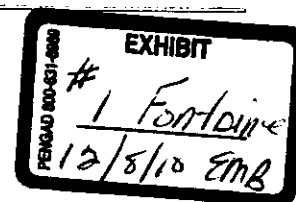


- See Julie -

Peter Meyer

From: Evans, Molly [mevans@capecodonline.com]
Sent: Monday, June 14, 1999 11:27 AM
To: Peter Meyer; jkaminsky@capecodonline.com
Subject: Fw: Hello Mr. Schechtman...



Take a look at this out of the blue thing.....I'll tell Cliff we can take it from here.
 Molly

Original Message

From: Schechtman Cliff <cschechtman@capecodonline.com>
To: 'mevans@capecodonline.com' <mevans@capecodonline.com>
Date: Monday, June 14, 1999 10:31 AM
Subject: FW: Hello Mr. Schechtman...

Molly,

What should I do with this guy?

Cliff

From: Robert Fontaine[SMTP:fontaine@capecod.net]
Sent: Monday, June 07, 1999 12:49 PM
To: cschechtman@capecodonline.com
Subject: Hello Mr. Schechtman...

I'm not sure if was you I had the opportunity to speak with at the Realtor/Internet seminar the Times held a few months ago? In any event, I wanted to throw a few ideas at you, nothing ventured,

I own CapeCodRealEstate.com, CapeCodRental.com & CapeCodMortgages.com. For the past year+ I have partnered with Best Read Guide on the Real Estate site. This partnership will end in July.

I wanted to inquire as to whether the Cape Cod Times would be interested in some kind of joint venture with these collection of sites? Between your local advertising abilities and my ability to deliver 40+- RE clients - plus local lenders & renters ????

What would be in it for the Times? I am a broker and know many local brokers. I understand the real estate market as it relates to the internet better than anyone on Cape Cod. I am an aggressive salesperson with some good urls, an understanding of the market and several urls' that, as a group, represent perhaps the biggest individual aspect of the Cape Cod economy.

If we were to work together, I have no doubt that we can capture the real estate & rental market.

W could decide on a split of revenues for the internet side of the

6/14/99

equation and you could pay me similar to a sales rep for selling the RE & Rental magazine. You would also gain considerable advertising revenue in your daily paper from the brokers I would deliver to you.

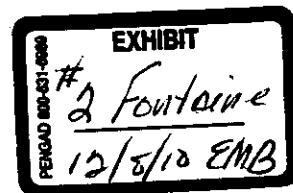
We could develop the leading real estate site/publication in the area. I am not so naive as to believe that you won't be trying to do this by yourselves, however, to have the best real estate media sales person on Cape Cod and some of the best urls available.....? I also plan to offer brokers the use of "CapeCodRealtors.com/Company" as a "parked" url to CapeCodRealEstate.com.

I understand that this is a long-shot, but as I say, nothing ventured..... I thank you for your time and hope to hear from you. Thank you in advance, Robert Fontaine 508.394.1604

Thank you, Robert Fontaine - Fontaine RE Services @ 508.394.1604
<http://www.CapeCodRealEstate.com> <http://www.CapeCodRental.com>
<http://www.CapeCodMortgages.com> <http://www.capecod.net/fontaine>

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

From: Robert Kempf <mailto:robert.kempf2@verizon.net>
To: Robert Fontaine <mailto:bob@capecodrealestate.com>
Sent: Saturday, October 13, 2001 1:54 PM
Subject: RE: Hi Robert



Hi Bob:

Good to hear from you and sorry we've been out of touch for so long. We are in the middle of budget season, I'm down one rep, sales are good and it's generally very busy around here. Nonetheless, I'm sorry not to call. We are still very much interested in working with you. We've been doing some behind the scenes work getting various layers of management on board. It's a process.

Although the week upcoming is our actual budget review week (Molly, me and others) let's try to have a quick conversation so I can update you.

Thanks for checking in and thanks for your patience.

Best,

Bob Kempf
Internet Business Development Manager
CapeCodOnline / Cape Cod Times
rkempf@capecodonline.com
508-862-1351

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

From: Robert Fontaine [mailto:bob@capecodrealestate.com]
Sent: Friday, October 12, 2001 11:56 AM
To: rkempf@capecodonline.com
Subject: Hi Robert

Hi Robert. Checking in. Hadn't heard from you for awhile.

Just like to ask you for the courtesy of letting me know if CCT
no longer has interest in moving forward.

Seems like for the past 2-3 years, there's been two times with both CNC
and
two with CCT where I have been contacted, and nothing comes from it.

This is fine, even understandable, but it only serves to make me place my
plans for paying for the redesigning of the site, and potential marketing
plans
on hold.

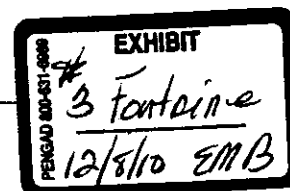
Hope all is well, never made it to Las Vegas, due to that horrific tragedy...rf

Thank You, Robert Fontaine
Fontaine Real Estate Services
Box 386 - W.Dennis, MA. 02670
(508) 394-1604
www.CapeCodRealEstate.com <<http://www.CapeCodRealEstate.com>>
www.CapeCodRealtors.com <<http://www.CapeCodRealtors.com>>
www.CapeCodRental.com <<http://www.CapeCodRental.com>>

www.CapeCodMortgages.com <<http://www.CapeCodMortgages.com>>

www.CapeBuilders.com <<http://www.CapeBuilders.com>>

www.CapeAccommodations.com <<http://www.CapeAccommodations.com>>

Robert Fontaine

From: "Robert Fontaine" <bob@capecodrealestate.com>
To: <rkempf@capecodonline.com>
Cc: "Robert Fontaine" <bob@capecodrealestate.com>
Sent: Tuesday, February 12, 2002 9:15 AM
Subject: Morning Bob.

Good morning Bob.

Ya know Bob, few months back your business section had a nice story about how irealestatecapecod.com was going to help all the Cape Cod realtors sell their property.

I emailed the business department trying to get equal notice regarding capecodrealestate.com, and got nothing...I even emailed you about it and no luck.

So I come in and tell you folks about my finances, my clients, site activity. And you ask me to bear with you. Months go by and we do it again.

I have folks who want to market my rental site on their sites, I have folks who want to do virtual tours for the borkers and market them on my site, I have Bainbridge offering me a deal to get brokers into the misassistant in concert with my site....But I hold off....in deference to CCT.

So CCT goes and promotes capecodonlinerealestate, they acquire capecodrental.com.

Today's paper lists just about every rental site on Cape Cod, all my competitors. They only one that they do not mention just happens to be the busiest rental site on cape Cod, my CapeCodRental.com.

I think i've been more than fair with you guys. I've been more honest than I should have been, than anyone else in my position would have been.

All your business storys regarding online realtors, rentals and real estate end up promoting my competitors, even though my sites combine to be among market leaders in all 3 catagories.

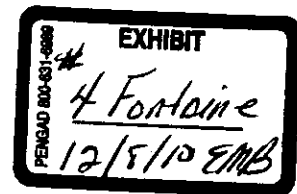
I think it's about time that CCT shows some good will towards ME!

When I was dating my wife-to-be, I didn't run around talking about how pretty the other girls were!

Thank You, a rather teed off Robert Fontaine
 Fontaine Real Estate Services
 Box 386 - W.Dennis, MA. 02670
 (508) 394-1604
www.CapeCodRealEstate.com
www.CapeCodRealEstate.biz
www.CapeCodRental.com
www.CapeCodMortgages.com
www.CapeBuilders.com
www.CapeCodLinks.com
www.CapeCodReservations.com

6/24/2007

CAPE COD TIMES



Main Office: 10 Main Street, Hyannis, MA 02601 • Bureau Offices: Falmouth, Orleans, Sandwich, Provincetown
Phone: (508) 862-1111 • Fax: (508) 771-8924 • E-mail: pmever@capcodonline.com • www.capcodonline.com

Peter D. Meyer
President and Publisher

March 12, 2002

Robert Fontaine
Fontaine Real Estate Services
PO Box 386
West Dennis, MA 02670

Dear Bob,

We are pleased to offer this letter of intent to purchase your Internet real estate business including CapeCodRealEstate.com and CapeCapeRentals.com.

We look forward to discussing the following arrangement: a lump sum payment of \$80,000 at closing; an additional \$48,000 over four years based on a mutually agreeable customer retention plan; full-time employment with our company as real estate specialist at a base salary of \$50,000 annually; annual commission of approximately \$12,000; and a wide array of employment benefits valued at \$18,000 annually (please see attached). The value of this offer over four years is approximately \$448,000.

This arrangement is contingent on the following factors. We will need to verification company revenue of approximately \$90,000 annually for the past two years. It is not our intent to absorb any outstanding liability associated with your business. We assume that your revenue stream is evenly distributed over the course of a year and that customers have not prepaid for an extended service period. It is our understanding that site traffic for the two URLs mentioned above is approximately 75,000 visitor sessions a month. If these expectations do not reflect reality, it will be necessary to modify the arrangement.

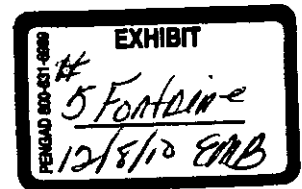
We look forward to talking with you about purchasing your company. We firmly believe that by merging our Internet real estate efforts we can quickly build a powerful real estate portal for mutual benefit. Based on earlier discussions with you, it appears that our business philosophies and growth strategies are congruent, which paves the way for a long and mutually beneficial relationship.

Please let us know when we can meet to talk about moving this plan forward.

Best regards,

**Cape Cod Times employment benefits
associated with real estate specialist position:**

<u>Benefit</u>	<u>Annual Cost</u>
Medical Insurance – HMO Blue Family	\$ 8,532
Dental – AETNA Family	\$ 307
Life Insurance (1.5 times compensation)	\$ 588
Long-term disability Insurance	\$ 310
Vision	\$ 56
401k (Eligible after full calendar year, assuming match of 3%)	\$1,860
FICA, SUI, etc.	\$ 4,960
ONI Pension Plan	\$ 1,500
Total estimate...	\$18,113



Cape Cod Times

March 20, 2002

Robert Fontaine
Fontaine Real Estate Services
PO Box 386
West Dennis, MA 02670

Dear Bob,

I am pleased that we are finally able to talk seriously about joining forces in the real estate marketing arena. I enjoyed our time discussing future possibilities and hope you'll decide to embrace the proposed plan.

Molly and Bob mentioned that you would like more information about three aspects of the proposed arrangement – commission plan, employment assurances and job description. Let me provide more insight for your consideration by way of this letter.

My letter to you on March 12 offered an annual commission of approximately \$12,000. We will guarantee \$1,000 a month for the first 12 months. The commission plan will be based on 15% of your Internet real estate sales on all items except web development work, which earns a 10% commission. By way of example, 15% commission on sales of \$80,000 a year will drive the \$12,000 annual commission. I anticipate that strong sales support and dynamic product offerings will allow you to easily surpass this level of sales. Also, there will be commission opportunities for print sales, which are above and beyond the Internet plan described above. As is the case with all commission plans, we reserve the right to change the plan to redirect sales efforts, adjust to market conditions, etc., exclusive of your 12-month guarantee. A final point, all commissions are based on billed revenue less customer credits and discounts. We can talk more about this at your convenience.

In regard to employment assurances, I mentioned that it is our hope you will be here for a long, long time. In order for this merger to best serve both of us, it must be mutually beneficial for years to come. I am sure you agree, real estate marketing expenditures will continue to grow on the Cape and we plan to be a major force in this arena for a very, very long time. I hope you'll be a part of our team moving forward.

We look forward to working with you as a real estate specialist. We can work together to fine tune the details of the position, but believe it should aim to develop and successfully execute profitable business strategies to grow market share in online real estate marketing expenditures. The focus should be on selling Internet advertising and services to existing real estate customers and expand the client base by prospecting

new business. An additional objective will be to leverage customer relationships to sell advertising in other real estate products. We can work together to finalize details of the job description, but this is generally our view. As we proceed, you will find that we are quite flexible and will work to meet your expectations.

One issue that I did not mention in my initial letter is the subject of non-compete. Assuming we reach an agreement on the overall arrangement, we would ask that you not compete with our real estate endeavors for a period of four years. I cannot imagine that you would quit the Times and go back into business under a new URL, but I will need to make provisions for it in our final agreement. As you know, your customer relationships are an important asset to this arrangement.

Finally, the next time we talk let's define an adequate timeframe for us to work out an arrangement. If, in the unlikely event we cannot make things happen by that date, we can get back to the focus of growing our businesses.

We look forward to talking with you after you have a chance to consider these points.

Best regards,

Peter

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

From: Robert Fontaine <mailto:bob@capecodrealestate.com>
To: rkempf@capecodonline.com
Sent: Friday, March 29, 2002 10:42 AM
Subject: Good morning Robert



Hi Bob. I told you I would get back to you asap, so here I am.

I have no interest in playing games or posturing for a better situation with you folks. My sole focus is on building my assets into the best product I can bring to market.

Throughout our discussions I had told you that I was not interested in a flat out sale of my properties. *Unless* such a sale was inclusive of my being able to appreciate a "cash out" at the end of the game.

Let me play the devil's advocate...me being the devil:

From a pure contractual perspective, the only guarantees that the CCT offer provides me is that I receive \$50,000 + \$18,000 in benefits in each of the next 4 years. Even based on the \$12,000 yearly commission structure, this would total \$80,000 a year over 4 years.

I've already grossed about \$30,000 year to date, with \$4,000-\$5,000 outstanding. If the 'salary/commission' portion of the offer equals \$320,000 over 4 years, then the CCT is effectively offering me \$128,000 for my business. ($\$320,000 + \$128,000 = \$448,000$).

Four years and 1 day after I sign an agreement with CCT, I could be out of a job. Having made approximately the same amount of money over those 4 years than I might very well have earned by remaining independent. Except that I would have no equity, no business, and no income. And as per the no compete, web addresses like CapeCodNews.com, CapeCodReservations.com, and dozens like them would be effectively useless to me. So too with CapeCodRealEstate.biz, CapeCodRealEstate.info,

CapeCodMortgages, CapeAccommodations, CapeCodAccommodations,
CapeReservations.com,
CapeCodB2B.com, CapeCodBtoB.com, CapeCodLinks.com, etc.
I have investments in these url that would be for naught.

I've noted to you a couple times, and I dont say it lightly, that it may very well be that the CCT is not the best buyer for my properties...were they for sale. I said that if you came to me with an offer that betters my position...I would be inclined to accept same. I feel that the current offer ultimately benefits CCT much more than it does me.

What would make the offer better from my perspective?

*4 years is not a long enough timeframe.

*If I help CCT build a \$1,000,000 yearly net portal, there should be a % "payout" to me at the end of our relationship. That % should be based on what i've helped you build.

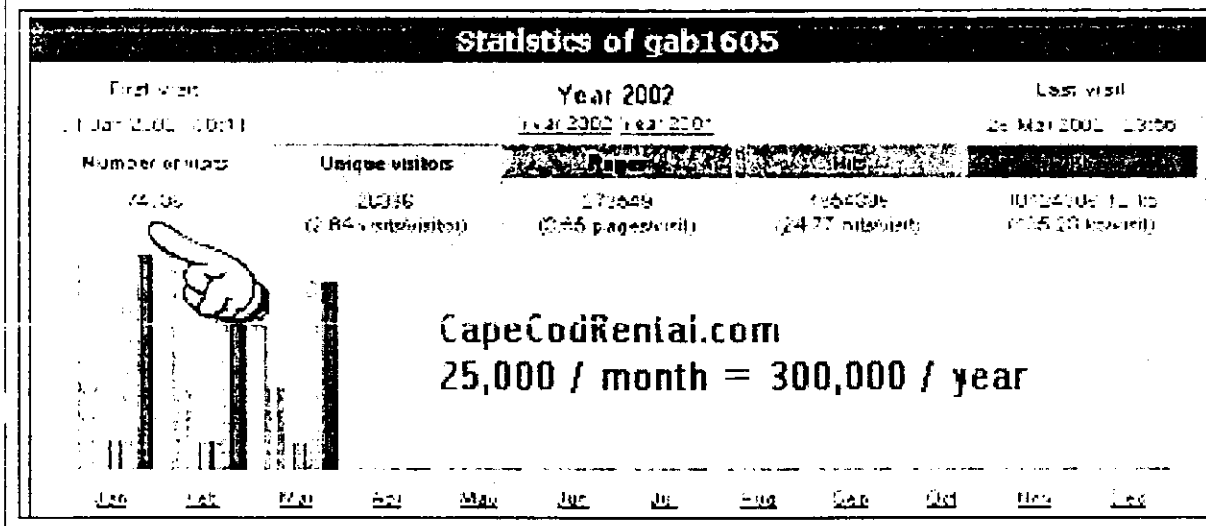
I'm not sure that the CCT is able to accommodate such a structure, even if they were willing to.

