center operations, while diligently seeking capital to launch and market the Company. You should also know that, beyond the private capital raised so far through our investors, certain team members, primarily myself, have invested significant amounts of their own cash to sustain the Company to-date. As mentioned in the LOI, notwithstanding our Herculean efforts during the past three+ years, the fact of the matter is that CMGT, Inc. has been unable to secure the funding required for its successful operation and can be expected to fail within the very near future without funding. Back in April 2000 I told you Management simply cannot continue our efforts on behalf of CMGT and you without funding or some other financially viable capital solution being put into place on an immediate basis. Notwithstanding the loss of several key members of the Management Team, I somehow found ways to find additional staying power. However, that staying power has been stretched beyond the personal and financial limits of the key principals and their families and it's just not feasible to continue as we have in the past with very limited funds that simply do not cover our operational expenses. While I managed to keep the Company going with the help of limited new business revenues, some additional financial support from a few of our investors, and supremely dedicated efforts by our Toronto-based team, I must tell you that I cannot personally continue to run the Company without the financial wherewithal required to do so. I must also tell you that it is simply not fair to continue to depend on only one or two of our current investors to keep the Company alive.

While the terms presented by the LOI are not ideal, given the current state of affairs we firmly believe that the contemplated offer is a win-win for CMGT in that it ensures the continuance of operations under the framework of Newco, represents a positive investment for

DRAFT FOR DISCUSSION

CMGT, Inc.[®]

First InTouch™

Letter To CMGT, Inc. Investors
August 5, 2003
Page 3 of 3

the bidding private investor group and is in our customers' and current shareholder's best interest, considering the pejorative alternatives.

I will attempt to contact each of you to respond to any questions that you might have about this LOI. I will also be in touch with all of you very shortly by letter regarding necessary shareholder acknowledgments and decisions once more details are available about the proposed transaction and specific CMGT shareholder issues. Meanwhile, please feel free to directly contact me directly at any time.

In closing, please note that we are continuing to pursue all available avenues of funding that we are currently in discussions with.

Very truly yours,

Louis J. Franco, RHU

Attachments: (July 31, 2003 Letter Of Intent)

RECEIVED AND ACKNOWLEDGED AS OF THE
DATE HEREOF:

LJF/atrcmginvestors/08052003/chgo/c:d

The Standard For Integrated Absence Management™

CHARLES W. TRAUTNER
(On behalf of "Newco" referenced below)
13331 North 89th Way
Scottsdale, Arizona 85260

July 31, 2003

CMGT, Inc.
2 S 647 White Birch Lane
Wheaton, Illinois 60187

Attention: Louis J. Franco, Chairman, President and CEO

Re: Proposal by Newco to acquire Assets of Oldco Corporation

Lou:

This letter outlines the proposal by a corporation, which will be formed by the undersigned Charles W. Trautner and others for purposes of engaging in this proposed transaction ("Newco"), to purchase selected assets of CMGT, Inc. ("Oldco") on the principal terms and conditions set forth in this letter.

Notwithstanding your very hard efforts during the past three years, the fact of the matter is that CMGT, Inc. has been unable to secure the equity funding required for its successful operation and can be expected to fail within the very near future. The proposal outlined herein contemplates that Oldco would, in exchange for the sale to Newco of substantially all of Oldco's assets of value, receive shares in Newco that will constitute a minority position (or, if the majority of Oldco's shareholders so elect, a sum certain of cash). Newco's shares will be unregistered and there can be no assurance that Oldco will ever be able to realize any value in connection with such shares. Neither Newco nor any of its investors will have any involvement with the current stakeholders of Oldco. Any claims that the current stakeholders of Oldco have against Oldco, or against one another, will have to be resolved in the ordinary course by such stakeholders among themselves. Following the transaction proposed hereby, the only assets of Oldco available in respect of such claims would be the consideration it receives from Newco.

The proposal outlined herein is fair under the circumstances and, except where otherwise noted, effectively treats all of Oldco's current stakeholders equally. As you know, the undersigned Charles W. Trautner is a substantial shareholder of Oldco and, if the proposed transaction goes forward, his investment in Oldco, as will the investment by all of the other Oldco stakeholders, be limited to the consideration Oldco receives from Newco.

1. **Acquisition.** Newco proposes to acquire all of the following assets of Oldco (the Assets): cash, client contracts, accounts receivable, notes receivable, inventories, equipment, trademarks, trade names, service marks, all other intellectual property (including without limitation the Touch Speed software and associated rights), and covenants not to compete. All such assets would be transferred to Newco free and clear of all liens and other encumbrances.

2. Purchase Price.

(a) The consideration that will be paid to Oldco will be, at Oldco's option, *either*

(i) \$500,000 in cash, or

(ii) shares in Newco constituting 20% of Newco's capital stock at closing.

A cash election must be made by August 15, 2003. In the event Oldco elects to receive Newco stock, *then*

(A) Oldco will receive an assurance that Newco's initial capitalization will be at least \$2,500,000.

(B) The Newco shares received by Oldco will constitute a minority stake in Newco, and neither Oldco nor any of its current stakeholders (with the exception of Charles W. Trautner) will have any control whatsoever over Newco.

(C) A commitment will be secured from Newco's investor group agreeing that Oldco's shares of Newco's stock will be subject to tag along and drag along rights and obligations in the event that Newco's investor group sells their own shares in a block transaction or in the event that Newco engages in an IPO. This means that if Newco's investor group sells their shares in a block transaction they will be required to also cause Oldco's shares in Newco to be sold on the same terms as part of the same transaction, and Oldco (and its assigns) will be required to sell all of its shares in that transaction. This also means that if Newco's investor group sells their shares in a block transaction as part of an IPO, Oldco (and its assigns) will also be required to sell all of its shares as part of the same IPO.

3. Assumed Liabilities. Newco would assume none of the liabilities of Oldco other than obligations arising after the closing under purchased client contracts.

4. Certain Conditions Precedent. The proposed transaction will be subject to the following conditions precedent, and only the following conditions precedent (other than definitive documentation), required by Newco:

(a) Louis J. Franco must enter into an employment agreement with Newco. This employment agreement will provide for cash compensation, stock in Newco, and other benefits as will be negotiated to the satisfaction of both Louis J. Franco and Newco.

(b) A transition services agreement must be successfully negotiated by Newco with Rob Crandall and the Toronto staff, as well as with Wong & Knowles, so as to assure that the obligations under the purchased client contracts continue to be serviced during the period of time (which is estimated to be about 90 days) that it will take Newco to get its own operations up and running.

(c) Because of Mayer, Brown, Rowe & Maw's familiarity with Oldco, Newco requires that they document the proposed transaction. Such work will be paid for by

Newco on an hourly basis plus an agreement to also reimburse a certain percentage of legal fees that are currently unpaid, all as agreed to between Mayer, Brown, Rowe & Maw and Newco.

5. Definitive Agreement. Upon the acceptance of this letter by Oldco, Newco and Oldco will promptly negotiate, in good faith, the terms of a definitive agreement (the "Definitive Agreement"). The Definitive Agreement will be in a form customary for transactions of this type and will include, in addition to those matters specifically set forth in this letter, customary representations, warranties, indemnities, covenants and agreements of Oldco and Newco, customary conditions of closing (including without limitation the requirement that at least a majority of the shareholders of Oldco shall have approved the transaction), and other customary matters.

6. Conduct of Business by Oldco. Pending execution of the Definitive Agreement, Oldco (i) will conduct the business of the Assets in the ordinary course and use its best efforts to maintain the business and assets of the Assets, (ii) will not issue or agree to issue any voting preferred stock, any additional shares of common stock or of any other voting security or any rights to acquire any such additional common stock or voting security, and (iii) will not authorize or consummate any dividends or distributions of assets of the Assets to Oldco's shareholders, any consolidation, merger, sale of any assets of the Assets other than in the ordinary course of business or purchase of all or substantially all of the assets of any entity for the Assets, or any other extraordinary corporate transaction.

7. No-Shop Agreement. Other than with the pending prospects listed on Exhibit A hereto, Oldco will not, nor will it permit any of its officers, directors, employees, financial advisers, brokers, stockholders or any person acting on Oldco's behalf, to consider, solicit or negotiate, or cause to be considered, solicited or negotiated on behalf of Oldco or its shareholders, or provide or cause to be provided information to any third party in connection with, any proposal or offer from a third party with respect to the acquisition of the Assets, or all or substantially all of its assets, until the date, if any, that the transactions contemplated by this letter have been terminated or abandoned by the parties in accordance with the terms of this letter.

8. Brokers. Oldco has not retained or used, and will not retain or use, the services of any broker or finder which would result in the imposition of a fee upon the Assets or Newco should the transactions contemplated by this letter be consummated. Newco has not retained or used, and will not retain or use, the services of any broker or finder which would result in the imposition of a fee upon Oldco should the transactions contemplated by this letter be consummated.

9. Expenses. Except as otherwise provided herein, each party would bear its own expenses and costs of the transactions contemplated hereby, including, but not limited to, the fees of attorneys and financial advisors.