-----Traffic-----

There are currently Cape Cod brokers paying 50 cents per visit on Overture.com for Cape Cod real estate traffic. This amount fluctuates, and has gone as high as 76 cents per visit. Your offer suggests a 'modification' if my traffic is below 900,000 visits a year. The true/current/actual/real logs shown below for CapeCodRealEstate.com and CapeCodRental.com show that we are on pace to receive 1,500,000 combined (and relevant) visitors this year. Add a few hundred thousand from CapeBuilders.com, CapeCodMortgages.com, and CapeCodReservations.com and you're looking at about twice as much traffic as you account for in the offer.

Date	Repeat Visitors / Total Visitors
Sun Mar 17th, 2002	2,770 / 3,922 (70.63%)
Mon Mar 18th, 2002	2,179 / 3,537 (61.61%)
Tue Mar 19th, 2002	1,908 / 3,254 (58.64%)
Wed Mar 20th, 2002	1,694 / 2,867 (59.09%)
Thu Mar 21st, 2002	1,881 / 3,057 (61.53%)
Fri Mar 22nd, 2002	1,891 / 3,051 (61.98%)
Sat Mar 23rd, 2002	2,355 / 3,451 (68.24%)

CapeCodRealEstate.com 1 winter week $\frac{23,100+}{x52} = 1,200,000$



I guess at 50 cents per visit, i'm glad I dont pay what others are willing to pay per visit.

Consider; Your article on the CC Chamber web site shows that my real estate site gets the same volume of "relevant" traffic in one week as the Chamber web site gets in general traffic in 3 weeks. And the Chamber web site uses many mediums to draw traffic to it's web site, not the least of which is hundreds of web sites that have it's banner as a means of content.

So that's my story. Sad but true.

I know you have other options at hand, and I dont put forth this email to try and pry a few extra dollars from Ottoway, but the fact is, from my perspective, this deal does not put me in a better position than I am currently in.

Open MLS has changed the landscape considerably. You would be surprised by some of the players who have approached me over the past few months...I have been surprised.

But as I've said to you, I say to them..."Put me in a better position and I'm willing to deal".

Thank You, Robert Fontaine
Fontaine Real Estate Services
Box 386 - W.Dennis, MA. 02670
(508) 394-1604

www.CapeCodRE.info <<http://www.CapeCodRE.info>>
www.CapeCodRealEstate.com <<http://www.CapeCodRealEstate.com>>
www.CapeCodRealEstate.biz <<http://www.CapeCodRealEstate.biz>>
www.CapeCodRental.com <<http://www.CapeCodRental.com>>
www.CapeCodMortgages.com <<http://www.CapeCodMortgages.com>>
www.CapeBuilders.com <<http://www.CapeBuilders.com>>
www.CapeCodLinks.com <<http://www.CapeCodLinks.com>>
www.CapeCodReservations.com <<http://www.CapeCodReservations.com>>

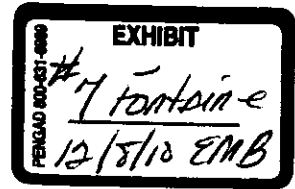
----- Original Message -----

From: Robert Fontaine <mailto:bob@capecodrealestate.com>

To: rkempf@capecodonline.com

Sent: Sunday, June 23, 2002 4:48 PM

Subject: Hello Robert...regarding Friday's meeting.



Good Day Robert.

I wanted to get back to you with some thoughts on our situation.

I honestly believe that one way, or the other, whichever way this goes will have a long lasting effect on the Cape Cod real estate & rental markets, and perhaps several others.

Relating to the offer:

I dont mean to be nit picky, but the specifics matter, and we're at decision time.... What I do here will

effect myself, my family, my clients and my future....I want to make sure all parties understand the deal.

If you can get back to me on these matters, I will certainly try to give you a clear answer very quickly!

Revenue "Scenerio 1"....the least optimistic one, Indicates that CCT would have taken 5+

years to reach 100K+-, and then would add approximately 100K each single year after our arrangement.

1). I think that 20% is a fairer representation of what my business adds to your equation.?????

2). Peter is right when he notes that a "partial" or mid year accounting of revenues is difficult.

I ask you to consider changing the timeframe for which my "buyout" will be determined to start

in Jan 2003, and go through 2007....5 full years.

This would not effect the 5 year period of my employment agreement with you...which will begin, if we end up at that point, when you want it to begin.

3). Could you please clarify which revenues would be attributable to for the purpose of the "buyout", and which would not. What revenues would I be able to earn as "commissions"? I believe it was stated that Mortgage advertisers **would** be considered part of the real estate portal?

4). Should I be under the assumption that CCT currently takes in 100K+- on real estate and rentals, & mortgages, and combined with the \$80,000+- I bring, would be considered \$180,000 within our agreement.

(So, for example, \$180,000 - \$100,000 = \$80,000 for a given year)??

5). I will assume that **ALL** clients I currently have become clients of CCT. CCT will honor ALL agreements that I may have with a client? There is only 1 client who has a paid commitment for over 1 year, this is a banner client who is paying for 2 years in advance. All other clients are month to month, or yearly, with varying renewal dates. I have NOT and COULD not arrange when and how they renew. And because I did not (do not) know when CCT would strike a deal, I was unable to manipulate timeframes, had I even wanted to, which I did not. (To the contrary, I held off marketing and refused banner ads, out of fairness to our potential deal).

6). **Domain names:** For the purpose of our agreement, and because I hold about 100 domain names, I will assume that the domain names that transfer as part of this agreement are as follows; **CapeCodRealEstate.com, CapeCodRental.com, CapeCodRE.info.** While not currently part of my business, and although I recently paid about \$1,000 to acquire both, I would also include **capecodrealestate.info** and **capecodrealestate.biz**aleviating potential problems down the road.

****For those clients that are on CapeReservations.com, CapeCodMortgages, & CapeBuilders.com, I will leave those sites operating for a period, to allow those clients terms to expire, and attempt to "move" them over to CCT.

6A). Other domain names: Because I would no longer compete with you (by contract and by principle), I would no longer be able to use several domain names that I own. I think we discussed the possibility of CCT giving me ad space to try and sell these names?

Below is a list of URLs that I own. If CCT is interested in making me a reasonable offer on any of them, this would be the time to consider same. **Other than that, I hope to hear back from you regarding the clarifications.**

*** 14 of Ottaway Newspapers 30 papers are in New England states, with a population of 26,000,000+- people. If those 14 shared a "New England" portal, with regional relevance, the volume and price of advertising could be significant. Giving "local" publications "regional" reach. The competition? Boston.com? NewEngland.com?.....

New England - Local

BostonMLS.com
NewEnglandNews.com
NewEnglandRE.com
NewEnglandRealEstate.biz
NewEnglandYardSales.com
NewEnglandB2B.com
NewEnglandBtoB.com
NewEngland411.com
NewEnglandCommercial.com
NewEnglandOpenHouse.com
NewEnglandAutoSales.com
NewEnglandWantAds.com
NewEnglandWorks.com
NewEnglandEmployment.com
NewEnglandAccess.com
NewEnglandReservations.com
SouthShoreRentals.com
SouthShoreLodging.com

Cape Cod

CapeBuilders.com
CapeCodNews.com
CapeCodOnlineRentals.com
CapeCodOpenHouse.com
CapeCodRealtors.com
CapeVacations.com
CapeBuilders.com
CapeAccommodations.com
CapeCodAccommodations.com
CapeReservations.com
CapeCodReservations.com
CapeCodYardSales.com
CapeCodLinks.com
CapeCodB2B.com
CapeCodBtoB.com
CapeCodAffiliates.com
CapeCodSpecialOffers.com
RealtyCapeCod.com
RECapeCod.com

Global

BrowserID.com
CarbonCopies.com
CoBrokers.com
ConDomains.com
CondoNames.com
DomesticFunds.com
DomesticRates.com
ExclusiveBrokerage.com
FantasyCenter.com
InstanTrade.com
MultipleMLS.com
NetIncomes.com
RareGoods.com

INCLUDED

Relate specifically to
CapeCodRealEstate.com
& CapeCodRental.com

CapeCodRealEstate.com
CapeCodRental.com
CapeCodRE.info
(points to RE site)
CapeCodRealEstate.BIZ
CapeCodRealEstate.INFO

RealEstateFSBO.com

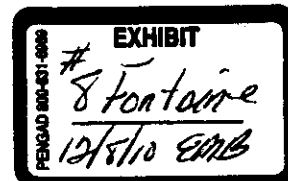
SpecialReport.com

TermsOfUse.com

eCoups.com

Thank You, Robert Fontaine
Fontaine Real Estate Services
Internet Marketing Consultants
Box 386 - W.Dennis, MA. 02670
(508) 394-1604

www.CapeCodRealEstate.com <<http://www.CapeCodRealEstate.com>>
www.CapeCodRealEstate.biz <<http://www.CapeCodRealEstate.biz>>
www.CapeCodRental.com <<http://www.CapeCodRental.com>>
www.CapeCodMortgages.com <<http://www.CapeCodMortgages.com>>
www.CapeBuilders.com <<http://www.CapeBuilders.com>>
www.CapeCodReservations.com <<http://www.CapeCodReservations.com>>



Initial Projections

**Post-Merger
Net Revenue Projections & Revenue Share**

Scenario I	2002	2003	2004	2005	2006	CUM
Annual Net Revenue	175,000	248,000	331,000	395,000	465,000	1,614,000
Revenue Share 18% after first \$100,000/yr	13,500	26,640	41,580	53,100	65,700	200,520

Scenario II	2002	2003	2004	2005	2006	CUM
Annual Net Revenue	198,000	295,000	385,000	465,000	550,000	1,893,000
Revenue Share 18% after first \$100,000/yr	17,640	35,100	51,300	65,700	81,000	250,740

Scenario III	2002	2003	2004	2005	2006	CUM
Annual Net Revenue	200,000	500,000	750,000	1,000,000	1,200,000	3,650,000
Revenue Share 18% after first \$100,000/yr	18,000	72,000	117,000	162,000	198,000	567,000

Enhanced Offer Projections

**Post-Merger
Net Revenue Projections & Revenue Share**

Scenario I	2002	2003	2004	2005	2006	2007	CUM
Annual Net Revenue	175,000	248,000	331,000	395,000	465,000	255,750	1,869,750
Revenue Share 20% after first \$100,000/yr <small>Year 2007: 5% of first 6 mos. after \$50k</small>	15,000	29,600	46,200	59,000	73,000	10,288	233,088

Scenario II	2002	2003	2004	2005	2006	2007	CUM
Annual Net Revenue	198,000	295,000	385,000	465,000	550,000	302,500	2,195,500
Revenue Share 20% after first \$100,000/yr <small>Year 2007: 5% of first 6 mos. after \$50k</small>	19,600	39,000	57,000	73,000	90,000	12,625	291,225

Scenario III	2002	2003	2004	2005	2006	2007	CUM
Annual Net Revenue	200,000	500,000	750,000	1,000,000	1,200,000	660,000	4,310,000
Revenue Share 20% after first \$100,000/yr <small>Year 2007: 5% of first 6 mos. after \$50k</small>	20,000	80,000	130,000	180,000	220,000	30,500	660,500

Bob's Counter Offer -- Projections

**Post-Merger
Net Revenue Projections & Revenue Share**

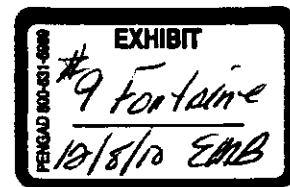
Scenario I	2002	2003	2004	2005	2006	2007	CUM
Annual Net Revenue	175,000	248,000	331,000	395,000	465,000	511,500	2,125,500
Revenue Share 20% after first \$100,000/yr	0	29,600	46,200	59,000	73,000	92,300	300,100

Scenario II	2002	2003	2004	2005	2006	2007	CUM
Annual Net Revenue	198,000	295,000	385,000	465,000	550,000	605,000	2,498,000
Revenue Share 20% after first \$100,000/yr	0	39,000	57,000	73,000	90,000	111,000	370,000

Scenario III	2002	2003	2004	2005	2006	2007	CUM
Annual Net Revenue	200,000	500,000	750,000	1,000,000	1,200,000	1,320,000	4,970,000
Revenue Share 20% after first \$100,000/yr	0	80,000	130,000	180,000	220,000	254,000	864,000

7/1/2002

CAPE COD TIMES



Main Offices: 119 Main Street, Hyannis, MA 02601 • Bureau Offices: Falmouth, Orleans, Sandwich, Provincetown
Phone: (508) 862-1111 • Fax: (508) 771-8924 • E-mail: pmeyer@capecodonline.com • www.capecodonline.com

* BROKE TALK & AGREES TO SELL

* ADD A STANDARD "LINKS" OR "CONTENT" PAGE - FROM BROKEN 3

July 9, 2002

Peter D. Meyer

President and Publisher

Robert Fontaine
Fontaine Real Estate Services
PO Box 386
West Dennis, MA 02670

Dear Bob,

7/24/02 OK says the ST-90+
Chie-w that I will continue to
serve them w/ De Reflect
on my sales commission.

I am delighted that we forged an agreement last week to combine our real estate marketing efforts. The fact that we reached agreement after months of discussion is cause for celebration for us both. Of course, the real celebration will come when we successfully integrate and grow our real estate business together.

Prior to a full-scale celebration I am compelled to focus on completing our agreement. Below are the steps I anticipate necessary to close our deal.

- Revenue: We would like to verify your company revenue for 2000, 2001 and YTD 2002. We anticipate annual revenue of approximately \$80,000. Bob Kempf will talk with you about a mutually convenient time to review bank statements, etc.
- Customer contracts: We would like to review all customer contracts. It is our intention to satisfy current customer contracts and commitments. Therefore, we must be aware of all agreements to be certain we can make appropriate arrangements.
- Site traffic: We would like to verify traffic volume for capecodrealestate.com and capecodrental.com.

After satisfactory due diligence, we will be ready to execute a purchase and sales agreement and employment contract that details these general items:

- Bob Fontaine will receive a lump sum payment at closing of \$60,000.

IMPORTANT - 10/17 P&S STATES I MUST CHECK
CCT BOOKS WITHIN 30 DAYS OF PAYMENT
OR NOT AT ALL

- Bob Fontaine will participate in a revenue share arrangement for the Cape Cod Times' real estate website CapeCodRealEstate.com. The revenue share will consist of 20% of net revenue after the first \$100,000 per year from 2002 to 2006 and 5% of net revenue, less \$50,000, for first six months of 2007. Not included in revenue share are third party sales and Cape Cod Times line and display ads ported to the website.
- Bob Fontaine and Cape Cod Times will enter into an employment agreement of five-years at \$50,000 a year plus sales commission and benefits.
- Cape Cod Times will receive full ownership of CapeCodRealEstate.com, CapeCodRental.com, CapeCodRE.info, CapeCodRealEstate.biz, CapeCodRealEstate.info, CapeCodRealtors.com, CapeBuilders.com, CapeCodOnlineRentals.com, CapeCodMortgages.com, CapeCodLinks.com, CapeCodNews.com, CapeVacations.com, NewEnglandWorks.com, NewEnglandEmployment.com and Ecoups.com.
- Cape Cod Times will receive all assets of the business including those necessary to insure continued operation of CapeCodRealEstate.com and CapeCodRental.com websites, including but not limited to, software coding, digital and analog files, and server access codes.
- Cape Cod Times should receive a list of all current customers, the duration of each service obligation and payment status for each.
- It is not our intent to incur any liabilities associated with your business.

We spoke of locating and paying for tax advice for you as it relates to this sale. Bob Kempf or I will call you with a contact soon.

As an expression of good faith, attached is a refundable deposit of \$5,000 toward the lump sum purchase agreement summarized above. I am confident that we will complete this arrangement in a timely fashion however, should we not complete the sale by August 15 the deposit must be refunded.

Once again, congratulations. Please call Bob Kempf or me if any points above are inconsistent with your thoughts or if you have questions.

Best regards,



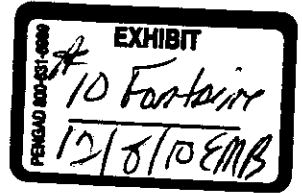
Fontaine Real Estate Services

Box 386 - West Dennis, MA 02670 (508) 394-1604

CapeCodRealEstate.com | CapeCodRental.com | CapeCodMortgages.com

July 18, 2002

Mr. Robert Kempf
C/O Cape Cod Times.



Dear Robert:

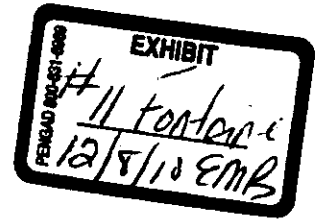
Attached you will find the additional bank statements you requested earlier this morning. December 2000, through December 2001. I cannot address any one month of these bank records because I have not taken the time to look at even one of them. You will see them before I will.

For the record, let me address a few quick items;

- 1). As you know, I have not been marketing my business for the purpose of selling. The last time I approached anyone about selling was CCT, prior to your employment with them. Since that time, I have received at least 5 unsolicited inquiries regarding selling. My point is that regardless if the numbers that I vaguely quoted you along the were short (they aren't), there is nothing "staged" about them. This process has given me the first opportunity to stop and take an accounting of what the business is doing. I think that the information that I have provided you to date gives a very clear indication of what the status of this business has and continues to be.....A Growing one!
- 2). While analyzing the specific financials, please remember, it was my instance that the purchase price was based on future results, and not the past. So setting the employment agreement aside, a lower gross sales figure on my end will result in a drastically lower sales price that I would receive.
- 3). Because my year 2002 gross sales combined with your 2002 sales will determine the 2002 portion of the sales price, it is important that we agree as to my gross sales in 2002 up to the point of closing.
- 4). The employment offer appears to show that commissions will be earned on all "new" clients acquired. It goes on to note which advertising would be subject to commission and/or sale price ramifications. **Question:** If, for example, someone calls the desk to place a rental advertisement, and they opt for both online and in-print, how would the commission and/or sales price be impacted? If 1,000 rental ads come in, go through the desk, and you sell them "print", and "give" them internet, I would never have much chance to earn a commission or count that money towards the sale price, which would in turn defeat my ability to make money from helping you build a rental portal?..... I will need some clarification on this.

Thank you,

Robert Fontaine
Fontaine Real Estate Services
P.O.Box 386
West Dennis, MA. 02670



From: Robert Fontaine <mailto:bob@capecodrealestate.com>
To: rkempf@capecodonline.com
Sent: Friday, September 27, 2002 10:20 PM
Subject: Re: Meeting next week

Can and will (in fact prior to signing) show...having spent 15 minutes a few weeks ago,
will get it exact when needed;

Tom Dillon \$2,500

Jan \$6,357

Feb \$8,385

Mar \$8,189

Apr \$5,940

May \$6,682

Jun \$7,227

July \$4,690

Aug \$6,585

Sept to date \$6,500 (\$795 still due)

\$63,850 ...

\$8,350 - Have about 20 Yearly pays through December.

\$1,200 CC5.

\$4,650 Monthly/3 monthly

\$78,020

\$ 400 - signed up and listed today.

\$78,420

\$ 700 not counted above McDevitt Banner...no longer active.

\$ 1,000 Shoreland & C21 Cobb, and Remax will pay in "overages" from now till years
end.

\$80,120+-.

I have Joly, Unique RE, and Today each asking for banners (recently and ongoing) of which we're talking \$2,000-\$2,500+- per.

So that's about \$85,000- \$86,000. And does not count any additional "joins".

**The other side of the coin is there may be 1 or 2 who don't re-sign.

***I will not be able to earn much of the remainder of those funds on my own if i'm with CCT.

If it weren't for the "complications" related to this transaction, and I spent an ounce of energy marketing, I would easily go over \$90,000. I would have realized much of that prior to this point were that the case.

Of course, if this deal is not resolved in the next days, not closed, but resolved, it will be full court press and \$90,000 will be an afterthought.

My actual figure for 2002 is going to have been greatly affected by this deal, to the negative.

The lower the figure, now that it's reached your minimum, is to your benefit.

Apparently i'll come closer to the \$80,000 I quoted in my 7/26 email to you then CCT will come to the \$100,000.

It's the \$100,000 "issue" that concerns me more than anything. Because that's the one, when my attorney says

"I don't think you should agree to X X AND X", that can turn the lights out on the matter.

I'll prove what i've made, to the penny, even if it takes written confirmation from a given client(s) to prove it.

The \$100,000 type issues are one's that i've been very sure to digest; because that figure has little impact on CCT, yet has major significance to me.

I don't have comptrollers, accountants, divisions, or heirachy to complicate these issues, I do it myself.

And through all that, i've managed to keep pretty good pace with a pretty good local

newspaper.

How? 7 am this morning and now it's past 10 at night....the old fashioned way, I earn it. And I'm going to make sure it's right before I throw it all away..

Hope this helps....rf

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

From: Robert Kempf <mailto:robert.kempf2@verizon.net>

To: Robert Fontaine <mailto:bob@capecodrealestate.com>

Sent: Friday, September 27, 2002 9:06 PM

Subject: RE: Meeting next week

Bob:

Thanks for the reply. Not too worry about this being stressful or difficult. It's just part of the process for me.

While we're on the matter of revenue in '02, we would like to confirm as best you can what your revenues are/will be for Sept. and Oct. When we did our due dilligence the annual contracts looked like 70k for '02 based on the documentation you provided. If it's now projected to be \$90k, great. But we should try to pin it down if we can.

As I mentioned on the phone, I think the best way to iron out these

differences is at a sit down. And we're on for that next week.

Hang in,

Bob Kempf

Internet Business Development Manager

CapeCodOnline / Cape Cod Times

rkempf@capecodonline.com

508-862-1351

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

From: Robert Fontaine [mailto:bob@capecodrealestate.com]

Sent: Friday, September 27, 2002 7:24 PM

To: bkempf@capecodonline.com

Cc: Robert Fontaine

Subject: Re: Meeting next week

This might be the difference between almost and...so sorry to burden with this, but i'd be negligent if I didn't.

Better for you and I to get this straight instead of me going through my attorney, which I wouldn't, at this point.

Could have sworn you said today that you thought it was perhaps

"80 with a 1/4 year left"...but I may be wrong.

That would be the 2nd time during discussions that I misunderstood or my hearing failed me.

The 3rd...

The July 9th offer that shows CCT "anticipates annual revenue of approximately \$80,000" (my revenue), and the

projection for **2002** as being **\$175,000** total, which would clearly leave one to assume that CCT was doing \$95,000.

Absent being given a specific figure, is there another conclusion one could have reasonably come to?

Of course a \$25,000 differential like that would have a \$25,000+ impact on me, **no small matter**...to me.

(20% of \$25,000 = \$5,000 X 5 years = \$25,000).

Since we seem to be so precise with regard to all the variables effecting what counts under revenue share and

what does not, i'm a little surprised that CCT does not have those figures immediately available on a spreadsheet.

Takes silly old me about 15 minutes to get my own total..and you folks certainly should have a better handle on

those thing than me.

Non Compete:

You mentioned an example earlier that if I built a New England news web site, that would be in direct competition

with CCT. While I have no intention of doing so, nor the means, I think that might be stretching it a bit. Your primary

venue is Cape Cod. CCT gives baseball scores, shows the weather, you have webcams, dining guides, music, cars,

dining, etc.. Under your interpretation, we might as well say "shall remain unemployed".

I'll speak with Phil and ask him his opinion on those matters. I'm not going to box myself in a corner.

As it is, I have obligations to continue contacts for clients on CapeAccommodations.com, and that is

in direct competition with CCT... So I'm not going to enter into a contract with CCT that requires me

to break a contract with another entity.

These things will either be "smoothed" over quickly, or CCT will end up doing just fine without me.

I didn't get into this deal to give you all this crap Bob, but the fact is that I'm gonna do about 90 in 2002

and I'm exchanging that for \$68....so I'm not going to cost you anything to employ me...

Lets be clear, thats all i'm trying to do...

CCT talks of "averaging" \$100K a year over the next 5 years which means \$500,000 over 5 years.

The projection **with me** shows a 5 year figure of **\$1,600,000 to \$3,650,000** over 5 years.

So in the context of this whole arrangement, you'll understand why I don't agree with you about why

this is a "great" deal for me....because I could argue the same in reverse. On the surface it was an

acceptable deal...now complicated by legalities.

I hope you can also understand why the non compete and the CCT 2002 revenues matter to me so

much that i've spent the last 2 hours writing this silly letter. The **only** time i've ever approached anyone with an

interest in selling was the CCT, and that was **before** your employment with them. So we either get it done soon,

I get sick of negotiating, or you get sick of me.

I do not like having to address these matters with you any more than you care to have to absorb them.

If it was meant to be it will be..rf

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

From: Robert Kempf <mailto:robert.kempf2@verizon.net>

To: Robert Fontaine <mailto:bob@capecodrealestate.com>

Sent: Friday, September 27, 2002 5:03 PM

Subject: RE: Meeting next week

Bob:

Conservatively estimating \$75k for the year.

See you next week,

Bob Kempf

Internet Business Development Manager

CapeCodOnline / Cape Cod Times

rkempf@capecodonline.com

508-862-1351

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

From: Robert Fontaine

[mailto:bob@capecodrealestate.com]

Sent: Friday, September 27, 2002 4:26 PM

To: rkempf@capecodonline.com

Subject: Re: Meeting next week

Nice talking with you as well.

I will see yu next Friday at 11am.

Do you estimate \$75K to date, or \$75K
through the entire year?...rf

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

From: Robert Kempf

<mailto:robert.kempf2@verizon.net>

To: Bob Fontaine

<mailto:bob@capecodrealestate.com>
>

Sent: Friday, September 27, 2002 4:34
PM

Subject: Meeting next week

Hi Bob:

Nice catching up with you today. We would like to meet next week and perhaps, once we get to the table, we can even accelerate this thing to closure, with or without the attorneys. So let's say next Friday at 11am? If you can't make that day and time, let me know and I will work on an alternative.

As to our revenue for this year, I'm estimating our real estate revenue conservatively at \$75k. As I mentioned earlier, it's difficult to predict accurately with a full quarter remaining and significant web development work still to come in.

Thanks again for your patience and I look forward to seeing you next week.

Bob Kempf

Internet Business Development
Manager

CapeCodOnline / Cape Cod Times

rkempf@capecodonline.com

508-862-1351



From: Robert Fontaine <mailto:bob@capecodrealestate.com>
To: rkempf@capecodonline.com
Sent: Monday, September 30, 2002 1:54 PM
Subject: Re: Some clarification

It's **not** that simple. And I don't want to beat this to death, i'm as sick of this issue as you are.
But lets be on the level here.

When I told you that CCT told me they would do \$100,000 this year, you said "NO! THAT'S NOT WHAT WE SAID, WE SAID WE WOULD AVERAGE \$100,000 A YEAR OVER THE NEXT 5 YEARS".

When CCT, in July offer, assumes my gross to be \$80,000, and at the same time gave me a combined projection for 2002 of \$175,000, be very clear inference, and absent you giving me a specific figure, you are saying you will do \$95,000.

If you project \$175,000 as a total for 2002...
And attribute \$80,000 of that to me...
Then **clearly** your were attributing \$95,000 to you for 2002.

Putting aside the \$100,000 figure, and using the \$95,000 figure, when it might actually be \$75,000, is a \$20,000 difference. That \$20,000 difference, over 5 years equals \$100,000, and 20% of \$100,000 is \$20,000 out of my pocket.

I don't see how you can build up to \$50,000+- over the past 5 years, then go to \$75,000 this, and assume that 2003 will be \$150,000.

I'm also don't see it as "favorable" to me, and I don't want it to be "favorable" to me, I want it to be fair to both

of us.

I mean really,
is it \$100,000 in 2002,
Is it \$75,000 in 2002,
is it \$100,000 average over 5 years,
Is it \$150,000 average over 5 years.
I don't care WHAT it is, just that the deductible should be that figure.

The method that I understood that we were using to determine what my % revenue share would be based upon
was specifically linked to the increased business that CCT realized after the purchase of my business.

We didn't say, OK Bob Fontaine, you think you'll do \$140,000 in 2003, so we'll pay you XXXXX".

No one ever mentioned to me that that \$100,000 deductible was based on some figure that CCT
decided that they presumed, projected, or even aspired to do years from now.

There's several ways to resolve this.

One is, we can wait till the end of the year, you can count your gross, and we let that be the deductible.

We're getting very close to tossing this thing in the trash, if for no other reason that I have no interest
in getting to the point that we don't care to deal with each other at all.

Maybe it's best that we put it aside for the time being?.....rf

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

From: Robert Kempf <mailto:robert.kempf2@verizon.net>

To: Robert Fontaine <mailto:bob@capecodrealestate.com>

Sent: Monday, September 30, 2002 12:50 PM

Subject: RE: Some clarification

Bob:

It's pretty simple really. The \$100k/yr. is simply a baseline - deliberately set at a very fair level - from which to calculate your revenue share. Because we would, in theory and according to plan, exceed that amount annually going forward on our own for the next five years, it makes the revenue share payable to you favorable.

Bob Kempf

Internet Business Development Manager

CapeCodOnline / Cape Cod Times

rkempf@capecodonline.com

508-862-1351

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

From: Robert Fontaine [mailto:bob@capecodrealestate.com]

Sent: Monday, September 30, 2002 12:22 PM

To: rkempf@capecodonline.com

Subject: Re: Some clarification

I'm sorry Bob, I must be a little dense, or too busy to really digest the enormous amount of information

overload I am dealing with.

Now, either I understood from the information I was given that CCT will do \$100,000 this year, or, as you say, CCT will

"Average \$100,000 over the next 5 years".

If my understanding of \$100,000 in 2002 is correct, then what you're telling me now is that number was under by 25%.

If your recollection of averaging \$100,000 over 5 years is correct, then now, some 2 months later, CC5 anticipates doing \$150,000 next year, then simple math tells us that CCT expects sales to decrease the following 4 years.

I'm not trying to be a jerk Bob, but those numbers simply don't jive.

And this is my business, and I have a very legitimate reason to question the discrepancy, just as CCT would

do the same in return...rf

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

From: Robert Kempf <mailto:robert.kempf2@verizon.net>

To: Robert Fontaine <mailto:bob@capecodrealestate.com>

Sent: Monday, September 30, 2002 11:56 AM

Subject: RE: Some clarification

Hi Bob:

Some answers below. We look forward to working all of this through on Friday.

Best,

Bob Kempf

Internet Business Development Manager

CapeCodOnline / Cape Cod Times

rkempf@capecodonline.com

508-862-1351

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

From: Robert Fontaine

[<mailto:bob@capecodrealestate.com>]

Sent: Saturday, September 28, 2002 10:47 AM

To: rkempf@capecodonline.com

Subject: Re: Some clarification

Respectfully,

If you're target for next year is \$150,000, how do you assume to average \$100,000 over 5 years?

[Robert Kempf] Let's just say we are being very fair. As I've indicated before, we very much want to get this deal done and have all along. \$100k/yr over 5 years is a target we know we will achieve and exceed but we also wanted to provide you with incentive.

If the "deductable" is \$100,000, if I am told that your 2002 is \$100,000, if the Projection directly implies

\$95,000, and your current projection is \$75,000.....i'm not sure what to think.

[Robert Kempf] I'm not clear on your comments here. We can address this further when we meet if you like.

My "assumption" of the \$25,000 differential is a valid one. If I assume \$100,000, and you start at \$75,000,

then from the start, then every year thereafter would be \$25,000 less then what I assumed (for good cause)

would be short by \$25,000. $\$25,000 \times 5$ years is \$125,000. 20% of \$125,000 is \$25,000. No matter how it

is sliced.

[Robert Kempf] For the purposes of the deal

we are assuming \$100k/yr over the five years of the deal. Our pattern (and expectations) for CapeCodOnline and the real estate vertical demand aggressive year over year growth. This has been our model and will continue to be our model so I don't foresee any shortfall on the Cape Cod Times contribution to the real estate vertical over the term of the deal.

rf

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

From: Robert Kempf
<mailto:robert.kempf2@verizon.net>

To: Bob Fontaine
<mailto:bob@capecodrealestate.com>
>

Sent: Saturday, September 28, 2002
10:56 AM

Subject: Some clarification

Bob:

I was re-reading some of our correspondence from yesterday and wanted to clarify something. Referring to our revenues for '02 you wrote:

*"Of course a \$25,000 differential like that would have a \$25,000+ impact on me, **no small matter...**to me.*

(20% of \$25,000 = \$5,000 X 5 years = \$25,000)."

Your assumption is that what we would bring to the mix would stay at \$75k for five years. That is certainly not in our plans. As I mentioned yesterday, the mandate in our company is to aggressively grow the online business year over year.

Real estate is no exception. Our projections for next year and the next five have our contribution (i.e. what our real estate verticals would be doing if we didn't have the deal with you) growing well beyond the \$100k baseline. Our target for next year under this scenario is \$150k - very achievable in our view. In fact much like you, we've been waiting to aggressively promote and sell in this vertical until our deal with you is completed.

The net of all this is that the revenue share contribution when based on \$100k/yr. over the term would be quite favorable to you.

More grist for the mill. See you Friday.

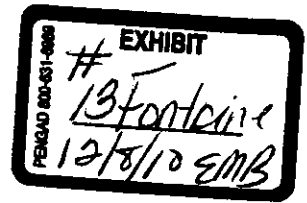
Bob Kempf

Internet Business Development
Manager

CapeCodOnline / Cape Cod Times

rkempf@capecodonline.com

508-862-1351



From: Robert Fontaine <mailto:bob@capecodrealestate.com>
To: rkempf@capecodonline.com
Cc: Robert Fontaine <mailto:bob@capecodrealestate.com>
Sent: Thursday, October 17, 2002 6:05 PM
Subject: Re: Deal Documents

Those changes sound reasonable to me.
I know you've tried very hard to accommodate my concerns and I assure you that I have have only brought them forward because they are material and relevant to this agreement.

As you know, the tax ramifications of this deal have been of utmost importance to me from the start.
Unfortunately, regardless of my continuing efforts, delivery of documents, meeting, and calling, the accounting firm that I have dealt with has completely ignored me.