10. Confidentiality. Except for the use of such information and documents in connection with the proposed transactions or as otherwise required by law or regulations, each party agrees to keep confidential any information obtained by it from the other party in connection with its investigations or otherwise in connection with these transactions and, if such

transactions are not consummated, to return to the other party any documents and copies thereof received or obtained by it in connection with the proposed transactions.

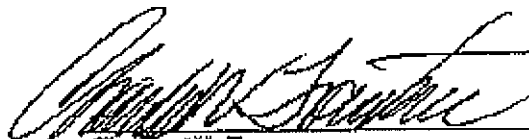
11. Governing Law. This letter of intent and the Definitive Agreement will be governed by Illinois law.

12. Binding Effect; Termination. The parties agree to negotiate in good faith the terms and conditions of the Definitive Agreement until this letter is terminated in accordance with this paragraph. Except for paragraphs 6 through 10 (inclusive), which are intended to be binding, the parties agree that this letter is not intended to be a binding agreement between the parties but merely an expression of their intent with regard to the transactions described herein, and each party covenants never to contend to the contrary. The parties will use their best efforts to consummate the transactions herein contemplated on or prior to September 30, 2003, provided that, in that event a Definitive Agreement with respect to the transactions contemplated herein is not signed on or prior to August 30, 2003, this letter will terminate and (except with respect to paragraphs 6 through 10, inclusive) the parties shall no longer have any rights or obligations with respect to this letter.

13. Severability. If any term, provision, covenant or restriction contained in this letter that is intended to be binding and enforceable is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions contained in this letter shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

If you agree to the foregoing, please return a signed copy of this letter to the undersigned no later than 5:00 p.m. (Scottsdale, Arizona time) on August 1, 2003, after which time this letter will expire if not so accepted.

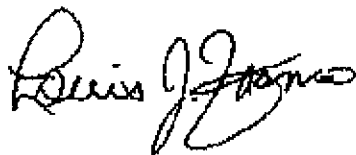
Sincerely yours,



Charles W. Trautner,
(on behalf of the referenced "Newco")

ACCEPTED AND AGREED to
this 1st day of August, 2003:

CMGT, INC.



By:
Louis J. Franco, President, Chairman, and CEO

EXHIBIT A

- 1) **Mitre & Associates, LLC/Robert Mitre - American & Other Native American Corporations**
 - a) Huna Totem Corporation (ANC)
 - b) Bethel Native Corporation (ANC)
 - c) Doyon Ltd. (ANC)
 - d) Chugatch Alaska Corporation (ANC)
 - e) Salt River Pima-Maricopa Indian Community
 - f) Haida Corporation (ANC)
 - g) Native American Finance Officers Association (NAFOA)
 - h) National Congress of American Indians (Wash. DC)
 - i) Paofte Native Corporation (NM, ND)
 - j) Standing Rock Sioux Tribal Council (ND)
 - k) Spirit Lake Tribal Council (ND)
 - l) Viejas Tribal Council (ND)
 - m) Pueblo Tribes of New Mexico (various NM)
 - n) Mescalero Apache Tribe (NM)
 - o) Woodfords Community Council (CA)
 - p) Viejas Tribal Council (CA)
 - q) Ho-Chunk Nation (WI)
- 2) **Council Tree Communications LLC - working with Madison Dearborn Partners, LLC**
 - a) Artic Slope Regional Corporation (ANC)
 - b) Doyon Ltd. (ANC)
 - c) Sealaska Corporation (ANC)
- 3) **Madison Dearborn Partners, LLC - working with Council Tree Communications LLC**
- 3) **Fallon Paiute, Duckwater & Ely County Shoshone Tribal Business Council (NV)**
- 4) **Werbung Pincus LLC**
- 5) **FlexBen, Inc.**
- 6) **WorkSteps, Inc./OneComp, Inc. (Peter Gallaher & partners)**
- 7) **Richard Eskow (representing various private investors & Silicon Valley VCs)**
- 8) **Siemens Information & Communications Networks/Andrea Davis - Various So. CA & NV tribes**
- 9) **Generations Partners, LLC**
- 10) **Spehar Capital, LLC**

EXHIBIT 13

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Subject: Re: [Fwd: Newco LOI]
Date: Fri, 8 Aug 2003 17:44:09 EDT
From: Louman01@aol.com
To: gspehar1@earthlink.net

Gerry:

Got it. I'll be back...

Regards,

Lou

Louis J. Franco, RHU
President & CEO
CMGT, Inc.
2 S 647 White Birch Lane
Wheaton, IL 60187

voice: 630-260-9507
cell: 630-215-8193
fax: 978-389-1060

E-mail1: Louman01@aol.com
E-mail2: lfranco@cmgt.com

NOTICE: This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 and is legally privileged. This information is confidential information and is intended only for the use of the individual or entity named above. If you have received this E-mail and are not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this E-mail by mistake, please notify us immediately by replying to the message and deleting it and attachment(s), if any, from your computer. Thank you for your cooperation.

CMGT, Inc. Management

PL 05910

EXHIBIT 14

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Robert Carroll

From: Louman01@aol.com
Sent: Friday, August 08, 2003 4:50 PM
To: Given, Ronald B.
Subject: Fwd: [Fwd: Newco LOI]
Attachments: [Fwd: Newco LOI]

Ron:

Here is a letter from Gerry Spehar re: CWT's investor group & "Newco" for your review & comment.

I did not know Chuck had called Gerry directly to discuss CMGT.

Regards,

Lou

Louis J. Franco, RHU
President & CEO
CMGT, Inc.
2 S 647 White Birch Lane
Wheaton, IL 60187

voice: 630-260-9507
cell: 630-215-8193
fax: 978-389-1060

E-mail1: Louman01@aol.com
E-mail2: lfranco@cmgt.com

=====
NOTICE: This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 and is legally privileged. This information is confidential information and is intended only for the use of the individual or entity named above. If you have received this E-mail and are not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this E-mail by mistake, please notify us immediately by replying to the message and deleting it and attachment(s), if any, from your computer. Thank you for your cooperation.

CMGT, Inc. Management
=====

Robert Carroll


From: Gerry Spehar [gspehar1@earthlink.net]
Sent: Friday, August 08, 2003 4:24 PM
To: Franco, Lou
Cc: Given, Ronald B.
Subject: Newco LOI

Lou,


See my attached letter.

Best,

Gerry



Spehar Capital



Professional Capital Services Based On Integrity

MEMORANDUM TO: Lou Franco, President, CMGT, Inc.
FROM: Gerry Spehar, Spehar Capital LLC
DATE: August 8, 2003
RE: Chuck Trautner/Newco LOI
Cc: Ron Given, Esq., Mayer Brown Rowe and Maw

Dear Lou,

This morning I received your correspondence regarding the July 31, 2003 LOI from Charles W. "Chuck" Trautner outlining "Newco's" offer to acquire assets of CMGT, Inc. With regards to Chuck's LOI and some of its terms, I need to call your attention to certain facts and provisions of Spehar Capital's September 30, 2002 Letter Agreement with CMGT:

1. Chuck Trautner and "Newco" are covered investors under our agreement by virtue of your having "approved Spehar Capital to hold discussions and exchange information regarding CMGT during the term of our Agreement" with Chuck - please refer to page 3, "Compensation, 1)". Exhibit A to our Agreement lists investors covered by the Agreement and contemplates being amended by written addendum from time to time. We have historically updated Exhibit A at irregular intervals. Although we have not recently found time to formally update Exhibit A, in light of Chuck's LOI and some of its terms, this memo will memorialize a few of my/our many approved past discussions and exchanges of information with Chuck and his "investors" regarding his various ideas and efforts to help fund CMGT.

- a) As you know, at your request and as contemplated in our agreement, I have participated directly with Chuck in many discussions and exchanges of CMGT investment information, as well as with Jim Patterson, Harlan Smith, Richard Bellamy, Robert Chernick and others whom Chuck introduced as potential investors and/or co-coordinators of investing groups interested in funding CMGT.

- b) Regarding "Newco", on January 27, 2003 you asked me to participate in a phone conference with you, Ron Given and Chuck to vet and understand Chuck's ideas for restructuring CMGT into an entity he referred to as "Newco". On that call we discussed Chuck's idea of "Newco" doing an asset purchase as a vehicle to afford CMGT a fresh start - shedding some of the baggage and history that he felt were encumbering CMGT's funding efforts. We asked Chuck to clarify the concept and get back to us for CMGT's further consideration when he could provide more specific detail. FYI, subsequent to that call Chuck has called me directly several times and we have discussed CMGT.

1625 Grandview Avenue, Glendale, CA 91201
Phone: 818.247.5533 • Cell: 818.512.9371 • Fax: 818.247.0616
Email: gspehar1@earthlink.net

Memorandum To: Lou Franco, CMGT, Inc.
August 8, 2003
Page 2 of 2

Lou, pending an update of Exhibit A as contemplated by our agreement, please acknowledge that the above discussions took place, that you "approved Spehar Capital to hold discussions and exchange information regarding CMGT" with Chuck and his investor groups and that both Chuck and the investor groups that he introduced and/or represents should be included in Exhibit A.

As long as we are informally updating Exhibit A, I would also ask that you acknowledge the call we held this past Tuesday, August 5, with David Wilson of FlexBen Corporation and that FlexBen and David should become a part of Exhibit A.