Therefore, I think it is a bit premature to schedule the signing of the P&S prior to my having the opportunity to understand the financial ramifications of the sale. Clearly, having to pay 40%+- in Capital Gains taxes would change the dynamics and attractability of the deal.

Other than that, the only issue that I personally have, is that prior to closing, I sit down with designated agents of CCT to establish an agreed upon figure of my "Gross Sales" to date....being that my "GS" so directly effect the 2002 portion of the Revenue Share Agreement. For any revenues received between that meeting and the closing, I will take photo copies of all checks received, and will also record each payment in my books similar to the method I have used for the past several years, which CCT has previously seen.

I do not and have not recorded any payment that has not actually been received. If

Anything, there are payments that
I have received that have not been recorded. Unintentionally of course.

Thank you.....rf

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

From: Robert Kempf <mailto:robert.kempf2@verizon.net>

To: Robert Fontaine <mailto:bob@capecodrealestate.com>

Sent: Thursday, October 17, 2002 5:12 PM

Subject: RE: Deal Documents

Hi Bob:

Good talking with you today. Following each of your questions below are some answers. Also attached is a new revision of the P&S with the words "but not limited to" deleted from 1.3 b.(iii). As I mentioned earlier, Peter has been in touch with an attorney who we think can give you some decent tax advice. I anticipate we should be able to put you in touch with him tomorrow.

Assuming we're all set, why don't we set a date and time to sign and move forward? Early next week would be good for us.

Again, thanks for your patience.

Bob Kempf

Internet Business Development Manager

CapeCodOnline / Cape Cod Times

rkempf@capecodonline.com

508-862-1351

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

From: Robert Fontaine [mailto:bob@capecodrealestate.com]

Sent: Wednesday, October 16, 2002 6:36 PM

To: rkempf@capecodonline.com

Cc: Robert Fontaine

Subject: Re: Deal Documents

Hi Bob.

Making a valliant effort over there.

Work with me here and we can get this thing done. I'm not trying to be an arse, but I do want to

identify these elements as definitively as possible, as does CCT, i'm sure.....

P&S

ITEM #1.

1.3 b 111) While i'm clearly in agreement that some revenue should be excluded, I don't understand why CCT

can't simply define what is excluded? To remove the word "expenses" and leave in this term: "various costs and charges, **including but not limited to**" Tell me what **IS IT LIMITED TO?**

What other factors effect the net? That is a BIG TIME legitimate question for me to ask.

If you can define it, is there some reason you can't define it in the agreement?

[Robert Kempf] We have deleted "but not limited to" from the language here. See attached revision.

9.2. Permitted activities.

ITEM #2. Is having a web site "competing with CCT"?

[Robert Kempf] No. Having a typical broker's website is not competing with CCT. However a website that sold advertising to other brokers or provided paid space for their listings would be.

ITEM #3. 50% of all brokerage sales involve 'co-brokerage', does selling real estate with another brokerage

violate 9.2 111 "is a customer for the products or services of CCTimes"?

[Robert Kempf] No it does not. We understand that part of being a broker and having a broker's website involves MLS listings on the broker's website via the IDX initiative.

ITEM #4. Only the domain names listed in the 2nd paragraph are the domains names being sold in this exchange?

[Robert Kempf] Yes, this is correct

Employment Agreement:

16. **ITEM #5.** I still have not received a complete version of this handbook, which becomes a "document", I guess,

in so much as it is referred to in the Employment Agreement.

[Robert Kempf] We did send you a handbook previously. Was there a problem with it? If so, let us know and we will pull together what might be missing.

I look forward hearing back from you as I have many clients who would be well served by utilizing our combined

services in the near term... Thank You, RF.

p.s. If I were CCT, I would advise Mr. Haddelton not to go over \$1,000, cause he's done NOTHING for me, and he

is contracted by you.

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

From: Robert Kempf <mailto:robert.kempf2@verizon.net>

To: Bob Fontaine <mailto:bob@capecodrealestate.com>

Sent: Wednesday, October 16, 2002 5:16 PM

Subject: Deal Documents

Hi Bob:

Attached are the latest revisions of both the Employment Agreement and the Purchase & Sale Agreement. We've made adjustments as a result of our conversations with you, specifically addressing:

- non-compete language: we've deleted some of the words you found unacceptable from paragraph 9.2.c "research, program"
- real estate brokerage: we've added a clause (paragraph 9.3) allowing real estate brokerage activities
- net revenue objection: we've eliminated the word "expenses" from the net revenue calculation language, more precisely defining it.

If you have questions about any of this please don't hesitate to let us know. We also appreciate your patience through the process.

Looking forward,

Bob Kempf

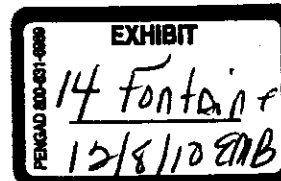
Internet Business Development Manager

CapeCodOnline / Cape Cod Times

rkempf@capecodonline.com

508-862-1351

PURCHASE AND SALE AGREEMENT



THIS AGREEMENT dated this 31st day of OCTOBER, 2002 is by and between Cape Cod Times, a division of Ottaway Newspapers, Inc. a Delaware corporation ("CCTimes") as purchaser, and Robert Fontaine, 30 Skyline Drive, Yarmouth, MA, doing business as Cape Cod Web, Fontaine's Domains, CapeCodRealEstate.com and Fontaine Real Estate Services (collectively referred to as "Fontaine") as seller.

WHEREAS, Fontaine is, and will be as of the Closing Date, the owner of all rights and interest in (1) its CapeCodRealEstate.com, CapeCodRealEstate.biz, CapeCodRealEstate.info, CapeCodRental.com, CapeCodRE.info, CapeCodOnlineRentals.com, CapeCodMortgages.com, CapeBuilders.com, CapeCodLinks.com, CapeCodNews.com, CapeVacations.com, Ecoups.com, NewEnglandEmployment.com, and NewEnglandWorks.com web sites, related pages, images, files, graphics, scripts, domain names, URLs, and all software and programming code necessary to view these web sites ("Web Sites"), (2) all of its associated software and programming necessary for the continued operation of its Web Sites, and (3) all intellectual property rights related to its Web Sites, including but not limited to copyrights, trademarks and patents, and other property and information identified in this Agreement. All items included within this sale are hereinafter referred to as "Fontaine's Web Sites";

WHEREAS, Fontaine intends to sell Fontaine's Web Sites to CCTimes; and

WHEREAS, CCTimes wishes to purchase Fontaine's Web Sites from Fontaine.

NOW, THEREFORE, IN CONSIDERATION OF the foregoing and the mutual promises set forth herein, and subject to the terms and conditions hereof, CCTimes and Fontaine agree as follows:

1. Purchase and Sale of Fontaine Web Sites

1.1 **Property and Information Sold and Acquired.** Subject to the terms and conditions set forth in this Agreement, at the Closing, Fontaine will sell, transfer and deliver to CCTimes, and CCTimes will purchase, acquire and accept from Fontaine the following property and information:

- a. Software, coding, digital and analog files, programming, and server access codes associated with, or necessary for, the operation of Fontaine's Web Sites;
- b. Webtrends and/or other server statistic log files for Fontaine's Web Sites covering the period of June 1, 2000 through June 30, 2002, confirming site traffic of a level acceptable to the CCTimes;
- c. Identification of each existing site advertiser, including their name, address, contact person and the terms of their advertising agreement;

- d. URLs and domain names that point to Fontaine's Web Sites, including but not limited to CapeCodRealEstate.com and any variations of CapeCodRealEstate.com;
- e. All intellectual property rights, including but not limited to copyrights, trademarks and patents, owned, licensed or controlled by Fontaine and directly related to Fontaine's Web Sites;
- f. All accounts receivable after the closing date;
- g. All books, documents and records of Fontaine pertaining to Fontaine's Web Sites, wherever located, including without limitation, accounting, credit and customer lists; and
- h. It is understood and agreed that Fontaine shall retain the name "Fontaine's Real Estate Services" for his own use, provided such use does not violate the noncompete provisions set forth in Section 9 hereof.

1.2 Liabilities Not Assumed; Exception.

- a. CCTimes shall accommodate existing agreements of Fontaine that meet the following conditions:
 - (i) such agreements are for Internet advertising appearing on Web Sites to be purchased from Fontaine by CCTimes; and
 - (ii) such agreements arose in the ordinary and usual course of business of Fontaine's Web Sites.
- b. Except as assumed pursuant to the provisions of Section 1.2.a, above, CCTimes shall have no liability whatsoever for any other liabilities of Fontaine, including, without limitation,
 - (i) any claim, regardless of when made or asserted, which arises out of or is based upon any express or implied representation, warranty, agreement or guarantee made by Fontaine, or alleged to have been made by Fontaine, or which is imposed or asserted to be imposed by operation of law, in connection with any service performed by or on behalf of Fontaine prior to the Closing Date, or
 - (ii) any liability or obligation in respect of any federal, state or local income or other tax payable with respect to Fontaine's Web Sites for any period prior to the Closing Date.

1.3 Consideration. CCTimes shall pay Fontaine the following consideration for the sale, transfer and delivery to CCTimes of Fontaine's Web Sites and other property and information listed in paragraph 1.1 above:

- a. \$60,000 to be paid on the Closing Date; and
- b. A Net Revenue Share for CCTimes' new real estate web site(s), Fontaine's Web Sites (and/or their successor web sites), CapeCodRealEstate.com, and all web sites within the CCTimes' umbrella Internet real estate vertical including real estate, rental, building and mortgage verticals. Such Net Revenue Share shall be determined in accordance with the following terms:

- (i) Net Revenue included in Fontaine's Net Revenue Share includes all revenue-producing Internet ad units appearing on the CapeCodRealEstate.com website and those described hereinabove, including directory listings, data-driven functions, and real estate customer web development projects;
- (ii) Net Revenue includes new or revised CapeCodRealEstate.com (and such other web sites described hereinabove) advertising initiatives, but shall not include revenue from line and display ads ported from Cape Cod Times print products and third party sales agent transactions and agreements;
- (iii) For purposes hereof, Net Revenue shall be calculated by deducting various costs and charges, including but not limited to bad debt, credits, discounts and excluded revenue (i.e. revenue described in paragraph 1.3.b(ii) above), from gross revenue derived from CCTimes' new real estate web site(s), Fontaine's Web Sites (and/or their successor web sites), CapeCodRealEstate.com, and all web sites within the CCTimes' umbrella Internet real estate vertical including real estate, rental, building and mortgage verticals;
- (iv) CCTimes will determine its Net Revenue from said website each year from 2002 through 2006;
- (v) In any year from 2002 through 2006 that CCTimes' annual Net Revenue from said website exceeds \$100,000.00, Fontaine will receive twenty percent (20%) of the Net Revenue in excess of \$100,000.00 (2002 net revenue shall include Fontaine's documented receivables from 1/1/02 through closing), which amounts shall be paid by CCTimes to Fontaine for each year on or before January 30th of the immediately succeeding calendar year;
- (vi) If CCTimes' Net Revenue from said website in the first six months of 2007 exceeds \$50,000.00, Fontaine will receive five (5%) percent of the net revenue in excess of \$50,000.00, which amount shall be paid by CCTimes to Fontaine on or before July 30, 2007; and
- (vii) Fontaine and his agents shall be granted access to CCTimes books of account related to CCTimes' new real estate web site(s), Fontaine's Web Sites (and/or their successor web sites), CapeCodRealEstate.com, and all web sites within the CCTimes' umbrella Internet real estate vertical including real estate, rental, building and mortgage verticals, for the purpose of verifying such Net Revenue upon reasonable notice requesting same. CCTimes must receive reasonable notice requesting access within thirty (30) days of the payment of Fontaine's Net Revenue Share, or it shall be denied as unreasonable. Fontaine's right to object to the amount of such payment shall be deemed waived if he either fails to give notice to CCTimes of his objection, if any, to Fontaine's Net Revenue Share within thirty (30) days of his access to such books of account, or fails to provide reasonable notice to CCTimes requesting access to such information. All information provided to Fontaine and his agents pursuant to this section is deemed Confidential Information

pursuant to section 8 of this agreement and section 5 of the Employment Agreement entered into by the Parties.

2. Representations and Warranties of Seller.

In order to induce CCTimes to enter into this Agreement, Fontaine represents and warrants to CCTimes as set forth below, which representations and warranties are acknowledged by Fontaine as material and as being relied upon by CCTimes:

2.1 **Domain and Web Site Ownership.** Fontaine is the sole owner, beneficially and of record, of Fontaine's Web Sites, their coding and their content, free and clear of any liens, mortgages, claims or other encumbrances or restrictions, and possesses the legal right to transfer and sell such ownership rights to CCTimes;

2.2 **Authority.** This Agreement has been duly authorized, executed and delivered by Fontaine, and Fontaine has the right, power, authority and legal capacity to enter into and perform the obligations to be performed by it under this Agreement and to consummate the transactions contemplated of it hereby. This Agreement and all writings relating hereto signed Fontaine constitute valid and binding obligations of Fontaine, enforceable in accordance with their respective terms.

2.4 **No Consent.** No consent of any party to this Agreement or any third party and no consent, license, approval or authorization of, or exemption by, or registration or declaration or filing with, any governmental authority, bureau or agency is required in connection with the execution, delivery, validity or enforceability of this Agreement with respect to any of Fontaine's Web Sites or the consummation by Fontaine of the transactions contemplated of him hereby.

2.5 **No Breach.** Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will:

- a. violate, conflict with or result in the breach or termination of, or otherwise give any other contracting party the right to terminate, or constitute (or with notice or lapse of time, or both, would constitute) a default under the terms of any contract, mortgage, lease, bond, indenture, agreement, franchise or other instrument or obligation, whether written or oral (collectively, "Obligations"), which, individually or in the aggregate, would materially adversely affect Fontaine's Web Sites;
- b. result in the creation of any Lien upon the assets of Fontaine's Web Sites pursuant to the terms of any Obligation;
- c. violate any state or federal judgment, order, writ, sentence, injunction, decree or award of any court, arbitrator, administrative agency or governmental or regulatory body (collectively, "Orders") against, or binding upon, Fontaine's Web Sites or upon the securities, assets or business of Fontaine's Web Sites;
- d. constitute a violation by Fontaine's Web Sites of any statute, law or regulation of any jurisdiction that would materially and adversely affect Fontaine's Web Sites or any of its assets; or

- e. violate any permit which would materially and adversely affect Fontaine's Web Sites or any of its assets.

2.6 Financial Statements. Fontaine has delivered to CCTimes financial statements and income statements that fairly present the financial condition and results of operations of Fontaine's Web Sites.

2.7 No Material Adverse Change. Since the provision of Financial Statements, there has been no material adverse change in the assets, business, operations, condition (financial or otherwise) or, in the reasonable business judgment of Fontaine, prospects of Fontaine's Web Sites or in its relationships with providers or customers, whether or not covered by insurance. Fontaine does not know of any such change that is threatened. Since the provision of Financial Statements (a) Fontaine's Web Sites have been operated only in the ordinary and usual course of business and (b) Fontaine has not (i) entered into any contract, commitment or transaction not in the usual and ordinary course of business; (ii) created, assumed or permitted to exist any Lien; or (iii) made any capital expenditure or any commitment with respect to any such expenditure other than in the ordinary course of business.

2.8 Compliance with Laws. Fontaine's Web Sites are not in violation of any Orders applicable to them. Fontaine's Web Sites (a) are not in violation of any applicable federal, state or local laws, regulations or ordinances ("Governmental Regulations"), the violation of which would materially and adversely affect the assets, business, operations or condition (financial or otherwise) or, in the reasonable business judgment of Fontaine, prospects of Fontaine's Web Sites or (b) to the best knowledge of Fontaine, would not be in violation of any Governmental Regulation that has been enacted or adopted but is not yet effective, if it were effective at the date hereof. Fontaine has all permits, licenses, orders or approvals of any federal, state or local governmental or regulatory body that are material to or necessary in the conduct of its business (collectively, "Permits"). All Permits are in full force and effect, no violations are known to, nor have any notices of any violations been received by Fontaine in respect of any Permit, and no proceeding is pending or, to the best knowledge of Fontaine, threatened to revoke or limit any Permit.

2.9 Actions and Proceedings. There are no suits, actions, claims or legal, administrative or arbitration proceedings or investigations (collectively, "Actions") (whether or not the defense thereof or liabilities in respect thereof are covered by policies of insurance) pending or, to the best knowledge of Fontaine, threatened, against, involving or affecting Fontaine's Web Sites or, to the best knowledge of Fontaine, any employee of Fontaine's Web Sites, or any of Fontaine's Web Sites' assets, which, individually or in the aggregate, might have a material adverse effect on the transactions contemplated hereby or upon the assets, business, operations or condition (financial or otherwise) or, in the reasonable business judgment of Fontaine, prospects of Fontaine's Web Sites, and there are no outstanding Orders against, or, to the best knowledge of Fontaine, involving or materially affecting, Fontaine's Web Sites (exclusive of any statute or regulation of general applicability).

2.10 Accounts and Notes Receivable. All accounts and notes receivable of Fontaine's Web Sites as of the date hereof (including those reflected in the Current Financial Statements) arose in

the ordinary and usual course of business of Fontaine's Web Sites, represent valid obligations due to Fontaine's Web Sites from unaffiliated parties, and, to the best knowledge of Fontaine, are collectible in the aggregate record amounts thereof in accordance with their terms in the ordinary and usual course of business of Fontaine's Web Sites.

2.11 Trade Names, Trademarks, Service Marks and Copyrights. Schedule 2.11 sets forth all trade and fictitious business names, brand names, trademarks, service marks, franchises and copyrights (collectively, "Rights") used by Fontaine's Web Sites that are material to its business. Fontaine's Web Sites does not use any of such Rights by consent of any other rightful owner thereof, and the same are fully assignable (except as otherwise provided by law) and free and clear of any Liens or other restrictions or limitations whatsoever. Neither Fontaine nor Fontaine's Web Sites has received any claim of infringement of any adversely held Rights of any other person relating to any of the properties listed in Schedule 2.11.

2.12 Contracts and Other Agreements. Schedule 2.12 sets forth all of the following contracts and other agreements to which Fontaine's Web Sites is a party or by or to which it or its assets or properties are bound or subject: (a) contracts or written agreements with any current or former officer, director, employee, consultant, agent or other representative of Fontaine's Web Sites; (b) contracts or written agreements with any labor union or association representing any employee of Fontaine's Web Sites; (c) contracts or written agreements for the sale of any of Fontaine's assets or properties, tangible or intangible, other than in the ordinary course of business, or for the granting to any person of any preferential rights to purchase any of Fontaine's Web Sites' assets or properties; (d) joint venture agreements; (e) contracts or written agreements under which Fontaine's Web Sites agrees to indemnify any party, or to share tax liability with any party; (f) all Obligations calling for aggregate payments in any one fiscal year of more than \$10,000 in any one case (or \$50,000 in the aggregate, in the case of any related series of contracts and other agreements), unless they can be canceled without liability, premium or penalty on not more than thirty days' notice; (g) contracts and other agreements containing covenants of Fontaine's Web Sites not to compete in any line of business or with any person in any geographical area, or covenants of any other person not to compete with Fontaine's Web Sites in any line of business or in any geographical area; (h) contracts and other agreements relating to the acquisition by Fontaine's Web Sites of any operating business or the capital stock of any other person, under which Fontaine's Web Sites has any ongoing or unsatisfied liability or obligation; (i) options for the purchase of any asset, tangible or intangible; (j) Obligations relating to the borrowing or lending of money; or (k) any other Obligations, whether or not made in the ordinary course of business, that are material to Fontaine's Web Sites (other than those contracts or agreements reflected on other Schedules hereto). There have been delivered or made available to the CCTimes true and complete copies of all of the contracts and other written agreements set forth in Schedule 2.12 or in any other Schedule hereto. All such Obligations described in clauses (a) through (k) above are valid, subsisting, in full force and effect and binding upon Fontaine's Web Sites and, to the best knowledge of Fontaine, on the other parties thereto in accordance with their terms. Fontaine's Web Sites has paid in full or accrued all amounts due by it thereunder and has satisfied in all material respects, or provided for, all of its liabilities and obligations thereunder, and is not in default under any such Obligation, nor, to the best knowledge of Fontaine, is any other party to any such Obligation in default thereunder, nor does any condition exist that, with notice or lapse of time or both, would constitute a default

thereunder, which default would have a materially adverse effect on Fontaine's Web Sites. No approval or consent of any person is needed in order that the Obligations as set forth in Schedule 2.12 or on any other Schedule hereto continue in full force and effect following the consummation of the transactions contemplated by this Agreement.

2.13 Tax Matters. Except with respect to his individual Massachusetts income tax return for 2001, which is on extension, Fontaine has timely filed or caused to be filed, all federal income, state and other tax returns, forms and information that he is required to file concerning Fontaine's Web Sites. All of the information in such filings is accurate and such filings accurately reflect in all respects the tax liabilities of the filing entity. All taxes, sales taxes, assessments and other governmental charges imposed upon Fontaine's Web Sites or upon any of the assets, income or franchises of Fontaine's Web Sites, or sales by Fontaine's Web Sites, other than any of such charges that are currently payable without penalty or interest, have been paid. Fontaine does not know of any actual or proposed tax assessment or adjustment with respect to any item that has to do with Fontaine's Web Sites for any fiscal period. Fontaine has not waived or extended any applicable statute of limitations relating to the assessment of state or other taxes. No examination of the state or other tax returns, forms or information of Fontaine is currently in progress or, to the best knowledge of Fontaine, threatened.

2.14 Site Traffic. Site traffic for each of Fontaine's Web Sites over the period of June 1, 2000 through June 30, 2002, which was disclosed to CCTimes by Fontaine, is acceptable in all material respects.

2.15 Server Administrator or Representative Cooperation. Fontaine's current server administrator or representative will cooperate and facilitate successful porting of all back-end software and programming code to CCTimes servers.

2.16 Server Porting. Fontaine's Web Sites are either operable on CCTimes current server space, or Fontaine's current server administrator or representative permits continued operation on currently used server space at a reasonable rate and for a reasonable duration.

2.17 URL. Fontaine owns all rights and interest, including but not limited to copyrights, trademarks and patents, in Fontaine's Web Sites and transfers all such rights and interest to CCTimes free and clear of any encumbrances, limitations or restrictions.

3. Fontaine's Covenants And Obligations Before Closing

Fontaine covenants that from the date of this Agreement until the Closing, Fontaine shall, and shall cause Fontaine's Web Sites to, comply with each of the following covenants:

3.1 Continuing Disclosure and Access to Business. Fontaine shall continue to furnish, or cause to be furnished, to CCTimes and its representatives all data and information concerning Fontaine's Web Sites, finances and properties of Fontaine's Web Sites that may reasonably be requested. Fontaine shall cause Fontaine's Web Sites to afford to the employees and representatives of CCTimes and to its counsel and accountants such access during normal

business hours to Fontaine's Web Sites' facilities, properties, offices, equipment, files, agreements and books and records as may be reasonably necessary in order that CCTimes may fully and completely understand the business affairs and operations of Fontaine's Web Sites.

3.2 Continuing Operations. Fontaine's Web Sites shall carry on its business and activities diligently and substantially in such manner as they are being conducted on the date hereof, and shall not make or institute any unusual or novel methods of design, development, manufacture, purchase, sale, lease management, accounting, or operation that will vary materially from those methods used by it as of the date of this Agreement.

3.3 Prohibited Activities. Fontaine's Web Sites shall not, without the prior written approval of CCTimes:

- a. create, assume or permit to exist any Lien affecting any of the assets and properties used in, or required for, its operation, whether now or hereafter acquired, excepting those arising by operation of security agreements or mortgages disclosed in Schedules to this Agreement or purchase money liens attaching to assets acquired in the ordinary course of business;
- b. enter into an agreement for the merger or consolidation of Fontaine's Web Sites into or with any other corporation or entity; or
- c. make any capital expenditures in excess of \$1,000.00, or enter into any leases of capital equipment or property.

3.4 Application For Consents. As soon as reasonably practical after the execution and delivery of this Agreement, Fontaine and Fontaine's Web Sites shall apply for the written consent of the persons and entities described in any Schedule to this Agreement as being required in order to effect the transactions contemplated hereby and shall furnish to CCTimes executed copies of such applications for consents.

4. Conditions Precedent to CCTimes' Performance.

The obligations of CCTimes under this Agreement are subject to the satisfaction, at or before the Closing, of all the conditions set forth below in this section 4, which conditions Fontaine shall use his best efforts to satisfy. If CCTimes is not satisfied that (1) Fontaine has met the conditions of this section, (2) the representations and warranties of Fontaine set forth in section 2 are true and accurate, or (3) all other obligations of Fontaine contained in this Agreement have been met, CCTimes may void this Agreement and shall be entitled to a full refund of all monies paid to Fontaine. CCTimes may waive, in writing, any or all of these conditions in whole or in part without prior notice. However, no such waiver of a condition shall constitute a waiver by CCTimes of any of its rights or remedies, at law or in equity, if Fontaine shall be in default of any of its representations, warranties or covenants under this Agreement.

4.1 Site Operation. CCTimes will be permitted to inspect Fontaine's Web Sites to ensure their full functionality at the time of the Closing.

- 4.2 **Server Porting.** Fontaine's Web Sites shall be operating on the CCTimes server or on their current server at a reasonable rate and duration subject to the satisfaction of the CCTimes.
- 4.3 **Documents, Representations and Warranties at Closing.** All representations and warranties by Fontaine in this Agreement or in any written statement that shall be delivered to CCTimes by Fontaine under this Agreement shall be true on and as of the Closing Date as though made on and as of such date.
- 4.4 **Compliance of Fontaine.** Fontaine shall have, or shall have caused Fontaine's Web Sites to have performed, satisfied and complied with all covenants, agreements and conditions required by this Agreement to be performed or complied with by them or it on or before the Closing Date.
- 4.5 **No Adverse Changes.** During the period from the Current Balance Sheet Date to the Closing Date, there shall not have been any adverse change in the financial condition or the results of operations of Fontaine's Web Sites, and Fontaine's Web Sites shall not have sustained any material loss or damage to its assets, whether or not insured, that affects its ability to conduct a material part of its business.
- 4.6 **Fontaine's Closing Certificates.** CCTimes may request a certificate from Fontaine, dated the Closing Date, certifying in such detail as CCTimes and its counsel may reasonably request, that the conditions specified in Sections 4.3, 4.4, and 4.5 have been fulfilled.
- 4.7 **No Litigation.** No Action pertaining to Fontaine's Web Sites, the transactions contemplated by this Agreement, or the consummation thereof, shall have been instituted or threatened on or before the Closing Date.
- 4.8 **Assignments and Consents.** All necessary agreements, assignments and consents to the consummation by Fontaine's Web Sites or Fontaine of the transactions contemplated by this agreement, or otherwise pertaining to the matters covered by it, shall have been obtained by Fontaine and delivered to CCTimes.

5. Conditions Precedent To Fontaine's Performance.

Fontaine's obligations to sell and transfer Fontaine's Web Sites under this Agreement are subject to the satisfaction by CCTimes, at or before the Closing, of all the following conditions:

- 5.1 **Representations and Warranties at Closing.** All representations and warranties by CCTimes contained in this Agreement or in any written statement delivered by CCTimes under this Agreement shall be true on and as of the Closing Date as though such representations and warranties were made on and as of such date.

5.2 Compliance of CCTimes. CCTimes shall have performed and complied with all covenants and agreements, and satisfied all conditions that it is required by this Agreement to perform, comply with, or satisfy, before or at the Closing.

6. The Closing.

6.1 The Closing Date and Place. The transfer and delivery of Fontaine's Web Sites by Fontaine and the delivery of the consideration by CCTimes (the "Closing") shall take place at the offices of the Cape Cod Times, 319 Main Street, Hyannis, MA, at 2:00 p.m. on 10/31, 2002, or at such other time and place as the parties may agree to in writing (the "Closing Date"), upon CCTimes' satisfaction that Fontaine has complied with all the terms and conditions of this Agreement. The failure of Fontaine to perform his obligations under this Agreement to the satisfaction of CCTimes by _____, 2002, shall entitle CCTimes, at its option, to void this transaction and require Fontaine to immediately remit all monies paid by CCTimes.

6.2 Actions and Deliveries at the Closing. At the Closing, Fontaine shall deliver or cause Fontaine's Web Sites to be delivered to CCTimes, against delivery of the consideration specified in Section 1.2 by CCTimes.

7. Further Assurances.

7.1 Fontaine's Further Assurances. Fontaine, at any time after the Closing Date, shall execute, acknowledge and deliver any further assignments, conveyances and other assurances, documents and instruments of transfer requested by CCTimes and will take any other action consistent with the terms of this Agreement that may be requested by CCTimes for the purpose of selling, transferring, assigning, granting, conveying, delivering or confirming to CCTimes as of the Closing Date ownership of Fontaine's Web Sites. Fontaine acknowledges that time is of the essence regarding his performance under this paragraph, and he will act in a timely manner.

8. Confidentiality.

8.1 Fontaine and CCTimes agree that: (a) prior to the Closing, neither Fontaine nor CCTimes shall disclose any Confidential Information (as defined below in this Section 8) to any person outside of their business organization (and shall only disclose Confidential Information within their business organization on a "need-to-know" basis to individuals who have been apprised of the confidential nature of the information) and (b) after the Closing, neither Fontaine nor CCTimes shall disclose to any person the Confidential Information. Fontaine and CCTimes shall treat the Confidential Information with the degree of care and security that would be afforded confidential and proprietary information by a loyal employee in a well-managed business organization. The term "Confidential Information" shall include, but not be limited to, the following property and information which is specific to Fontaine's Web Sites: financial information; negotiations; systems, plans, procedures, software, coding, digital and analog files, programming, data, files and research and development; customer and vendor lists, marketing plans and surveys and other marketing information; and other similar information that CCTimes considers and treats as confidential. (Notwithstanding the foregoing sentence, Confidential Information shall not include any information that is: (a) available or becomes available from

public sources or in the public domain, through no fault of Fontaine or (b) received at any time from any third party without breach of a nondisclosure obligation to CCTimes.)

8.2 The parties acknowledge that the continued confidentiality of this Agreement and of its terms and conditions is of the essence.

8.3 The parties incorporate within this Agreement the terms of the Nondisclosure Agreement entered into by them on June 20, 2002, and attached hereto as Attachment A.

9. Noncompetition.

Fontaine understands that his sale of Fontaine's Web Services includes the sale of proprietary information and good will of his business. In order to safeguard his transfer of such proprietary information and good will, Fontaine agrees not to compete with CCTimes in the marketing of real estate in the Massachusetts counties of Barnstable, Plymouth, Bristol and Dukes during his employment with CCTimes and for a period of time following termination of his employment by CCTimes (the "Term"), as set forth in further detail below.

9.1 Term of Noncompetition. Fontaine agrees not to compete with CCTimes as described in Section 9, above, during the longer of the following periods:

- a. during the period from the Closing Date to the date two (2) years after the termination of his employment with CCTimes; or
- b. during the period from the Closing Date to June 30, 2007.

9.2 Prohibited Activities. Fontaine shall not, without the prior written consent of CCTimes:

- a. engage in any business activity that could interfere with Fontaine's Web Sites; or
- b. directly or indirectly, alone or as a partner, officer, director, employee or stockholder (other than an investment interest of less than 5% of the total outstanding shares of a publicly traded company) of an entity, engage in any business enterprise which
 - i. is in competition with the products or services being developed, licensed, offered or sold by CCTimes;
 - ii. provides goods or services to CCTimes; or
 - iii. is a customer for the products or services of CCTimes.

9.3 Permitted Activities. Fontaine may operate as a real estate broker, provided such activities do not compete with CCTimes in violation of section 9.2 above.

10. Assignment of Copyright.

10.1 Fontaine agrees to assign all of Fontaine's interest in Fontaine's Web Sites to CCTimes at the Closing.

10.2 Fontaine warrants and represents that to the best of his knowledge (a) Fontaine's Web Sites are his original work, (b) Fontaine's Web Sites have not been published other than by or

under the authority of Fontaine; and (c) Fontaine's Web Sites do not infringe on any rights (including copyright) of any person or entity.

10.3 This assignment includes, but is not limited to: all copyright in Fontaine's Web Sites and in all derivative works, Fontaine's interest in any titles, trademarks and good will associated with Fontaine's Web Sites, and in any proprietary or personal right in Fontaine's Web Sites now existing or that may hereafter come into existence.

10.4 Fontaine agrees to execute any and all documents necessary for the transfer of his rights in Fontaine's Web Sites to CCTimes.

11. Indemnification.

11.1 This Agreement is entered into by CCTimes upon the representation by Fontaine that Fontaine owns and is authorized to sell Fontaine's Web Sites. In consideration of CCTimes performance of its obligations under this Agreement, Fontaine agrees to indemnify and save CCTimes harmless from and against any loss or expense resulting from claims or suits based upon the ownership or any rights in Fontaine's Web Sites, including, without limitation, claims or suits for copyright, trademark, or patent infringement, as follows:

- a. if such claim is made by Fontaine's former business associate, James J. Gallant, Jr., who presently resides at 42A Glendon Road, Dennisport, Massachusetts 02639, or his successor(s) or assign(s), Fontaine agrees to fully indemnify CCTimes; and
- b. if such claim is made by any other person, Fontaine agrees to indemnify CCTimes up to a maximum of \$60,000.00.

11.2 Fontaine agrees to defend and hold CCTimes harmless from and against any and all claims, losses, costs, damages and expenses (including reasonable attorney and accounting fees) arising out of any act or omission of Fontaine.