2. I am aware that "asset purchase" agreements are sometimes used to establish a new "purchasing" entity that is not bound by the contracts of the old "selling" entity. This potential was contemplated and addressed in our Agreement in 5) on page 2, which reads:

"In the event that Accepted Capital, as defined herein, is used to fund a successor company to CMGT, all of the terms of this agreement shall apply to such successor company and this Agreement shall be made an obligation of such successor company under the terms of any asset purchase agreement with such successor company."

In light of all the above, Spehar Capital expects to be fully compensated under our Agreement should CMGT consummate a deal with Chuck Trautner's "Newco".

Lou, I look forward to continuing to work with you on all CMGT funding scenarios...please let me know if I can be of help. At this juncture, I would not advise committing to Chuck's proposed Newco investment until you know who the investors are and have much more specific definition as to their intentions and specific long-term commitments to your business, shareholders and management. You need at least that to be able to adequately compare "Newco's" potential to the other CMGT funding alternatives that are just now coming to fruition. Having worked this hard and waited this long, CMGT should take great care to realize the best value for your shareholders.

At this point I see nothing in this LOI that should distract you from continuing to pursue a Native American/minority-status funding - CMGT would carry much more power in its marketplace with that status and/or the backing of the premier VC groups that are either partners in those efforts or otherwise considering investing in CMGT.

Best regards,

Gerry

EXHIBIT 15

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Subject: Re: [Fwd: Newco LOI]
Date: Sat, 09 Aug 2003 11:38:49 -0700
From: Gerry Spehar <gspehar1@earthlink.net>
To: "Given, Ronald B." <RGiven@mayerbrownrowe.com>
CC: "Franco, Lou" <Louman01@aol.com>

References:

1

Ron,

To be blunt - I hope we know each other well enough by now - your comments miss the point that matters and make points that are irrelevant to the discussion and confuse the issue. The important and relevant question is: Did Chuck Trautner - at any point during the term of my contract with CMGT - become a legitimate member of Exhibit A of that contract? The honest answer is: Yes, he did. Once he legitimately became a member of Exhibit A, the Rubicon was crossed, so to speak, and Spehar Capital became entitled to be paid per its contract with CMGT. You, or any one else for that matter, can open or maintain a back channel at any time to any of the members of Exhibit A, but Spehar Capital is still entitled to compensation on deals you do - and rightly so. Were this not the case, what would prevent anyone from going around my contract with CMGT - via a "separate and distinct communications" back channel - to any of Exhibit A's members at any time?

Ron, we all know that Chuck Trautner has been acting in the capacity of "deal doer" for CMGT since the beginning of my involvement with CMGT. Lou long ago made the decision to involve me in CMGT's discussions with Chuck, and has not only continuously solicited my advice on Chuck's many forays into "deal doing", but has also asked me to directly participate in discussions with Chuck on many, many occasions - some of which also involved you. I have always complied and I gave but a few examples in yesterday's memo. All parties to those many discussions - Lou, you and Chuck - have solicited my advice at various times and welcomed my participation on many occasions, and I've contributed much to our collective understanding that has helped move the ball along. I don't know what you and Chuck could possibly be talking about that is truly "separate and distinct" from the all encompassing CMGT territory we've covered in those many discussions. I don't know what you could possibly discuss that is not colored by the advice and information I have continuously provided to you, Lou and Chuck - at Lou's request. If you kick the ball across the goal at this point, Ron, are you truly claiming that everyone else on the team was just standing around watching while you single-handedly dribbled it all the way up the field through all those defenders? That seems a bit much and certainly doesn't fit with the Ron Given I've come to know and love.

There are many examples of "deal doers" like Chuck listed in Exhibit A - Jim Patterson, Richard Bellamy, Robert Chernick, Council Tree all come quickly to mind. They all have been acting for other (sometimes anonymous) investors and, just like Chuck, it is unclear exactly how they will be compensated and how much - if any - of their own money they are contributing to the deals we've discussed. Just like Chuck, some of them work a bit in the dark and have presented different

PL 05913

iterations of investors and deals to CMGT. Ron, I would have no way of knowing if any of them have opened or continued a "separate and distinct communication" with you, but I do know that I would be paid if you consummated a transaction with them. I also know that I would feel good about being compensated because I know how much I've contributed to their/your understanding and consequent ability to do a deal that makes sense for CMGT.

We have both been trying to help Lou and CMGT over the past years, and no one on this planet can honestly claim to have applied himself in that regard with more diligence and integrity than me. With regards to Exhibit A, Lou and I have always operated on a basis of trust. He has involved me in discussions with many parties - FlexBen is a current case in point - and I have contributed when he asked and trusted him to eventually acknowledge those parties' inclusion in Exhibit A. I am trusting both of you will do the right thing and acknowledge Chuck Trautner's rightful inclusion in that list.

You say you and Lou are fans, Ron. If you ask yourself why, I believe you'll recognize that it has a lot to do with integrity. There are a lot of competent and smart people - some of them much more accomplished than I - doing what I do. Why are you and Lou still working with me? I believe it has a lot to do with the fact that you know you can trust me to be honest and to do my best to steer you right and to do the right thing myself. I'm asking you to do the same.

Now, to my role as CMGT's financial advisor. For CMGT's sake, I wish you would have seen fit to involve me as one of CMGT's professional advisors in your discussions with Chuck and in constructing Lou's response to Chuck's LOI and his Letter to Investors and Interested Parties. We've certainly worked well as a team in the past and CMGT has seen value in my involvement - why not now? We worked out efficient and amicable ways to keep me involved as a valued advisor when others tried to exclude me, why not now? Lou has often asked and expected me to ask the hard questions of investors that are needed to focus discussions and clarify nebulous issues - he has specifically asked that of me in our past discussions with Chuck. This posture and role can be irritating at times, granted - but is often needed and in CMGT's best interest if handled professionally.

FYI, had I been involved in my capacity as advisor to CMGT, I would have suggested a different course of action and counsel to shareholders. Here are my thoughts, and I'd be interested in hearing your rationale, on several points:

1. So far, none of the many deals Chuck has thrown our way have panned out. Given the lack of success in that extensive past history, does it make sense to prohibit CMGT from interacting with new investors when there are still so many unanswered questions about Chuck's "Newco"? Just a week or so ago Lou received an "out-of-the-blue" call from Warburg Pincus - unless they were already listed in Exhibit A to Chuck's LOI, Lou couldn't field that call today. He's now in a box with Chuck & friends for a period of time, just when we've been experiencing a surprising spate of unsolicited activity (e.g. FlexBen and Warburg Pincus) - had you asked I would have advised against these

limitations. To date, we haven't permitted anyone else to put us in this box in the LOI stage - why should Chuck Trautner be treated any differently? Yes, he is a significant shareholder, but he is acting in a "deal doer" capacity in this instance and should be treated in a similar fashion to any other "deal doer" in my opinion. I see nothing in his LOI or history that warrants special treatment - indeed, there are substantial unanswered questions and gray areas.

2. Why did Lou counsel CMGT shareholders "I believe this is a deal we should and must do" when there are still so many unanswered questions about it? In my professional opinion, that statement runs the risk of prematurely encouraging shareholders to take a path which is still encumbered with many major questions. Keep in mind, we have a credible deal pending with Madison Dearborn that would not only keep CMGT intact, but would also bring extremely valuable ANC minority status - and a decision is imminent. I would have suggested, at most, a statement like: "I believe this is a deal we should seriously consider along with other pending transactions".

3. There may be misplaced/incorrect listings in the LOI's Exhibit A, and some other entities I would have included in that Exhibit A had I been asked to contribute.

Most importantly, Ron, doesn't it make much more sense to engage in a collaborative effort involving all of CMGT's trusted and experienced advisors in these areas (e.g. Spehar Capital) - especially when there is no financial reason to exclude me from these discussions since Chuck's legitimately in Spehar Capital's Exhibit A in any case?

Finally, addressing your last point, in the course of advising Lou on financial and investment matters I will most likely continue to discuss Chuck's LOI directly with Lou. Far from being a distraction, in light of Lou's statement to shareholders it is now one of the primary funding alternatives that I need to assess, compare and generally provide Lou input on in the conduct of my services to CMGT. CMGT has engaged me specifically to advise on these matters and help Lou with them - especially when his hands are full. I will, of course, continue to actively pursue all other viable financing alternatives.

Have a good weekend...I'm sure we'll be talking soon.

Gerry

"Given, Ronald B." wrote:

> Gerry:

>

> Although your attachment is to Lou, I would like to address it. As Lou's situation continued (and continues) to become more desperate, I have kept a separate channel of communication on behalf of CMGT with Chuck. The LOI is a consequence of those separate and distinct communications. In the course of formulating the LOI, Chuck and I have never discussed any of the prior communications to which you refer

(and some of which I also participated in). Lou did not initiate or orchestrate the LOI. On the contrary, Lou's input prior to yesterday's circulation has primarily been in a fine tuning of the proposal; for example, making sure that CMGT can continue with your current prospects. As to the proposed LOI deal itself, your assistance is not required nor requested at this time. If a role opens for you, either in putting the deal together or post closing, you will hear directly from Lou or Chuck. You obviously know that Lou and I are big fans of what you bring to the table.