11.3 This section shall survive the termination of this Agreement.

12. Costs.

Each party shall pay all costs and expenses incurred by it in negotiating and preparing this Agreement and in closing and carrying out the transactions contemplated of such party by this Agreement, except that CCTimes shall pay Fontaine's fees, up to a maximum amount of one thousand (\$1,000.00) dollars incurred with respect to his consultation with Peter Campia, Esq. and his associates.

13. Form Of Agreement.

13.1 Headings. The subject headings of the Sections and subsections of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

13.2 Entire Agreement; Amendments and Waivers. This Agreement constitutes the entire agreement among the parties pertaining to the subject matter contained herein and supersedes all prior agreements, representations and understandings of the parties. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all the parties. No waiver of any of the provisions of this Agreement shall be deemed a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

13.3 Counterparts. This Agreement may be executed simultaneously, in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

13.4 Severability; Reformation. In case any one or more of the provisions (or parts of a provision) contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision (or part of a provision) of this Agreement; and this Agreement shall, to the fullest extent lawful, be reformed and construed as if such invalid, illegal or unenforceable provision (or part of a provision) had never been contained herein, and such provision (or part) reformed so that it will be valid, legal and enforceable to the maximum extent possible.

14. Parties.

14.1. Other Parties. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under this Agreement on any persons other than the parties to it and their respective successors and permitted assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party to this Agreement, nor shall any provision give any third persons any right of subrogation or action against any party to this Agreement.

14.2 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither this Agreement nor any of the rights, interests and obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of each of the other parties hereto.

15. Survival Of Agreements, Representations And Warranties.

The representations, warranties or other writings provided for in the covenants and agreements of the respective parties before the Closing Date shall be deemed to be continuing and shall survive the Closing for a period of one (1) year, unless a longer period is specified in this Agreement.

16. Notices.

All notices, requests, demands and other communications under this Agreement shall be in writing and delivered by personal delivery, mail, overnight courier or telecopier. Such communications shall be deemed given, if by personal delivery, when received; if by mail, when mailed by certified or registered mail (postage prepaid and return receipt requested); or if by

overnight courier or telecopier, when delivered to such courier or sent by telecopier (provided that the party giving the notice has confirmation of such delivery or sending), and, in each case, addressed to the party to whom notice is to be given, as set forth below:

To CCTimes:

Peter Meyer, President and Publisher
Cape Cod Times
319 Main Street
Hyannis, MA 02601

With a copy to:

Attorney Richard A. Dalton
Deer Crossing Office Center
681 Falmouth Road, Suite A12
Mashpee, MA 02649

To Fontaine:

Robert Fontaine
30 Skyline Drive
Yarmouth, MA 02573

With a Copy to:

Any party may change its address for purposes of this Section 16 by giving the other parties notice of the new address in the manner set forth above; provided, however, that any notice of change of address shall not be in effect until received.

17. Publicity.

Fontaine and CCTimes acknowledge their mutual desire, and shall endeavor, to avoid the disclosure to the general public of the purchase price and terms of payment with respect to the transactions contemplated by this Agreement, except such disclosure as may be necessary in order to comply with applicable requirements of federal and state laws.

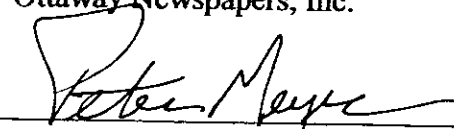
18. Governing Law.

This Agreement shall be construed in accordance with, and governed by, the laws of the Commonwealth of Massachusetts, without giving effect to rules governing choice of law.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

Cape Cod Times, a subsidiary of
Ottaway Newspapers, Inc.

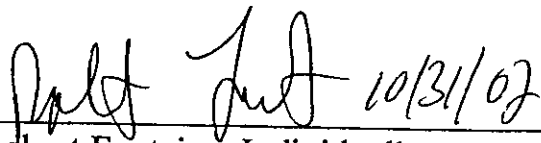
BY:



Peter Meyer, President and Publisher
Cape Cod Times

Robert Fontaine

BY:



Robert Fontaine, Individually

Schedule 2.11

CapeCodRealEstate.com

CapeCodRealEstate.biz

CapeCodRealEstate.info

CapeCodMortgages.com

CapeCodRental.com

CapeCodRE.info

CapeCodOnlineRentals.com

CapeBuilders.com

CapeCodLinks.com

CapeCodNews.com

CapeVacations.com

Ecoups.com

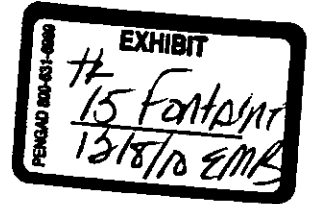
NewEnglandEmployment.com

NewEnglandWorks.com

Schedule 2.12

None

EMPLOYMENT AGREEMENT



This Employment Agreement ("Agreement") is entered into as of the 15 day of NOVEMBER, 2002 (the "Effective Date") by and between Cape Cod Times, a division of Ottaway Newspapers, Inc., a Delaware Corporation ("CCTIMES"), and Robert Fontaine ("EMPLOYEE") of 30 Skyline Drive, Yarmouth, Massachusetts.

WHEREAS, the CCTIMES desires to employ EMPLOYEE; and

WHEREAS, EMPLOYEE desires to accept such employment on the terms and conditions herein set forth;

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties, and agreements contained herein, and for other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. EMPLOYMENT

1.1 CCTIMES hereby employs EMPLOYEE and EMPLOYEE hereby accepts employment upon the terms and conditions hereinafter set forth.

1.2 EMPLOYEE warrants that EMPLOYEE is free to enter into and fully perform this Agreement and is not subject to any employment, confidentiality, non-competition or other agreement that would restrict EMPLOYEE's performance under this Agreement.

2. EMPLOYEE'S OBLIGATIONS

2.1 During the Term (as defined in Section 3 below), EMPLOYEE agrees to devote EMPLOYEE's full time to the performance of services as a Real Estate Marketing Specialist within the CapeCodOnline Department of CCTIMES ("Services"). The EMPLOYEE's duties may be reasonably modified at CCTIMES' discretion from time to time. Anything herein to the contrary notwithstanding, EMPLOYEE shall be free to pursue any independent business ventures during the term hereof, provided the same are pursued solely on his own and not CCTIMES' time, and do not constitute a violation of either the noncompete provisions of Section 7 hereof or the provisions of the CCTIMES' employee handbook.

2.2 EMPLOYEE agrees to perform EMPLOYEE's services well and faithfully and to the best of EMPLOYEE's ability. EMPLOYEE agrees to take no action prejudicial to the interests of CCTIMES during EMPLOYEE's employment hereunder.

3. TERM OF EMPLOYMENT

Subject to the provisions for termination set forth below in Section 10, EMPLOYEE's employment will commence on /// /, 2002 and continue until June 30, 2007, unless terminated (the "Term").

4. SALARY AND OTHER COMPENSATION

4.1 Salary. In full consideration for EMPLOYEE providing Services and performing all his other obligations under this Agreement, CCTIMES will pay EMPLOYEE a gross annual salary of FIFTY THOUSAND DOLLARS (\$50,000.00). Salary (a) will be paid in equal, prorated installments on CCTIMES' regular company-wide payday and (b) will be subject to all withholdings and deductions, such as social security, Medicare and state disability insurance, that are required by law or requested by EMPLOYEE.

4.2 Commissions. In addition to his salary, EMPLOYEE will be entitled to earn commission payments based upon ten percent (10%) of the net revenue for commissionable sales for CapeCodRealEstate.com and all web sites within the CCTIMES' umbrella Internet real estate vertical including real estate, rental, building and mortgage verticals generated by EMPLOYEE. If EMPLOYEE remains gainfully employed by CCTIMES for more than one year, EMPLOYEE's minimum commission for that year will be \$12,000.00.

4.3 Benefits. EMPLOYEE will be entitled to participate in employee benefits provided to all full-time employees of CCTIMES. These benefits will be available in accordance with CCTIMES' customary policies and are subject to change at any time in its sole discretion.

4.4 Expense Reimbursement. During the term hereof, EMPLOYEE shall be entitled to receive reimbursement from CCTIMES for all reasonable expenses incurred by EMPLOYEE in performing his duties and responsibilities hereunder, including without limitation, employment-related expenses, travel, meals and entertainment, provided that each such expense has been approved in advance by CCTIMES.

5. CONFIDENTIALITY OF PROPRIETARY INFORMATION

5.1 Definitions.

- a. "Confidential Information" means the following, whether furnished or made accessible to EMPLOYEE by CCTIMES or developed in whole or in part by EMPLOYEE alone or jointly with CCTIMES or others:

- i. All inventions, discoveries, know-how, techniques, devices, ideas, research, engineering methods, practices, processes, systems, formulae, designs, products, projects, computer programs, materials, improvements and developments which have not been generally available and which were or are conceived or reduced to practice at any time prior to the termination of my employment hereunder, in whole or in part, by any of the CCTIMES' employees or consultants, at the expense of the CCTIMES, on the premises of the CCTIMES, or with the CCTIMES' equipment; and
 - ii. All client or customer lists, trade secrets, or other information pertaining to the financial condition, business affairs or prospects of CCTIMES including, without limitation, information relative to customers, suppliers or other parties with which CCTIMES has a business relationship; samples; sketches; bulletins; correspondence; company forms and records (including financial statements and product specification sheets); information concerning sources of supply; costs of manufacture and sale and applications of equipment; whether or not published or unpublished, confidential or protected or susceptible to protection by patent, trademark, copyright or any other form of legal protection and whether or not an attempt has been made to secure such protection; and whether or not in any way related to the subject matter of any work done by EMPLOYEE for or at the request of CCTIMES.
- b. "Proprietary Information" means Confidential Information of CCTIMES or of a third party which CCTIMES is under an obligation to keep confidential.

5.2 Nondisclosure. Except in performance of services for CCTIMES, EMPLOYEE shall not, either during the period of EMPLOYEE's employment with CCTIMES or thereafter, use for EMPLOYEE's own benefit or disclose to or use for the benefit of any person outside CCTIMES, any information concerning any Intellectual Property, or other Confidential or Proprietary Information of CCTIMES, whether EMPLOYEE has such information in EMPLOYEE's memory or embodied in writing or other tangible form. All originals and copies of any of the foregoing, however and whenever produced, shall be the sole property of CCTIMES, not to be removed from the premises or custody of CCTIMES without in each instance first obtaining authorization of CCTIMES, which authorization may be revoked by CCTIMES at any time. Upon the termination of EMPLOYEE's employment in any manner or for any reason, EMPLOYEE shall promptly surrender to CCTIMES all copies of any of the foregoing, together with any documents, materials, data, information and equipment belonging to or relating to CCTIMES' business and in EMPLOYEE's possession, custody or control, and employee shall not thereafter retain or deliver to any other person any of the foregoing or any summary or memorandum thereof.

6. NONSOLICITATION

During the period of EMPLOYEE's employment with CCTIMES, and for a period of three (3) years thereafter, EMPLOYEE shall not, directly or indirectly, alone or as a partner, officer,

director, employee or stockholder of any entity, solicit, interfere with or endeavor to entice away any employee, consultant or agent of CCTIMES or any customer or supplier of CCTIMES who is such during said period, or any prospective employee of CCTIMES or any prospective customer of CCTIMES who is such at the end of said period.

7. NONCOMPETITION

EMPLOYEE understands that his sale of EMPLOYEE's Web Services to CCTIMES includes the sale of proprietary information and good will of his business. In order to safeguard his transfer of such proprietary information and good will, EMPLOYEE agrees not to compete with CCTIMES during his employment with CCTIMES and for a period of time following termination of his employment with CCTIMES (the "Term"), as set forth in Section 9 of the Purchase and Sale Agreement between EMPLOYEE and CCTIMES dated OCTOBER 31, 2002.

8. INJUNCTIVE RELIEF

EMPLOYEE acknowledges that his breach or threatened breach of any of the provisions set forth in Paragraphs 5, 6 and 7 hereof will cause substantial and irreparable harm to CCTIMES, and that the amount and character of such damage will be difficult to ascertain. Therefore, to prevent any such breach or threatened breach, and in addition to any other remedies to which CCTIMES would be entitled at law or in equity, EMPLOYEE agrees that CCTIMES will be entitled to immediate, temporary, preliminary and permanent injunctive relief through appropriate legal actions in any court with jurisdiction, without proof of actual damages that CCTIMES has incurred or may incur.

9. EMPLOYEE'S REPRESENTATIONS AND WARRANTIES.

EMPLOYEE represents and warrants to CCTIMES as follows:

9.1 Authority. EMPLOYEE has the right, power and authority to enter into and perform this Agreement. EMPLOYEE is under no legal or other disability that would make this Agreement void or voidable.

9.2 No Pending Litigation. EMPLOYEE is not presently being sued, nor has any judgment been entered against EMPLOYEE, nor has EMPLOYEE received any threats of any lawsuits against him that would materially and adversely affect his ability to perform his duties pursuant to this Agreement.

9.3 No Promises Not Contained in This Agreement. No person acting or purporting to act on behalf of CCTIMES has made any promise to EMPLOYEE that is not contained in this Agreement, nor induced EMPLOYEE to enter into this Agreement by making any promise to EMPLOYEE that is not contained in this Agreement.

9.4 Binding Agreement. EMPLOYEE has personally read, understood, agreed to, signed and delivered to CCTIMES this Agreement. EMPLOYEE is not breaching any other agreement to which he is a party by signing and delivering to CCTIMES this Agreement. No other Agreement to which EMPLOYEE is a party is inconsistent with the terms of this agreement.

9.5 Independent Counsel. EMPLOYEE has had an opportunity to consult with legal counsel with respect to the negotiations, drafting and execution of this Agreement. EMPLOYEE acknowledges that he has had ample opportunity to have this Agreement reviewed by legal counsel of his choice, and that he fully understands the legal signification of his representation that he has had the opportunity to consult with legal counsel.

10. TERMINATION OF AGREEMENT

10.1 Termination For Cause. CCTIMES may terminate this Agreement for the following reasons, effective immediately upon notice to EMPLOYEE:

- a. EMPLOYEE is convicted of, pleads guilty to, or enters a nolo contendere plea to any felony;
- b. EMPLOYEE embezzles funds or assets from CCTIMES or any of its subsidiaries, affiliates or related companies;
- c. EMPLOYEE has become physically or mentally disabled and has used all disability benefits available to EMPLOYEE pursuant to state and federal family and medical leave laws and are either unable to reasonably and effectively carry out your duties with (i) reasonable accommodations that CCTIMES provides or (ii) because the accommodations CCTIMES would have to provide would cause it undue hardship; or
- d. EMPLOYEE fails or refuses to satisfactorily perform his reasonable and customary duties as outlined in the job description for a Real Estate Marketing Specialist, fails to comply with any reasonable and lawful order or directive of his supervisors, or breaches any material term of this Agreement.

10.2 Termination Upon Death. The employment period will end automatically upon EMPLOYEE's death, and CCTIMES will pay his estate earned and accrued but previously unpaid salary and commissions, and accrued and unused vacation and other benefits through the date the Employment Period ends.

11. ASSIGNMENT

This Agreement may not be assigned by either party without prior written consent of the other party. If an assignment is authorized by a written consent under this Agreement or applicable law, all terms and conditions shall be binding on the party's successors and assigns. Neither party may delegate its obligations and responsibilities to any third party, subsidiaries, employees, subcontractors or agents who are not approved in advance and in writing by the other party.

12. ENTIRE AGREEMENT AND BINDING FORCE

This Agreement constitutes the entire understanding and agreement of the parties and supersedes all prior written or oral agreements with respect to the subject matter of this Agreement. This Agreement shall be binding upon the successors and assigns of the parties.

13. AMENDMENT

This Agreement may not be modified or amended without the express written agreement of both parties.

14. WAIVER

Waiver of any provision of this Agreement by a party shall not constitute a waiver of any other provision or waiver of the same provision at any other time.

15. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Massachusetts.

16. EMPLOYEE HANDBOOK AND POLICIES

EMPLOYEE acknowledges that he has received CCTIMES' employee handbook ("Handbook") and that his employment is conditioned on his review and adherence to the policies and requirements set forth in the Handbook. If there is a conflict between a term set forth in this Agreement and a provision of the Handbook, this Agreement will control. CCTIMES may change any of its policies at any time, in its sole discretion, by giving EMPLOYEE written notice thereof.

17. NOTICES

All notices, requests, demands and other communications under this Agreement shall be in writing and delivered by personal delivery, mail, overnight courier or telecopier. Such communications shall be deemed given, if by personal delivery, when received; if by mail, when mailed by certified or registered mail (postage prepaid and return receipt requested); or if by overnight courier or telecopier, when delivered to such courier or sent by telecopier (provided that the party giving the notice has confirmation of such delivery or sending), and, in each case, addressed to the party to whom notice is to be given, as set forth below:

To CCTimes:

Peter Meyer, President and Publisher
Cape Cod Times
319 Main Street
Hyannis, MA 02601

With a copy to:

Attorney Richard A. Dalton
Deer Crossing Office Center
681 Falmouth Road, Suite A12
Mashpee, MA 02649

To Fontaine:

Robert Fontaine
30 Skyline Drive
Yarmouth, MA 02673

With a Copy to:

Philip Michael Boudreau
396 North Street
Hyannis, MA 02601

Any party may change its address for purposes of this Section 16 by giving the other parties notice of the new address in the manner set forth above; provided, however, that any notice of change of address shall not be in effect until received.

18. RELATIONSHIP OF PARTIES; RESULTS AND PROCEEDS

EMPLOYEE acknowledges that the relationship between EMPLOYEE and CCTIMES is exclusively that of employer and employee, and that CCTIMES obligations to EMPLOYEE are exclusively contractual in nature. CCTIMES will be the sole owner of all the results and proceeds of EMPLOYEE's services hereunder, including, but not limited to, all ideas, concepts, formats, suggestions, developments, arrangements, designs, packages, programs, promotions and other intellectual properties EMPLOYEE may create within the scope of his employment hereunder, free and clear of any claims by him (or anyone claiming under him) of any kind or character whatsoever (other than his right to use his salary hereunder).

19. SEVERABILITY

Each provision of this Agreement is intended to be severable and, if any term or provision hereof is determined invalid or unenforceable for any reason, such unenforceability or invalidity will not affect the enforceability or validity of the remainder of this Agreement.

20. COUNTERPARTS

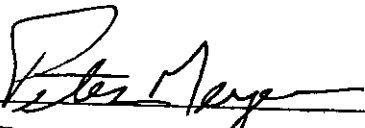
This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument.

21. INTERPRETATION


The language and all parts of this Agreement will in all cases be construed simply according to their fair meaning and not strictly for or against any party. Wherever the context requires, all words used in the singular will be construed to have been used in the plural, and vice versa, and each gender will include the other gender. The captions of the sections are for convenience only and will not effect the construction or interpretation of any of the provisions herein.

IN WITNESS WHEREOF, the parties have entered into this agreement under seal as of the date written above.

CAPE COD TIMES, A SUBSIDIARY OF OTTAWAY NEWSPAPERS, INC.

BY: 
Peter Meyer, President and Publisher
Cape Cod Times

ROBERT FONTAINE

BY:  10/21/02
Robert Fontaine, Individually

FULL TIME EMPLOYEE BENEFITS SUMMARY

REGULAR FULL TIME EMPLOYEES: (set schedule, working 37.5 hours every week).

MEDICAL INSURANCE:

Full time employees are eligible for medical insurance on the first day of the month following the date of hire. The various options are included in this package. The company contributes approximately 80% of the monthly premium.

DENTAL INSURANCE:

Full time employees are eligible for dental insurance after a ninety day employment period. Employees contribute the full premium cost for dependents and a very small contribution toward the employee coverage.

LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT:

Full time employees are automatically enrolled in life insurance and accidental death and dismemberment coverage after a ninety day introductory employment period. The amount of coverage is 1 1/2 times your annual rate of basic earnings, (including regular commissions), 3 times annual base for accidental death. The company contributes the entire premium for this coverage.

SUPPLEMENTAL TERM LIFE INSURANCE:

Full time employees are eligible after the ninety day period. Employees may elect coverage within thirty one days of their eligibility date without a medical exam. Employees may elect coverage in the amount of 1 or 2 times annual salary, including regular commissions. When employees elect coverage for themselves, they may also take coverage for their spouse and dependent children. Spouse coverage is 50% of employee coverage, and eligible dependent children may be covered for \$5,000 each.

FLEXIBLE SPENDING ACCOUNTS:

Regular full time employees are eligible after their ninety day introductory employment period. This program allows the employee to pay certain out of pocket health care expenses and dependent day care expenses with pre-tax dollars through salary reduction. Please contact Human Resources for details.

VISION INSURANCE:

Full time employees are eligible after one year of service. The plan allows for one exam and one set of frames and lenses every twenty four months. The company pays the full cost of this insurance.

SICK DAYS:

Employees receive five (5) days per year. The number of sick days you are eligible for during your first year of employment varies with the month in which you are hired. Contact Human Resources for the schedule.

SHORT-TERM DISABILITY PAY:

Provides for a percentage of your base pay to be paid for up to 26 weeks in the event you are unable to work due to a disability. Check with Human Resources or your *Employee Information Book* for more details.

LONG-TERM DISABILITY INSURANCE:

Full time employees are eligible after a ninety (90) day introductory period. The plan pays 60% of base pay in case of total disability. Employees cost: \$.19 per \$100 of weekly earnings.

WORKERS COMPENSATION:

This insurance is fully paid by the company for injuries and illnesses arising out of employment.

RETIREMENT PLAN:

Employees who are at least 21 years old are automatically enrolled after the first anniversary year of service provided they have completed one full calendar year of service with at least 1000 hours worked. Credited years of service are all those that you work at least 1000 hours. The company pays the cost of this plan. You will be notified when you become eligible.

401(k) SAVINGS PLAN:

Employees, at least 21 years old, are eligible after the first anniversary year of service having completed one full calendar year of service with at least 1000 hours worked. You will be notified when you become eligible.

PAID HOLIDAYS:

Regular full time employees are paid for eleven paid holidays observed by the Cape Cod Times. Those who are required to work on a night before a holiday preparing a holiday morning edition or on the holiday day shift (*one or the other not both*) will be paid at a premium rate.

VACATION:

All employees, with the exception of temporary employees, are eligible for two weeks paid vacation after 12 months of continuous service. Vacation pay for a part-time employee is determined by averaging the number of hours worked over the last 52 week period. Vacation days must be used within the calendar year. Three weeks eligibility after 5 years, 4 weeks after 15 years and 5 weeks after 25 years of continuous service.

EMPLOYEE SUBSCRIPTION RATE:

Employees may receive home delivery of the Cape Cod Times at a rate of 25% or 50 %, (if you prefer to be billed), of the cost to regular customers. Authorization form included in your employee package.

FREE CLASSIFIED ADS:

Employees may place free ads. in the classified section (up to \$300.00 per calendar year) for their own personal items. The Classified Ad Department Manager must approve ads.

VARIOUS SCHOLARSHIP PROGRAMS:

Available for your children's college education.

STOP SMOKING REIMBURSEMENT:

The company will reimburse 75% of an approved stop smoking program - one time only.

EDUCATIONAL TUITION REIMBURSEMENT:

All full time employees are eligible for tuition assistance for courses specifically related to their job or courses specifically related to a newspaper career, after six (6) months of continuous employment. Please see the *Employee Information Book* for details.

DOW JONES STOCK PURCHASE PLAN:

Employees who have worked at the Cape Cod Times for at least 2 years as of June 30, are eligible. The purchase price is discounted from the fair market price (15%) and stocks may be purchased in a lump sum or by payroll deduction, biweekly, over 25 pay periods.

DOW JONES PUBLICATIONS DISCOUNTS:

Employees may receive discounts on Dow Jones publications such as The Wall Street Journal, Barrons, and American Demographics magazine.

CLASSIFIED AD DISCOUNT IN WALL STREET JOURNAL:

50% discount for employees.

*Please note that this is only a brief summary of benefits available.
More detailed information can be found in your copy of the Employee Information Book,
or by calling Human Resources at 319 Main Street on Ext. 216 or 224.*

JOB DESCRIPTION

Job Title: **Real Estate Marketing Specialist** Department: **CCOL**
Exempt
Manager: **Internet Business Development Manager**

Date of this revision: **July 17, 2002**

OBJECTIVE:

Develop and successfully execute profitable business strategies to grow market share for online real estate marketing expenditures on Cape Cod. Focus on selling Internet advertising and services to existing real estate customers and expand client base by prospecting for new business. Also, leverage customer relationships to sell print advertising in company's real estate products.

SCOPE AND PURPOSE:

Build revenue and customer relationships through sales and service of real estate accounts. Generate new business by aggressive prospecting. Work as an effective team member to help accomplish company goals and overall advertising objectives.

ESSENTIAL FUNCTIONS OF THE JOB:

- Serve customer advertising needs
- Meet individual sales and service goals
- Strive to meet team sales and service goals
- Develop new revenue sales and service ideas
- Contribute to research and development of real estate products
- Promptly handle customer inquiries
- Help keep customers in good credit standing by monitoring and assisting collections
- Communicate regularly with team members and manager on sales progress
- Monitor competitive media
- Strive to meet department goals
- Attend professional and community events appropriate to the local real estate industry
- Maintain professional and technical knowledge by attending workshops, reviewing professional publications, establishing personal networks and participating in professional organizations

EDUCATION, EXPERIENCE:

Background in real estate and/or Internet preferred.

College degree preferred but not mandatory; past sales experience helpful

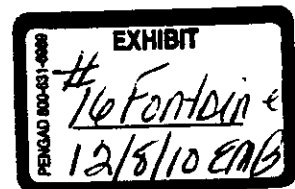
KNOWLEDGE, SKILLS, ABILITIES, CHARACTERISTICS NEEDED:

- Knowledge of Internet technology and web site development
- Thorough knowledge of advertising sales process
- Proven sales success
- PC skills above average
- Ability to prepare and deliver creative sales presentations
- Fundamental knowledge of local advertising media
- Strong written and verbal communication skills
- Strong desire to meet or exceed sales goals
- Superior customer service skills

SPECIAL REQUIREMENTS/LICENSES NEEDED

Valid drivers license required

****This job description reflects management's assignment of essential functions. It is not intended to represent all requirements of the specific position and is subject to change as needed. Incumbents are required to follow any instructions and perform any other related duties, as may be required.**



R. Fontaine - Recap of Wages and Revenue Share Payments

Period	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>Totals</u>
Salary	\$5,962	\$52,120	\$51,330	\$52,631	\$52,630	\$28,227	\$242,900
Commission	\$1,000	\$15,112	\$26,343	\$28,326	\$25,554	\$15,649	\$111,984
Benefits (est 23%)	\$1,601	\$15,463	\$17,865	\$18,620	\$17,982	\$10,091	\$81,623
Total	\$8,563	\$82,695	\$95,538	\$99,577	\$96,166	\$53,967	\$436,507

Pay Change Descr	Starting pay	Merit incr.	Merit incr.			Term.
Eff. Date	11/1/2002	11/3/2003	11/1/2004			6/7/2007
Annual Amount	\$50,000	\$1,000	\$1,530	\$0	\$0	\$0

Rev Share Computation:

Total Revenue	\$161,047	\$164,241	\$235,229	\$272,545	\$288,461	\$127,127	
Less agreed exclusio	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$100,000)	(\$50,000)	
Net Revenue	\$61,047	\$64,241	\$135,229	\$172,545	\$188,461	\$77,127	
Rev Share Percentag	20%	20%	20%	20%	20%	5%	
Rev Share Amount	\$12,209	\$12,848	\$27,046	\$34,509	\$37,692	\$3,856	\$128,160
Check Date	1/31/2003	2/2/2004	1/26/2005	2/3/2006	1/31/2007	7/26/2007	
Requested Review	No*	No*	Yes	Yes	No*	Yes	
Total Paid	\$20,772	\$95,543	\$122,584	\$134,086	\$133,858	\$57,823	\$564,667

* No letter on record.

CONFIDENTIAL

TO: Bob Fontaine
FROM: Kate McMahon
RE: 2006 Commission Plan
DATE: May 18, 2006

Bob:

I am pleased to present you with your updated 2006 commission to reflect the changes in the sales organization and our move to sales convergence.

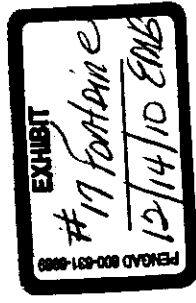
You will receive 10% net revenue for all sales within CapeCodRealEstate.com, with the exceptions of

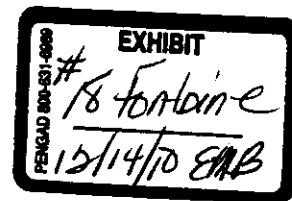
- Private party rentals
- Accounts managed by me.

Effective Date of Plan – July 1, 2006

- All commissions are paid on net sales less credits, charge backs, bad debt and discounts.

- The Cape Cod Times reserves the right to change this plan at any time.





From: Robert Kempf <mailto:robert.kempf2@verizon.net>
To: Robert Fontaine <mailto:bob@capecodrealestate.com>
Sent: Friday, December 06, 2002 12:03 PM
Subject: RE: can you quote me pricing??

Bob:

Don't worry about it. I apologize too if I've been strident or even acted like and out and out asshole. I don't mean it. As you've seen there's lots to do around here (and there) and I have to sometimes move pretty quickly.

On the banner thing - you're right, I started by saying no but since that time (yesterday to be exact) have been rethinking that stance. I thought that was clear yesterday but maybe it wasn't.

Anyway, here's my latest thought. I really like your packaged or subscription approach (i.e. for \$x you get features a, b & c.). What if we packaged banner advertising with other "stuff"? For example (and please just an example, these aren't necessarily real numbers): For an annual commitment of \$600 you get office link, 2 property slots in the featured prop database and a rotating tile in the town of your choice.

Just an idea right now, something to think about.

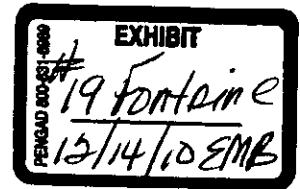
Talk to you later.

Best,

Bob Kempf
Internet Business Development Manager
CapeCodOnline / Cape Cod Times
rkempf@capecodonline.com
508-862-1351

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

Bundle



January 9, 2003

For Internal Consideration Only

TO: Theresa Lawrence, Jeff Rixon
FROM: Bob Kempf
RE: Pricing for Real Estate Book / Internet Bundle
Cc: Molly Evans, Bob Fontaine

Per our last meeting, I am proposing a bundled real estate marketing product and price. The idea is fairly straightforward – we are presenting a single value proposition with a single price but with elements across two mediums. It will be important to sell this bundle as a bundle in order for it to succeed.

Elements of the bundle as follows:

- Full page listing each month in real estate book, featuring 8 properties in standardized format
- 10 featured property “slots” in CapeCodRealEstate.com database. 8 will correspond to the 8 properties in the book, two bonus slots available to advertiser for additional properties. Advertiser will have the 10 slots available for the duration of their contract (1 year).
- 1 tile ad (120x90 pixels) in rotation on a town page of the advertiser’s choice for the duration of the contract (1 year).
- 4 weeks of a featured property pictured property slot to appear on the main page of CapeCodRealEstate.com. Scheduled on a first-come first served basis.
- An annual directory listing in the CapeCodRealEstate.com agent/office directory.

Price: \$360/month, 12-month contract

Print Revenue Share: \$220/month/advertiser

Internet Share: \$140/month/advertiser

Internet Product Value / Month:

Retail Product Price	
- 10 Slots @ \$20/ea:	\$200
- Tile Ad:	\$ 75
- Pictured Listing:	\$ 14
- Directory Listing:	\$ 35
Total @ Retail Price:	\$324
Bundled price:	\$140
Savings:	\$184 - 57%,

Print Product Value / Month:

To follow

Commission:

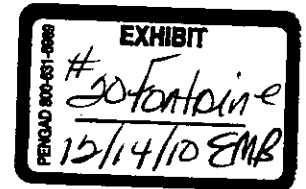
- Internet portion: 15% of revenue
- Print portion:

Can we discuss at your earliest convenience to finalize and prepare the sales staff? Many thanks.

Bob

COMMONWEALTH OF MASSACHUSETTS
BARNSTABLE, ss. SUPERIOR COURT DEPARTMENT
C.A. NO. BACV2008-00630-A

ROBERT FONTAINE,)
)
Plaintiff)
v.)
)
CAPE COD TIMES, a division of)
OTTAWAY NEWSPAPERS,)
)
Defendant)
)



**PLAINTIFF, ROBERT FONTAINE'S ANSWERS TO DEFENDANT,
CAPE COD TIMES' FIRST SET OF INTERROGATORIES**

Interrogatory No. 1

State your name, date of birth, social security number, address, occupation and business address.

Answer No. 1

Robert Fontaine, DOB: 1/15/59; SSN: 034-52-6774; Address: 30 Skyline Drive, West Yarmouth, MA; Occupation: Real Estate Broker, Internet Marketing Consultant; Business Address: P.O. Box 386, West Dennis, MA 02670.

Interrogatory No. 2

List all prior employment from January 1, 1990 to the present, identifying the name and address of the employer, and the duties and responsibilities you held at each employment.

Answer No. 2:

From March 24, 1990 until December 14, 1992, I was self employed real estate agent associated with Realty Sales of Cape Cod, Upper County Road, South Dennis, Massachusetts. Duties included listing and selling real estate in the Cape Cod area. From December 15, 1992, until January 15, 2009, self employed real estate broker DBA Fontaine Real Estate, P.O. Box 386 West Dennis, Ma. 02670. Responsibilities and duties including listing and selling Cape Cod area real estate. Approximately December, 1996, I started an internet website, CapeCodRE.com, which later changed name to CapeCodRealEstate.com. In January 1999 I added CapeCodRental.com, and then CapeBuilders.com and CapeCodMortgages.com soon thereafter. Responsibilities and duties included building websites for local real estate agents and brokerages, registering domain names, internet hosting, search engine optimization, and locating local advertisers to market their services on the websites. In October 2002 until mid-June 2007, I was employed under an employment agreement with Cape Cod Times, 319 Main St., Hyannis, MA, 02601 (508) 775-1200. Duties while employed included selling internet

advertising, assisting print staff to sell print advertising, assisting management in analyzing revenue opportunities, building websites, scheduling advertising, billing, responding to client concerns and inquiries, and many other duties as determined by employer and amended per multiple changes in my job description during the course of my employment.