>

> Lou has his hands full. As to his pending matters with you, as well as to the MOIC matter, I encourage the both of you to continue your positive work. As to the proposed LOI transaction, to avoid distractions, I would ask Lou to simply refer any questions you might have to me.

>

> A good weekend to you both.

>

> Ronald B. Given

>

> Mayer, Brown, Rowe & Maw LLP

> 190 S. LaSalle Street

> Suite 3132

> Chicago, IL 60603-3441

> Phone: (312) 701-7382

> Fax: (312) 706-8137

> Cell: (312) 286-5252

> Res.: (312) 431-9952

>> Email: <<mailto:rgiven@mayerbrownrowe.com>>

>>

>>

> Assistant to Ronald B. Given:

>

> Evajean T. Bugajski

> Phone: (312) 701-7632

>> Email: <<mailto:ebugajski@mayerbrownrowe.com>>

>>

>

> I

> -----Original Message-----

> From: Gerry Spehar [mailto:gspehar1@earthlink.net]

> Sent: Friday, August 08, 2003 4:26 PM

> To: Franco, Lou

> Cc: Given, Ronald B.

> Subject: [Fwd: Newco LOI]

>

> Sorry...here's the attachment.

>

>

> NOTICE: This e-mail message and all attachments transmitted with it are intended solely for the use of the addressee and may contain legally privileged and confidential information. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or other use of this message or its attachments is strictly prohibited.

PL 05916

If you have received this message in error, please notify the sender immediately by replying to this message and please delete it from your computer.

PL 05917

EXHIBIT 16

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Subject: Re: [Fwd: Newco LOI]
Date: Sat, 9 Aug 2003 16:55:05 -0500
From: "Given, Ronald B." <RGiven@mayerbrownrowe.com>
To: <gspehar1@earthlink.net>

Gerry: It is worth again saying, as we have each said, that we appreciate each other's professionalism and hard work on CMGT's behalf. However, you have not succeeded in putting together anything of your own to date and are not part of the LOI transaction. I encourage you to continue your work on the deals that have been carved out for you to continue with. I'm going to try to get the LOI deal done, but I am just as happy to work on one of your prospects.

There is nothing left to be said regarding the LOI, in my view. If you wish to pursue it, you will be in an adversarial position and should deal with us through counsel. You have the right to do that, of course, but if you do I believe all your activities on behalf of CMGT should cease (as well as your MOIC involvement)

--

ultimately, that is not my call, however.

Ronald B. Given
Mayer, Brown, Rowe & Maw
190 S. LaSalle Street
Suite 3132
Chicago, IL 60603-3441
Phone: (312) 701-7382
Fax: (312) 706-8137
Cell: (312) 286-5252
Res.: (312) 431-9952
Email: rgiven@mayerbrownrowe.com

Assistant to Ronald B. Given:

Evajean T. Bugajski
Phone: (312) 701-7632
Email: ebugajski@mayerbrownrowe.com

-----Original Message-----

From: Gerry Spehar <gspehar1@earthlink.net>
To: Given, Ronald B. <RGiven@mayerbrownrowe.com>
CC: Franco, Lou <Louman01@aol.com>
Sent: Sat Aug 09 13:38:49 2003
Subject: Re: [Fwd: Newco LOI]

Ron,

To be blunt - I hope we know each other well enough by now - your comments miss the point that matters and make points that are irrelevant to the discussion and confuse the issue. The important and relevant question is: Did Chuck Trautner - at any point during the term of my contract with CMGT - become a legitimate member of Exhibit A of that contract? The honest answer is: Yes, he did. Once he legitimately became a member of Exhibit A, the Rubicon was crossed, so to speak, and Spehar Capital became entitled to

PL 05918

be paid per its contract with CMGT. You, or any one else for that matter, can open or maintain a back channel at any time to any of the members of Exhibit A, but Spehar Capital is still entitled to compensation on deals you do - and rightly so. Were this not the case, what would prevent anyone from going around my contract with CMGT - via a "separate and distinct communications" back channel - to any of Exhibit A's members at any time?

Ron, we all know that Chuck Trautner has been acting in the capacity of "deal doer" for CMGT since the beginning of my involvement with CMGT. Lou long ago made the decision to involve me in CMGT's discussions with Chuck, and has not only continuously solicited my advice on Chuck's many forays into "deal doing", but has also asked me to directly participate in discussions with Chuck on many, many occasions - some of which also involved you. I have always complied and I gave but a few examples in yesterday's memo. All parties to those many discussions - Lou, you and Chuck - have solicited my advice at various times and welcomed my participation on many occasions, and I've contributed much to our collective understanding that has helped move the ball along. I don't know what you and Chuck could possibly be talking about that is truly "separate and distinct" from the all encompassing CMGT territory we've covered in those many discussions. I don't know what you could possibly discuss that is not colored by the advice and information I have continuously provided to you, Lou and Chuck - at Lou's request. If you kick the ball across the goal at this point, Ron, are you truly claiming that everyone else on the team was just standing around watching while you single-handedly dribbled it all the way up the field through all those defenders? That seems a bit much and certainly doesn't fit with the Ron Given I've come to know and love.

There are many examples of "deal doers" like Chuck listed in Exhibit A - Jim Patterson, Richard Bellamy, Robert Chernick, Council Tree all come quickly to mind. They all have been acting for other (sometimes anonymous) investors and, just like Chuck, it is unclear exactly how they will be compensated and how much - if any - of their own money they are contributing to the deals we've discussed. Just like Chuck, some

of them work a bit in the dark and have presented different iterations of investors and deals to CMGT.
Ron,

I would have no way of knowing if any of them have opened or continued a "separate and distinct communication" with you, but I do know that I would be paid if you consummated a transaction with them. I also know that I would feel good about being compensated because I know how much I've contributed to their/your understanding and consequent ability to do a deal that makes sense for CMGT.

We have both been trying to help Lou and CMGT over the past years, and no one on this planet can honestly claim to have applied himself in that regard with more diligence and integrity than me. With regards to Exhibit A, Lou and I have always operated on a basis of trust. He has involved me in discussions with many parties - FlexBen is a current case in point - and I have contributed when he asked and trusted him to eventually acknowledge those parties' inclusion in Exhibit A. I am trusting both of you will do the right thing and acknowledge Chuck Trautner's rightful inclusion in that list.

You say you and Lou are fans, Ron. If you ask yourself why, I believe you'll recognize that it has a lot to do

with integrity. There are a lot of competent and smart people - some of them much more accomplished than I

- doing what I do. Why are you and Lou still working with me? I believe it has a lot to do with the fact that

you know you can trust me to be honest and to do my best to steer you right and to do the right thing myself. I'm asking you to do the same.

Now, to my role as CMGT's financial advisor. For CMGT's sake, I wish you would have seen fit to involve

me as one of CMGT's professional advisors in your discussions with Chuck and in constructing Lou's response to Chuck's LOI and his Letter to Investors and Interested Parties. We've certainly worked well as

a team in the past and CMGT has seen value in my involvement - why not now? We worked out efficient and amicable ways to keep me involved as a valued advisor when others tried to exclude me, why not now? Lou has often asked and expected me to ask the hard questions of investors that are needed to focus discussions and clarify nebulous issues - he has specifically asked that of me in our past discussions with Chuck. This posture and role can be irritating at times, granted - but is often needed and in CMGT's best interest if handled professionally.

FYI, had I been involved in my capacity as advisor to CMGT, I would have suggested a different course of action and counsel to shareholders. Here are my thoughts, and I'd be interested in hearing your rationale, on several points:

1. So far, none of the many deals Chuck has thrown our way have panned out. Given the lack of success in that extensive past history, does it make sense to prohibit CMGT from interacting with new investors when there are still so many unanswered questions about Chuck's "Newco"? Just a week or so ago Lou received an "out-of-the-blue" call from Warburg Pincus - unless they were already listed in Exhibit A to Chuck's LOI, Lou couldn't field that call today. He's now in a box with Chuck & friends for a period of time, just when we've been experiencing a surprising spate of unsolicited activity (e.g. FlexBen and Warburg Pincus) - had you asked I would have advised against these limitations. To date, we haven't permitted anyone else to put us in this box in the LOI stage - why should Chuck Trautner be treated any differently? Yes, he is a significant shareholder, but he is acting in a "deal doer" capacity in this instance and should be treated in a similar fashion to any other "deal doer" in my opinion. I see nothing in his LOI or history that warrants special treatment - indeed, there are substantial unanswered questions and gray areas.

2. Why did Lou counsel CMGT shareholders "I believe this is a deal we should and must do" when there are still so many unanswered questions about it? In my professional opinion, that statement runs the risk of prematurely encouraging shareholders to take a path which is still encumbered with many major questions. Keep in mind, we have a credible deal pending with Madison Dearborn that would not only keep CMGT intact, but would also bring extremely valuable ANC minority status - and a decision is imminent. I would have suggested, at most, a statement like: "I believe this is a deal we should seriously consider along with other pending transactions".

3. There may be misplaced/incorrect listings in the LOI's Exhibit A, and some other entities I would have included in that Exhibit A had I been asked to contribute.

Most importantly, Ron, doesn't it make much more sense to engage in a collaborative effort involving all of CMGT's trusted and experienced advisors in these areas (e.g. Spehar Capital) - especially when there is no financial reason to exclude me from these discussions since Chuck's legitimately in Spehar Capital's Exhibit A in any case?

Finally, addressing your last point, in the course of advising Lou on financial and investment matters I will most likely continue to discuss Chuck's LOI directly with Lou. Far from being a distraction, in light of Lou's statement to shareholders it is now one of the primary funding alternatives that I need to assess, compare and generally provide Lou input on in the conduct of my services to CMGT. CMGT has engaged me specifically to advise on these matters and help Lou with them - especially when his hands are full. I will, of course, continue to actively pursue all other viable financing alternatives.

Have a good weekend...I'm sure we'll be talking soon.

Gerry

"Given, Ronald B." wrote:

> Gerry:

>

> Although your attachment is to Lou, I would like to address it. As Lou's situation continued (and continues) to become more desperate, I have kept a separate channel of communication on behalf of CMGT with Chuck. The LOI is a consequence of those separate and distinct communications. In the course of formulating the LOI, Chuck and I have never discussed any of the prior communications to which you refer

(and some of which I also participated in). Lou did not initiate or orchestrate the LOI. On the contrary, Lou's input prior to yesterday's circulation has primarily been in a fine tuning of the proposal; for example, making sure that CMGT can continue with your current prospects. As to the proposed LOI deal itself, your assistance is not required nor requested at this time. If a role opens for you, either in putting the deal together or post closing, you will hear directly from Lou or Chuck. You obviously know that Lou and I are big fans of what you bring to the table.

>

> Lou has his hands full. As to his pending matters with you, as well as to the MOIC matter, I encourage the both of you to continue your positive work. As to the proposed LOI transaction, to avoid distractions, I would ask Lou to simply refer any questions you might have to me.

>

> A good weekend to you both.

>

> Ronald B. Given

>

> Mayer, Brown, Rowe & Maw LLP

> 190 S. LaSalle Street

> Suite 3132

> Chicago, IL 60603-3441

> Phone: (312) 701-7382

> Fax: (312) 706-8137

> Cell: (312) 286-5252

> Res.: (312) 431-9952

>> Email: <<mailto:rgiven@mayerbrownrowe.com>>

>>

>>

> Assistant to Ronald B. Given:

>

> Evajean T. Bugajski

> Phone: (312) 701-7632

>> Email: <<mailto:ebugajski@mayerbrownrowe.com>>

>>

>

> I

> -----Original Message-----

> From: Gerry Spehar [mailto:gspehar1@earthlink.net]

> Sent: Friday, August 08, 2003 4:26 PM

> To: Franco, Lou

> Cc: Given, Ronald B.

> Subject: [Fwd: Newco LOI]

>

> Sorry...here's the attachment.

>

>

PL 05921

> NOTICE: This e-mail message and all attachments transmitted with it are intended solely for the use of the addressee and may contain legally privileged and confidential information. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately by replying to this message and please delete it from your computer.

NOTICE: This e-mail message and all attachments transmitted with it are intended solely for the use of the addressee and may contain legally privileged and confidential information. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately by replying to this message and please delete it from your computer.

EXHIBIT 17

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Subject: [Fwd: [Fwd: Newco LOI]]
Date: Sat, 09 Aug 2003 15:31:02 -0700
From: Gerry Spehar <gspehar1@earthlink.net>
To: "Franco, Lou" <Louman01@aol.com>

Lou,

I noticed Ron didn't copy you on this...I hope he speaks for himself and not CMGT in this position. You speak for CMGT and were the one who encouraged and authorized my involvement with Chuck, so I guess I need to hear from you on this before we move on. Please clarify your stance.

Gerry

Subject:
Re: [Fwd: Newco LOI]
Date:
Sat, 9 Aug 2003 16:55:05 -0500
From:
"Given, Ronald B." <RGiven@mayerbrownrowe.com>
To:
<gspehar1@earthlink.net>

Gerry: It is worth again saying, as we have each said, that we appreciate each other's professionalism and hard work on CMGT's behalf. However, you have not succeeded in putting together anything of your own to date and are not part of the LOI transaction. I encourage you to continue your work on the deals that have been carved out for you to continue with. I'm going to try to get the LOI deal done, but I am just as happy to work on one of your prospects.

There is nothing left to be said regarding the LOI, in my view. If you wish to pursue it, you will be in an adversarial position and should deal with us through counsel. You have the right to do that, of course, but if you do I believe all your activities on behalf of CMGT should cease (as well as your MOIC involvement)

--
ultimately, that is not my call, however.

Ronald B. Given
Mayer, Brown, Rowe & Maw
190 S. LaSalle Street
Suite 3132
Chicago, IL 60603-3441
Phone: (312) 701-7382
Fax: (312) 706-8137
Cell: (312) 286-5252
Res.: (312) 431-9952
Email: rgiven@mayerbrownrowe.com

Assistant to Ronald B. Given:

Evajean T. Bugajski
Phone: (312) 701-7632
Email: ebugajski@mayerbrownrowe.com

-----Original Message-----

From: Gerry Spehar <gspehar1@earthlink.net>
To: Given, Ronald B. <RGiven@mayerbrownrowe.com>
CC: Franco, Lou <Louman01@aol.com>
Sent: Sat Aug 09 13:38:49 2003
Subject: Re: [Fwd: Newco LOI]

Ron,

To be blunt - I hope we know each other well enough by now - your comments miss the point that matters and make points that are irrelevant to the discussion and confuse the issue. The important and relevant question is: Did Chuck Trautner - at any point during the term of my contract with CMGT - become a legitimate member of Exhibit A of that contract? The honest answer is: Yes, he did. Once he legitimately became a member of Exhibit A, the Rubicon was crossed, so to speak, and Spehar Capital became entitled to be paid per its contract with CMGT. You, or any one else for that matter, can open or maintain a back channel at any time to any of the members of Exhibit A, but Spehar Capital is still entitled to compensation on deals you do - and rightly so. Were this not the case, what would prevent anyone from going around my contract with CMGT - via a "separate and distinct communications" back channel - to any of Exhibit A's members at any time?

Ron, we all know that Chuck Trautner has been acting in the capacity of "deal doer" for CMGT since the beginning of my involvement with CMGT. Lou long ago made the decision to involve me in CMGT's discussions with Chuck, and has not only continuously solicited my advice on Chuck's many forays into "deal doing", but has also asked me to directly participate in discussions with Chuck on many, many occasions - some of which also involved you. I have always complied and I gave but a few examples in yesterday's memo. All parties to those many discussions - Lou, you and Chuck - have solicited my advice at various times and welcomed my participation on many occasions, and I've contributed much to our collective understanding that has helped move the ball along. I don't know what you and Chuck could possibly be talking about that is truly "separate and distinct" from the all encompassing CMGT territory we've covered in those many discussions. I don't know what you could possibly discuss that is not colored by the advice and information I have continuously provided to you, Lou and Chuck - at Lou's request. If you kick the ball across the goal at this point, Ron, are you truly claiming that everyone else on the team was just standing around watching while you single-handedly dribbled it all the way up the field through all those defenders? That seems a bit much and certainly doesn't fit with the Ron Given I've come to know and love.

There are many examples of "deal doers" like Chuck listed in Exhibit A - Jim Patterson, Richard Bellamy, Robert Chernick, Council Tree all come quickly to mind. They all have been acting for other (sometimes anonymous) investors and, just like Chuck, it is unclear exactly how they will be compensated and how much - if any - of their own money they are contributing to the deals we've discussed. Just like Chuck, some of them work a bit in the dark and have presented different iterations of investors and deals to CMGT.

Ron,

I would have no way of knowing if any of them have opened or continued a "separate and distinct communication" with you, but I do know that I would be paid if you consummated a transaction with them. I also know that I would feel good about being compensated because I know how much I've contributed to their/your understanding and consequent ability to do a deal that makes sense for CMGT.

PL 05924

We have both been trying to help Lou and CMGT over the past years, and no one on this planet can honestly claim to have applied himself in that regard with more diligence and integrity than me. With regards to Exhibit A, Lou and I have always operated on a basis of trust. He has involved me in discussions with many parties - FlexBen is a current case in point - and I have contributed when he asked and trusted him to eventually acknowledge those parties' inclusion in Exhibit A. I am trusting both of you will do the right thing and acknowledge Chuck Trautner's rightful inclusion in that list.

You say you and Lou are fans, Ron. If you ask yourself why, I believe you'll recognize that it has a lot to do with integrity. There are a lot of competent and smart people - some of them much more accomplished than I - doing what I do. Why are you and Lou still working with me? I believe it has a lot to do with the fact that you know you can trust me to be honest and to do my best to steer you right and to do the right thing myself. I'm asking you to do the same.

Now, to my role as CMGT's financial advisor. For CMGT's sake, I wish you would have seen fit to involve me as one of CMGT's professional advisors in your discussions with Chuck and in constructing Lou's response to Chuck's LOI and his Letter to Investors and Interested Parties. We've certainly worked well as a team in the past and CMGT has seen value in my involvement - why not now? We worked out efficient and amicable ways to keep me involved as a valued advisor when others tried to exclude me, why not now? Lou has often asked and expected me to ask the hard questions of investors that are needed to focus discussions and clarify nebulous issues - he has specifically asked that of me in our past discussions with Chuck. This posture and role can be irritating at times, granted - but is often needed and in CMGT's best interest if handled professionally.

FYI, had I been involved in my capacity as advisor to CMGT, I would have suggested a different course of action and counsel to shareholders. Here are my thoughts, and I'd be interested in hearing your rationale, on several points:

1. So far, none of the many deals Chuck has thrown our way have panned out. Given the lack of success in that extensive past history, does it make sense to prohibit CMGT from interacting with new investors when there are still so many unanswered questions about Chuck's "Newco"? Just a week or so ago Lou received an "out-of-the-blue" call from Warburg Pincus - unless they were already listed in Exhibit A to Chuck's LOI, Lou couldn't field that call today. He's now in a box with Chuck & friends for a period of time, just when we've been experiencing a surprising spate of unsolicited activity (e.g. FlexBen and Warburg Pincus) - had you asked I would have advised against these limitations. To date, we haven't permitted anyone else to put us in this box in the LOI stage - why should Chuck Trautner be treated any differently? Yes, he is a significant shareholder, but he is acting in a "deal doer" capacity in this instance and should be treated in a similar fashion to any other "deal doer" in my opinion. I see nothing in his LOI or history that warrants special treatment - indeed, there are substantial unanswered questions and gray areas.

2. Why did Lou counsel CMGT shareholders "I believe this is a deal we should and must do" when there are still so many unanswered questions about it? In my professional opinion, that statement runs the risk of prematurely encouraging shareholders to take a path which is still encumbered with many major questions. Keep in mind, we have a credible deal pending with Madison Dearborn that would not only keep CMGT intact, but would also bring extremely valuable ANC minority status - and a decision is imminent. I would have suggested, at most, a statement like: "I believe this is a deal we should seriously consider along with other pending transactions".

3. There may be misplaced/incorrect listings in the LOI's Exhibit A, and some other entities I would have included in that Exhibit A had I been asked to contribute.

Most importantly, Ron, doesn't it make much more sense to engage in a collaborative effort involving all of CMGT's trusted and experienced advisors in these areas (e.g. Spehar Capital) - especially when there is no financial reason to exclude me from these discussions since Chuck's legitimately in Spehar Capital's Exhibit A in any case?

Finally, addressing your last point, in the course of advising Lou on financial and investment matters I will most likely continue to discuss Chuck's LOI directly with Lou. Far from being a distraction, in light of Lou's statement to shareholders it is now one of the primary funding alternatives that I need to assess, compare and generally provide Lou input on in the conduct of my services to CMGT. CMGT has engaged me specifically to advise on these matters and help Lou with them - especially when his hands are full. I will, of course, continue to actively pursue all other viable financing alternatives.

Have a good weekend...I'm sure we'll be talking soon.

Gerry

"Given, Ronald B." wrote:

> Gerry:

>

> Although your attachment is to Lou, I would like to address it. As Lou's situation continued (and continues) to become more desperate, I have kept a separate channel of communication on behalf of CMGT with Chuck. The LOI is a consequence of those separate and distinct communications. In the course of formulating the LOI, Chuck and I have never discussed any of the prior communications to which you refer

(and some of which I also participated in). Lou did not initiate or orchestrate the LOI. On the contrary, Lou's input prior to yesterday's circulation has primarily been in a fine tuning of the proposal; for example, making sure that CMGT can continue with your current prospects. As to the proposed LOI deal itself, your assistance is not required nor requested at this time. If a role opens for you, either in putting the deal together or post closing, you will hear directly from Lou or Chuck. You obviously know that Lou and I are big fans of what you bring to the table.

>

> Lou has his hands full. As to his pending matters with you, as well as to the MOIC matter, I encourage the both of you to continue your positive work. As to the proposed LOI transaction, to avoid distractions, I would ask Lou to simply refer any questions you might have to me.

>

> A good weekend to you both.

>

> Ronald B. Given

>

> Mayer, Brown, Rowe & Maw LLP

> 190 S. LaSalle Street

> Suite 3132

> Chicago, IL 60603-3441

> Phone: (312) 701-7382

> Fax: (312) 706-8137

> Cell: (312) 286-5252

PL 05926

> Res.: (312) 431-9952
>> Email: <<mailto:rgiven@mayerbrownrowe.com>>
>>
>>
> Assistant to Ronald B. Given:
>
> Evajean T. Bugajski
> Phone: (312) 701-7632
>> Email: <<mailto:ebugajski@mayerbrownrowe.com>>
>>
>
> I

> -----Original Message-----
> From: Gerry Spehar [mailto:gspehar1@earthlink.net]
> Sent: Friday, August 08, 2003 4:26 PM
> To: Franco, Lou
> Cc: Given, Ronald B.
> Subject: [Fwd: Newco LOI]

>
> Sorry...here's the attachment.

>
>
> _____
> NOTICE: This e-mail message and all attachments transmitted with it are intended solely for the use of the addressee and may contain legally privileged and confidential information. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately by replying to this message and please delete it from your computer.

NOTICE: This e-mail message and all attachments transmitted with it are intended solely for the use of the addressee and may contain legally privileged and confidential information. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately by replying to this message and please delete it from your computer.

EXHIBIT 18

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Robert Carroll

From: Louman01@aol.com
Sent: Saturday, August 09, 2003 9:16 PM
To: Given, Ronald B.
Subject: Fwd: [Fwd: [Fwd: Newco LOI]]
Attachments: [Fwd: [Fwd: Newco LOI]]

Ron:

FYI.

Of course, you and I are completely of one voice on this matter. I am very dissappointed in Gerry and will discuss with you when you have some time.

Best regards,

Lou

Louis J. Franco, RHU
President & CEO
CMGT, Inc.
2 S 647 White Birch Lane
Wheaton, IL 60187

voice: 630-260-9507
cell: 630-215-8193
fax: 978-389-1060

E-mail1: Louman01@aol.com
E-mail2: lfranco@cmgt.com

=====
NOTICE: This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 and is legally privileged. This information is confidential information and is intended only for the use of the individual or entity named above. If you have received this E-mail and are not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this E-mail by mistake, please notify us immediately by replying to the message and deleting it and attachment(s), if any, from your computer. Thank you for your cooperation.

CMGT, Inc. Management
=====

Robert Carroll

From: Gerry Spehar [gspehar1@earthlink.net]
Sent: Saturday, August 09, 2003 5:31 PM
To: Franco, Lou
Subject: [Fwd: [Fwd: Newco LOI]]

Attachments: Re: [Fwd: Newco LOI]



Re: [Fwd: Newco
LOI]

Lou,

I noticed Ron didn't copy you on this...I hope he speaks for himself and not CMGT in this position. You speak for CMGT and were the one who encouraged and authorized my involvement with Chuck, so I guess I need to hear from you on this before we move on. Please clarify your stance.

Gerry

Robert Carroll

From: Given, Ronald B.
Sent: Saturday, August 09, 2003 4:55 PM
To: gspehar1@earthlink.net
Subject: Re: [Fwd: Newco LOI]

Gerry: It is worth again saying, as we have each said, that we appreciate each other's professionalism and hard work on CMGT's behalf. However, you have not succeeded in putting together anything of your own to date and are not part of the LOI transaction. I encourage you to continue your work on the deals that have been carved out for you to continue with. I'm going to try to get the LOI deal done, but I am just as happy to work on one of your prospects.

There is nothing left to be said regarding the LOI, in my view. If you wish to pursue it, you will be in an adversarial position and should deal with us through counsel. You have the right to do that, of course, but if you do I believe all your activities on behalf of CMGT should cease (as well as your MOIC involvement) -- ultimately, that is not my call, however.

Ronald B. Given
Mayer, Brown, Rowe & Maw
190 S. LaSalle Street
Suite 3132
Chicago, IL 60603-3441
Phone: (312) 701-7382
Fax: (312) 706-8137
Cell: (312) 286-5252
Res.: (312) 431-9952
Email: rgiven@mayerbrownrowe.com

Assistant to Ronald B. Given:

Evajean T. Bugajski
Phone: (312) 701-7632
Email: ebugajski@mayerbrownrowe.com

-----Original Message-----
From: Gerry Spehar <gspehar1@earthlink.net>
To: Given, Ronald B. <RGiven@mayerbrownrowe.com>
CC: Franco, Lou <Louman01@aol.com>
Sent: Sat Aug 09 13:38:49 2003
Subject: Re: [Fwd: Newco LOI]

Ron,

To be blunt - I hope we know each other well enough by now - your comments miss the point that matters and make points that are irrelevant to the discussion and confuse the issue. The important and relevant question is: Did Chuck Trautner - at any point during the term of my contract with CMGT - become a legitimate member of Exhibit A of that contract? The honest answer is: Yes, he did. Once he legitimately became a member of Exhibit A, the Rubicon was crossed, so to speak, and Spehar Capital became entitled to be paid per its contract with CMGT. You, or any one else for that matter, can open or maintain a back channel at any time to any of the members of Exhibit A, but Spehar Capital is still entitled to compensation on deals you do - and rightly so. Were this not the case, what would prevent anyone from going around my contract with CMGT - via a "separate and distinct communications" back channel - to any of Exhibit A's members at any time?

6/16/2009

Ron, we all know that Chuck Trautner has been acting in the capacity of "deal doer" for CMGT since the beginning of my involvement with CMGT. Lou long ago made the decision to involve me in CMGT's discussions with Chuck, and has not only continuously solicited my advice on Chuck's many forays into "deal doing", but has also asked me to directly participate in discussions with Chuck on many, many occasions - some of which also involved you. I have always complied and I gave but a few examples in yesterday's memo. All parties to those many discussions - Lou, you and Chuck - have solicited my advice at various times and welcomed my participation on many occasions, and I've contributed much to our collective understanding that has helped move the ball along. I don't know what you and Chuck could possibly be talking about that is truly "separate and distinct" from the all encompassing CMGT territory we've covered in those many discussions. I don't know what you could possibly discuss that is not colored by the advice and information I have continuously provided to you, Lou and Chuck - at Lou's request. If you kick the ball across the goal at this point, Ron, are you truly claiming that everyone else on the team was just standing around watching while you single-handedly dribbled it all the way up the field through all those defenders? That seems a bit much and certainly doesn't fit with the Ron Given I've come to know and love.

There are many examples of "deal doers" like Chuck listed in Exhibit A - Jim Patterson, Richard Bellamy, Robert Chernick, Council Tree all come quickly to mind. They all have been acting for other (sometimes anonymous) investors and, just like Chuck, it is unclear exactly how they will be compensated and how much - if any - of their own money they are contributing to the deals we've discussed. Just like Chuck, some of them work a bit in the dark and have presented different iterations of investors and deals to CMGT. Ron, I would have no way of knowing if any of them have opened or continued a "separate and distinct communication" with you, but I do know that I would be paid if you consummated a transaction with them. I also know that I would feel good about being compensated because I know how much I've contributed to their/your understanding and consequent ability to do a deal that makes sense for CMGT.

We have both been trying to help Lou and CMGT over the past years, and no one on this planet can honestly claim to have applied himself in that regard with more diligence and integrity than me. With regards to Exhibit A, Lou and I have always operated on a basis of trust. He has involved me in discussions with many parties - FlexBen is a current case in point - and I have contributed when he asked and trusted him to eventually acknowledge those parties' inclusion in Exhibit A. I am trusting both of you will do the right thing and acknowledge Chuck Trautner's rightful inclusion in that list.

You say you and Lou are fans, Ron. If you ask yourself why, I believe you'll recognize that it has a lot to do with integrity. There are a lot of competent and smart people - some of them much more accomplished than I - doing what I do. Why are you and Lou still working with me? I believe it has a lot to do with the fact that you know you can trust me to be honest and to do my best to steer you right and to do the right thing myself. I'm asking you to do the same.

Now, to my role as CMGT's financial advisor. For CMGT's sake, I wish you would have seen fit to involve me as one of CMGT's professional advisors in your discussions with Chuck and in constructing Lou's response to Chuck's LOI and his Letter to Investors and Interested Parties. We've certainly worked well as a team in the past and CMGT has seen value in my involvement - why not now? We worked out efficient and amicable ways to keep me involved as a valued advisor when others tried to exclude me, why not now? Lou has often asked and expected me to ask the hard questions of investors that are needed to focus discussions and clarify nebulous issues - he has specifically asked that of me in our past discussions with Chuck. This posture and role can be irritating at times, granted - but is often needed and in CMGT's best interest if handled professionally.

FYI, had I been involved in my capacity as advisor to CMGT, I would have suggested a different course of action and counsel to shareholders. Here are my thoughts, and I'd be interested in hearing your rationale, on several points:

1. So far, none of the many deals Chuck has thrown our way have panned out. Given the lack of success in that extensive past history, does it make sense to prohibit CMGT from interacting with new investors when there are still so many unanswered questions about Chuck's "Newco"? Just a week or so ago Lou received an "out-of-the-blue" call from Warburg Pincus - unless they were already listed in Exhibit A to Chuck's LOI, Lou couldn't field that call today. He's now in a box with Chuck & friends for a period of time, just when we've been experiencing a surprising spate of unsolicited activity (e.g. FlexBen and Warburg Pincus) - had you asked I would have advised against these limitations. To date, we haven't permitted anyone else to put us in this box in the LOI stage - why should Chuck Trautner be treated any differently? Yes, he is a significant shareholder, but he is acting in a "deal doer" capacity in this instance and should be treated in a similar fashion to any other "deal doer" in my opinion. I see nothing in his LOI or history that warrants special treatment - indeed, there are substantial unanswered questions and gray areas.
2. Why did Lou counsel CMGT shareholders "I believe this is a deal we should and must do" when there are still so many unanswered questions about it? In my professional opinion, that statement runs the risk of prematurely encouraging

shareholders to take a path which is still encumbered with many major questions. Keep in mind, we have a credible deal pending with Madison Dearborn that would not only keep CMGT intact, but would also bring extremely valuable ANC minority status - and a decision is imminent. I would have suggested, at most, a statement like: "I believe this is a deal we should seriously consider along with other pending transactions".

3. There may be misplaced/incorrect listings in the LOI's Exhibit A, and some other entities I would have included in that Exhibit A had I been asked to contribute.

Most importantly, Ron, doesn't it make much more sense to engage in a collaborative effort involving all of CMGT's trusted and experienced advisors in these areas (e.g. Spehar Capital) - especially when there is no financial reason to exclude me from these discussions since Chuck's legitimately in Spehar Capital's Exhibit A in any case?

Finally, addressing your last point, in the course of advising Lou on financial and investment matters I will most likely continue to discuss Chuck's LOI directly with Lou. Far from being a distraction, in light of Lou's statement to shareholders it is now one of the primary funding alternatives that I need to assess, compare and generally provide Lou input on in the conduct of my services to CMGT. CMGT has engaged me specifically to advise on these matters and help Lou with them - especially when his hands are full. I will, of course, continue to actively pursue all other viable financing alternatives.

Have a good weekend...I'm sure we'll be talking soon.

Gerry

"Given, Ronald B." wrote:

> Gerry:

>

> Although your attachment is to Lou, I would like to address it. As Lou's situation continued (and continues) to become more desperate, I have kept a separate channel of communication on behalf of CMGT with Chuck. The LOI is a consequence of those separate and distinct communications. In the course of formulating the LOI, Chuck and I have never discussed any of the prior communications to which you refer (and some of which I also participated in). Lou did not initiate or orchestrate the LOI. On the contrary, Lou's input prior to yesterday's circulation has primarily been in a fine tuning of the proposal; for example, making sure that CMGT can continue with your current prospects. As to the proposed LOI deal itself, your assistance is not required nor requested at this time. If a role opens for you, either in putting the deal together or post closing, you will hear directly from Lou or Chuck. You obviously know that Lou and I are big fans of what you bring to the table.

>

> Lou has his hands full. As to his pending matters with you, as well as to the MOIC matter, I encourage the both of you to continue your positive work. As to the proposed LOI transaction, to avoid distractions, I would ask Lou to simply refer any questions you might have to me.

>

> A good weekend to you both.

>

> Ronald B. Given

>

> Mayer, Brown, Rowe & Maw LLP

> 190 S. LaSalle Street

> Suite 3132

> Chicago, IL 60603-3441

> Phone: (312) 701-7382

> Fax: (312) 706-8137

> Cell: (312) 286-5252

> Res.: (312) 431-9952

>> Email: <<<mailto:rgiven@mayerbrownrowe.com>>>

>>

>>

> Assistant to Ronald B. Given:

>

> Evajean T. Bugajski

> Phone: (312) 701-7632

6/16/2009

>> Email: <<mailto:ebugajski@mayerbrownrowe.com>>

>>

>

> I

> -----Original Message-----

> From: Gerry Spehar [mailto:gspehar1@earthlink.net]

> Sent: Friday, August 08, 2003 4:26 PM

> To: Franco, Lou

> Cc: Given, Ronald B.

> Subject: [Fwd: Newco LOI]

>

> Sorry...here's the attachment.

>

>

> NOTICE: This e-mail message and all attachments transmitted with it are intended solely for the use of the addressee and may contain legally privileged and confidential information. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately by replying to this message and please delete it from your computer.

NOTICE: This e-mail message and all attachments transmitted with it are intended solely for the use of the addressee and may contain legally privileged and confidential information. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, copying, or other use of this message or its attachments is strictly prohibited. If you have received this message in error, please notify the sender immediately by replying to this message and please delete it from your computer.

EXHIBIT 19

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Subject: CMGT discussions with FlexBen
Date: Mon, 11 Aug 2003 19:42:12 EDT
From: Louman01@aol.com
To: gspehar1@earthlink.net (Gerry Spehar)

Gerry:

This is to confirm that, on behalf of CMGT, I have given approval for Spehar Capital to hold discussions and exchange information with FlexBen of Troy, MI, in connection with a possible debt and/or equity funding of CMGT made directly by FlexBen that may occur. As you know, FlexBen made initial contact directly with me with respect to FlexBen's possible interest in funding CMGT and I have introduced you by phone to David Wilson, a principal of FlexBen, for the specific purpose of holding discussions and exchanging information exclusively and only with FlexBen about such possible debt and/or equity funding of CMGT.

Gerry, please let me know by return e-mail that this is agreeable to you .

Regards,

Lou

Louis J. Franco, RHU
President & CEO
CMGT, Inc.
2 S 647 White Birch Lane
Wheaton, IL 60187

voice: 630-260-9507
cell: 630-215-8193
fax: 978-389-1060

E-mail1: Louman01@aol.com
E-mail2: lfranco@cmgt.com

NOTICE: This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 and is legally privileged. This information is confidential information and is intended only for the use of the individual or entity named above. If you have received this E-mail and are not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this E-mail by mistake, please notify us immediately by replying to the message and deleting it and attachment(s), if any, from your computer. Thank you for your cooperation.

CMGT, Inc. Management

EXHIBIT 20

**PLAINTIFF'S RESPONSE IN OPPOSITION TO DEFENDANTS' MOTION FOR
SUMMARY JUDGMENT**

Robert Carroll

From: Louman01@aol.com
Sent: Tuesday, August 12, 2003 3:10 AM
To: Given, Ronald B.
Subject: Newco Bullet Points
Attachments: BulletPoints_RevLJF_08-11-2003.doc

Ron:

Attached is the draft CWT bullet point letter with the #'s shown & a few revisions for us to discuss.

Regards,

Lou

Louis J. Franco, RHU
President & CEO
CMGT, Inc.
2 S 647 White Birch Lane
Wheaton, IL 60187

voice: 630-260-9507
cell: 630-215-8193
fax: 978-389-1060

E-mail1: Louman01@aol.com
E-mail2: lfranco@cmgt.com

=====
NOTICE: This E-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 and is legally privileged. This information is confidential information and is intended only for the use of the individual or entity named above. If you have received this E-mail and are not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this E-mail by mistake, please notify us immediately by replying to the message and deleting it and attachment(s), if any, from your computer. Thank you for your cooperation.

CMGT, Inc. Management
=====

Louis J. Franco, RHU
Chairman, President & Chief Executive Officer

August 6, 2003

VIA UPS OVERNIGHT SERVICE (480) 767-6510

CONFIDENTIAL INFORMATION

Mr. Charles W. Trautner
13331 North 89th Way
Scottsdale, Arizona 85260

Re: **Proposed Transaction**

Dear Chuck:

As you requested, this letter is to provide you with a summary of the "Lou Franco" issues I need satisfactorily resolved in order to facilitate my family's immediate relocation to Scottsdale and to allow me to properly focus on successfully running Newco.

Exhibit A per sets forth my current financial obligations. You can see that getting the Company to this point has obviously taken a very heavy toll on my family and me. Exhibit B summarizes the provisions of my current Employment Agreement with CMGT.

These are my basics for an employment agreement with Newco, Chuck:

1. I owe the IRS approximately \$36,000. I propose that amount as a signing bonus, grossed up for any federal or state tax liabilities to keep me tax neutral so that I might immediately eliminate this particular obligation.

2. Approximately \$100,900 of my credit card obligations are currently in collection. I propose Newco loan me that amount of money so that I might immediately repay those obligations. *[what is the best way to do this to avoid personal tax liabilities/remain tax neutral?]* The Newco loan would be forgiven over a five-year period, 20% a year, as long as I remain in Newco's employ, and would also be forgiven in its entirety if I'm terminated without cause or due to a change in control or death or disability, if there is an IPO, or upon any bulk sale of Newco stock by your investor group. If I voluntarily leave Newco's employ, I will be required to repay the outstanding balance of the loan over a five-year period along with market interest.

3. Newco will make me whole on the cost of moving to Arizona and obtaining a comparable residence. I will be provided with temporary living expenses and a rental through midyear, 2004 or until I obtain a comparable residence. Because of my credit situation, it may be necessary for Newco to guarantee a house mortgage. I will commit to keep these costs reasonable, of course, and I understand that the employment agreement will contain additional detail.

Mr. Charles W. Trautner
August 6, 2003
Page 2 of 4

4. I request an outright initial grant of 10% of Newco stock. Additional grants would be considered annually by Newco's Board of Directors.

5. I will have the title and functions of President and CEO of Newco. That job will be full-time, but I will be permitted a reasonable amount of time to conduct the winding up of CMGT's affairs [*Ron, what about Newco indemnifying me against any lawsuits re: CMGT liabilities – this can happen if my advances are booked as "assets" in winding up CMGT*] (if I am retained by the shareholders to do that) and to pursue the MOIC opportunity.

6. I request an initial salary of at least \$180,000 with a 10% increase coincident with the Company's achieving profitability. Salary increases and year-end cash bonuses (in amounts up to 50% of salary) would be considered annually by Newco's Board of Directors. As you will note from the attached, I have other significant personal liabilities that I will be paying off and will be anticipating pay increases and bonuses if I earn them.

7. My fringe benefits will at least include a company car, family medical coverage, and a term life insurance policy (in the face amount of at least [\$100,000] plus the balance from time to time of my Company loan) to protect my wife at this critical juncture.

Chuck, I appreciate your taking the time to review these issues and helping facilitate a plan to handle these existing obligations. I look forward to talking to you about this at your earliest opportunity.

Best personal regards,



DRAFT FOR DISCUSSION

Mr. Charles W. Trautner
 August 6, 2003
 Page 3 of 4

EXHIBIT A
SUMMARY OF EXISTING L. FRANCO OBLIGATIONS

1. Personal credit card debt incurred to operate Company (1999 – 2003) ¹	\$100,900
2. Repayment of personal loans	\$ 65,500
3. IRS obligations	
a. Amount owed for 2003 tax year ²	\$ 25,000
b. Amount owed for 1999 & 2000 tax years ³	\$ 36,000
c. Total IRS obligation	\$ 61,000
4. Necessary repairs to Franco residence to make home saleable	<u>\$ 23,800</u>
5. TOTAL EXISTING OBLIGATIONS	\$251,200

¹ Receipts available to substantiate business expenses incurred on behalf of Company

² Re: Estimated personal income taxes due in connection with Company payroll issued to L. Franco

³ Due to taxes & penalties in connection with L. Franco 401(k) withdrawals to fund Company operations

Mr. Charles W. Trautner
August 6, 2003
Page 4 of 4

EXHIBIT B
SUMMARY OF L. FRANCO EMPLOYMENT AGREEMENT TERMS

Position:	<ul style="list-style-type: none"> Chairman of the Board of Directors, President, CEO & COO, Chairman of the Executive Committee
Term:	<ul style="list-style-type: none"> 5 Years Thereafter, automatically extended for two successive 36 month periods
Compensation & Related Matters:	
Salary:	<ul style="list-style-type: none"> BAE of \$250,000 annually Company to lend Executive up to \$8,000 per month. Upon funding Company will commence regular salary payments and pay the Executive sufficient funds to repay the Company loans and all federal and state income and Social Security liabilities due at that time, if any.
Bonus:	<ul style="list-style-type: none"> See Employment Agreement - Per performance bonus formula
Company Automobile:	<ul style="list-style-type: none"> Company-leased automobile to be replaced every 3 years \$900 per month lease payment allowance – standard business usage reimbursements by the Company Company will indemnify Executive for any federal or state tax liabilities incurred by Executive so Executive remains tax neutral
Stock Ownership:	<ul style="list-style-type: none"> Initially fully vested ownership of 400,000 shares founders stock Additional equity stock as determined by capitalization schedule
Stock Options:	<ul style="list-style-type: none"> CY 2000 – 350,000 shares/Exercisable after 12/31/2000 @ \$3/share Thereafter – As granted by the Company's Compensation Committee and approved by the Board of Directors
Business Expenses:	<ul style="list-style-type: none"> Company reimbursement for all reasonable business expenses
Health & Welfare Benefits:	<ul style="list-style-type: none"> Participation in all Company pension and welfare plans Company will provide Disability Income Replacement Insurance Policy Survivor benefits for wife in the event of Executive's death or disability
Vacation:	<ul style="list-style-type: none"> Per Company policy
Licenses & Professional Designations:	<ul style="list-style-type: none"> Payment for Resident Life & Health, P&C, A & H Producer Licenses Other professional licenses and/or professional designations as deemed reasonably necessary for discharge of duties and/or professional growth
Memberships & Dues:	<ul style="list-style-type: none"> One (1) Airline Club; additional by Company approval One (1) Health Club Membership dues for necessary industry affiliations
Relocation & Temporary Living Expenses	<ul style="list-style-type: none"> Up to 12 months temporary living expenses, including temporary housing costs All reasonable moving expenses to be paid by the Company Company indemnifies Executive against loss incurred as a result of sale of principal residence to relocate (up to \$25,000) Company will indemnify Executive for any federal or state tax liabilities incurred by Executive so Executive remains tax neutral
Duties & Responsibilities:	Consistent with duties of a President, CEO & COO
Place of Performance	The Company's corporate headquarters
Termination:	See Employment Agreement
Confidential Information; Noncompetition; Nonsolicitation	See Employment Agreement
General Provisions	See Employment Agreement