Interrogatory No. 3

Please describe the nature and assets of the internet real estate business that was the subject of the purchase and sale agreement between you and CCTimes on or about October 31, 2002 (hereinafter, the "P&S Agreement").

Answer No. 3

The business and assets I was selling to the Cape Cod Times included all rights and interest in the domain names CapeCodRealEstate.com, CapeCodRealEstate.biz, CapeCodRealEstate.info, CapeCodRental.com, CapeCodRE.info, CapeCodOnlineRentals.com, CapeCodMortgages.com, CapeBuilders.com, CapeCodLinks.com, CapeCodNews.com, CapeVacations.com, Ecoups.com, NewEnglandEmployment.com, and NewEnglanWorks.com web sites, related pages, images, files, graphics, scripts, domain names, URLs, and all software and programming code necessary to view these web sites. Of these, CapeCodRealEstate.com, CapeCodRental.com, CapeBuilders.com and CapeCodMortgages.com were operating, advertiser supported websites. The operating websites were among the most visited real estate and rental related websites in the southern New England market, had #1 top Google positions for most major "Cape Cod real estate" and "Cape Cod Rental" related searches. Traffic was shown to have grown to about 85,000+ unique visitors per month. Advertising was primarily sold by local businesses contacting us to purchase available advertising space. For the non-operating domain names, the assets were the valuable domain names. For the operating website, the assets included the domain names as well as consistent and ongoing monthly traffic, a client list of some 125 annual advertisers, unequalled search engine positions, goodwill and annual advertising revenues reaching \$90,000+ by the end of 2002.

Interrogatory No. 4

Please set forth in full detail the terms of the P&S Agreement, and include in your answer references to any and all agreements that were in writing, and any and all agreements that were oral.

Answer No. 4

The written terms of the Purchase and Sale Agreement are stated in The Purchase and Sale Agreement. Oral agreements included continual statements by Robert Kempf, then Internet Business Manager for the Cape Cod Times, that CCT had a large internet division, was prepared to immediately take over the websites upon sale and "hit the ground running", that they were ready to take off on a massive marketing blitz for the real estate websites and were only waiting for the sale with me to be complete before implementing it. Kempf indicated that he was responsible for Internet and would not

allow print to use the websites to their benefit, at the expense of the websites and that they had the resources of Ottaway Newspapers behind them.

Interrogatory No. 5

Please describe any and all negotiations leading up to your entry into the P&S Agreement with CCTimes, and identify in your answer by name, role and job title, each individual involved therein.

Answer No. 5

During the course of negotiations, there were virtually hundreds, if not a thousand, emails, phone calls, and meetings. Around August 2001, I had discussions and a meeting with Bob Kempf and Molly Evans. On August 16, 2001, Kempf emailed me: "Hi Bob: Thanks for checking in. I am actually away on vacation this week (just checking email today) but wanted to get back to you. In fact Molly and I very much enjoyed our meeting and we're both enthusiastic about the possibilities. Between vacations, strategic planning meetings, the beginnings of our annual budget process and putting out the usual fires, it's been a little difficult for us to get everyone together on this. Nonetheless we will be back with you soon. In the meantime if you have questions, or further ideas you'd like to kick around, feel free to call or email Molly or me. Thanks for your patience and interest. I will be returning next week."

On October 13, 2001, Kempf emailed me "Good to hear from you and sorry we've been out of touch for so long. We are in the middle of budget season, I'm down one rep, sales are good and it's generally very busy around here. Nonetheless, I'm sorry not to call. We are still very much interested in working with you. We've been doing some behind the scenes work getting various layers of management on board. It's a process. Although the week upcoming is our actual budget review week (Molly, me and others) let's try to have a quick conversation so I can update you. Thanks for checking in and thanks for your patience."

In January 2002, I had conversations with Robert Kempf, Internet Business Manager for Cape Cod Times, regarding the possibility of selling my business to CCT. On February 12, 2002, Kempf having asked me not to commit to further advertising contracts so "we" could sign them instead, I sent an email to Kempf stating "So I come in and tell you folks about my finances, my clients, site activity. And you ask me to bear with you. Months go by and we do it again.....", I go on to say.. "I think I've been more than fair with you guys. I've been more honest than I should have been, than anyone else in my position would have been. I think it's about time that CCT shows some good will towards ME! I have folks who want to market my rental site on their sites, I have folks who want to do virtual tours for the borkers and market them on my site, I have Bainbridge offering me a deal to get brokers into the mlsassistant in concert with my site....But I hold off....in deference to CCT."

On 3/11/02 Kempf sent an email to me "....I'm happy to report that we have an offer we'd like to show you." By 3/12/02 I had notified dozens of clients they could no longer use domain CapeCodRE.com (as I had given it to partner in exchange of promise not to sue CCT, whereby he signed a release of any interest in the business in exchange for the domain name). By 3/14/02 I had informed my webmaster vendor that I was selling and would no longer need their services. On 3/20/02, I got an email from CCT

Publisher & President Peter Meyer offering employment in exchange for the business. On 3/26/02 I sent a reply to Kempf, Meyer and Molly Evans, Advertising Manager of CCT, saying "Dear Mr. Meyer, Ms. Evans, and Mr. Kempf: After serious consideration of your offer, I must respectfully decline to accept same. Over the past year, as you approached me to discuss possible options, I had indicated that there were several factors that would have to be addressed before I would be interested in giving up control of my business. This is, after all, how I support my family. Two main factors that I had noted were long term security and the ability to realize the financial benefits of building a vibrant and competitive real estate/rental portal. I do not feel that your offer assures me of obtaining either of these goals. I understand that the market is continually changing, and that there are no guarantees that I will be able to maintain or grow market share on my own. But I am fairly confident that, over the next 4 years, I will be able to earn an amount approximately equal to the total value of your offer, while maintaining ownership of my business. I cannot accept the possibility that I could be sitting here 4 years from now, having helped create a profitable and competitive internet property, and have no equity and no job. I thank you for your time, interest and sincerity in dealing with me. I tried to be honest and up front with you during the entire process, to the extent of refusing thousands of dollars of Banner advertising in deference to our discussions."

On 4/9/02 Kempf emailed me "I've been thinking about our last conversation and was thinking that maybe you and I should try what we talked briefly about - having at least one more conversation about how you and the Cape Cod Times might be able to work together. I'm thinking this would be just you and me, outside the box, so to speak, kicking around any of your partnership ideas. My feeling remains the same - as allied forces we would be a very powerful local real estate resource and that's something I'd like to give every chance of happening." A week or so after this email we met at a restaurant near the CCT offices on Main Street in Hyannis where Kempf discussed the ways in which CCT was going to help our combined business grab market share, including radio ads, cable ads, resources and marketing they were planning for us. At short time prior to 6/23/02 we discussed an arrangement whereby CCT would offer me a combination of employment and a revenue share based on sales, in exchange for my business. On 6/23/02 I emailed Kempf asking "Should I be under the assumption that CCT currently takes in 100K+- on real estate and rentals, & mortgages?" On 6/25/02 Kempf replied "Your assumption is correct." By 7/1/02 I had given them passwords to all my traffic and activity hosting accounts. During a 7/1/02 meeting, Meyer gave me the 1st revenue projection he had prepared for me, in his office with Kempf & Molly (then Marketing or Advertising Director). During that meeting, I pressed them for what they would do in online RE for 2002, Peter asked out loud to Kempf and Molly, and said "we'll do over \$100,000 right?"... Molly and Peter look to Kempf, and Kempf says "ya, we'll do \$100,000 plus." I wrote this question and Kempf replied on the actual projection that Meyer had just presented me with.

By 7/11/02 I was presented with, had signed, and was operating under a confidentiality agreement. By 7/12/02 CCT had all my financials and bank statements and business records. In a 7/26/02 email from me to Kempf, I wrote "My point is, it's important both that I know what "figure" you are associating for year 2002, and also that ultimately we both agree on a figure for 2002 now, and up until the time of closing, if any there be. When CCT tells me they will do over \$100,000 this year, and I know I've

already done \$50,000+-..... These are facts that I take note of because they are the very factors that will determine the value of my business under the formula that we agreed to use. Those specific numbers are the actual instrument we are using to determine the price of my business". In a 7/26/02 email from me to Kempf, I wrote "Regarding our discussion about the clarification of commissions; I was specifically interested in the manner in which Rental client calls for either print or web would be handled in relationship to my commission potential. If all call that came in go to the office, and I get no credit whatsoever for them, this would have a adverse material effect upon my commission opportunities?"

In an 8/9/02 email from me to Kempf, I wrote, "PM indicated to me during a meeting which you attended that all CCT 2002 and all RF 2002 would be combined to determine a number. \$100,000 would be deducted from that number, and 20% of that remaining about would be considered my RS for 2002. I've gone under this assumption since that meeting, which is why I've repeatedly noted to you that we need to identify exactly how much I have done up to the time of closing. This is because the amount I've done up to closing, combined with your total, both prior to my arrival and post my arrival, (which in itself might add \$30,000 to CCT's \$100,000+) will determine the 2002 portion of the RS." I go on to say, "Which leads me to another thought. Since CCT 2002 directly affects the sales price, should I have some breakdown of what CCT has done in 2002?". By 8/7/02 they had presented me with a "P&S Draft Agreement" with a closing date of "August..... 2002".

On 8/9/02 Kempf gave me his registration information and I began transferring many of the domain names to CCT's control, which they immediately accepted into their ownership. On 9/27/02 Kempf emailed me: "As to our revenue for this year, I'm estimating our real estate revenue conservatively at \$75k. As I mentioned earlier, it's difficult to predict accurately with a full quarter remaining and significant web development work still to come in". On 9/28/02, I emailed Kempf: "If you're target for next year is \$150,000, how do you assume to average \$100,000 over 5 years? If the "deductable" is \$100,000, if I am told that your 2002 is \$100,000, if the Projection directly implies \$95,000, and your current projection is \$75,000.....I'm not sure what to think.". On 9/28/02 Kempf's email reply to me was: "Your assumption is that what we would bring to the mix would stay at \$75k for five years. That is certainly not in our plans. As I mentioned yesterday, the mandate in our company is to aggressively grow the online business year over year. Real estate is no exception. Our projections for next year and the next five have our contribution (i.e. what our real estate verticals would be doing if we didn't have the deal with you) growing well beyond the \$100k baseline. Our target for next year under this scenario is \$150k - very achievable in our view. In fact much like you, we've been waiting to aggressively promote and sell in this vertical until our deal with you is completed. The net of all this is that the revenue share contribution when based on \$100k/yr. over the term would be quite favorable to you".

On 9/30/02 Kempf emailed me, using my quotes, then his reply to them: "If you're target for next year is \$150,000, how do you assume to average \$100,000 over 5 years? [Robert Kempf] Let's just say we are being very fair. As I've indicated before, we very much want to get this deal done and have all along. \$100k/yr over 5 years is a target we know we will achieve and exceed but we also wanted to provide you with incentive. [Fontaine] If the "deductable" is \$100,000, if I am told that your 2002 is \$100,000, if the

Projection directly implies \$95,000, and your current projection is \$75,000.....I'm not sure what to think. [Robert Kempf] I'm not clear on your comments here. We can address this further when we meet if you like". [Fontaine] My "assumption" of the \$25,000 differential is a valid one. If I assume \$100,000, and you start at \$75,000, then from the start, then every year thereafter would be \$25,000 less than what I assumed (for good cause) would be short by \$25,000. $25,000 \times 5 \text{ years} = \$125,000$. 20% of \$125,000 is \$25,000. No matter how it is sliced." [Robert Kempf] For the purposes of the deal we are assuming \$100k/yr over the five years of the deal. Our pattern (and expectations) for CapeCodOnline and the real estate vertical demand aggressive year over year growth. This has been our model and will continue to be our model so I don't foresee any shortfall on the Cape Cod Times contribution to the real estate vertical over the term of the deal." On 9/30/02 I replied to Kempf, "I'm sorry Bob, I must be a little dense, or too busy to really digest the enormous amount of information overload I am dealing with. Now, either I understood from the information I was given that CCT will do \$100,000 this year, or, as you say, CCT will "Average \$100,000 over the next 5 years." If my understanding of \$100,000 in 2002 is correct, then what you're telling me now is that number was under by 25%. If your recollection of averaging \$100,000 over 5 years is correct, then now, some 2 months later, CC5 anticipates doing \$150,000 next year, then simple math tells us that CCT expects sales to decrease the following 4 years. I'm not trying to be a jerk Bob, but those numbers simply don't jive. And this is my business, and I have a very legitimate reason to question the discrepancy, just as CCT would do the same in return...rf."

On 9/30/02 Kempf replied: "Bob: It's pretty simple really. The \$100k/yr. is simply a baseline - deliberately set at a very fair level - from which to calculate your revenue share. Because we would, in theory and according to plan, exceed that amount annually going forward on our own for the next five years, it makes the revenue share payable to you favorable".

On 9/30/02 I replied to Kempf "It's not that simple. And I don't want to beat this to death, I'm as sick of this issue as you are. But let's be on the level here. When I told you that CCT told me they would do \$100,000 this year, you said "NO! THAT'S NOT WHAT WE SAID, WE SAID WE WOULD AVERAGE \$100,000 A YEAR OVER THE NEXT 5 YEARS". When CCT, in July offer, assumes my gross to be \$80,000, and at the same time gave me a combined projection for 2002 of \$175,000, be very clear inference, and absent you giving me a specific figure, you are saying you will do \$95,000. If you project \$175,000 as a total for 2002... And attribute \$80,000 of that to me... Then clearly you were attributing \$95,000 to you for 2002. Putting aside the \$100,000 figure, and using the \$95,000 figure, when it might actually be \$75,000, is a \$20,000 difference. That \$20,000 difference, over 5 years equals \$100,000, and 20% of \$100,000 is \$20,000 out of my pocket. I don't see how you can build up to \$50,000+- over the past 5 years, then go to \$75,000 this, and assume that 2003 will be \$150,000. I also don't see it as "favorable" to me, and I don't want it to be "favorable" to me, I want it to be fair to both of us. I mean really, is it \$100,000 in 2002, Is it \$75,000 in 2002, is it \$100,000 average over 5 years, Is it \$150,000 average over 5 years. I don't care WHAT it is, just that the deductible should be that figure. The method that I understood that we were using to determine what my % revenue share would be based upon was specifically linked to the increased business that CCT realized after the purchase of my business. We didn't say, OK Bob Fontaine, you think you'll do \$140,000 in 2003, so we'll pay you XXXXX". No

one ever mentioned to me that that \$100,000 deductible was based on some figure that CCT decided that they presumed, projected, or even aspired to do years from now. There's several ways to resolve this. One is, we can wait till the end of the year, you can count your gross, and we let that be the deductible. We're getting very close to tossing this thing in the trash, if for no other reason that I have no interest in getting to the point that we don't care to deal with each other at all. Maybe it's best that we put it aside for the time being?.....rf."

On 10/11/02 in an email from me to Kempf, I wrote: "4). Clearly the key motivation for me in even considering the offer from CCT was the power and/or abilities of CCT to deliver traffic and presence via the CapeCodOnline.com, CapeCodTimes.com portals to our real estate, rental, mortgage and builder verticals. Otherwise, i'd just do it myself." Kempf replied: "Right, makes sense. And believe me, we deliver serious traffic".

Interrogatory No. 6

Please describe all communications made by or between the CCTimes and you, relating to the P&S Agreement, and identify in your answer all persons in receipt of or responsible for such communications.

Answer No. 6

Please see my Answer to Interrogatory No. 5. Also, the vast majority of all communications, meetings and phones calls were between myself and Kempf, and the majority of them were via email. Other than 1, perhaps 2 meetings with my attorney, 1-2 meetings where Molly was there, another 1-2 where Peter was there, it was all Kempf and myself. There was never a communication of any sort, where Kempf was not there. So as far as anyone other than myself who would have all the information, that would be Cape Cod Times, via Bob Kempf.

Interrogatory No. 7

Please list all communications made by or between you and any third party relative to the P&S Agreement, and identify in your answer all persons in receipt of or responsible for such communications.

Answer No. 7

My attorneys have advised me to object to this interrogatory on the grounds that it is overly broad, vague, and unduly burdensome and that it seeks material protected by attorney-client privilege and material prepared in anticipation of litigation. Notwithstanding this objection, I am not aware of any other third party, other than my attorney who looked over terms with me prior to closing, who was involved or had knowledge of the details of the P&S Agreement.

Interrogatory No. 8

Please set forth in full detail the terms of the agreement for your employment with CCTimes as a Real Estate Marketing Specialist (hereinafter, the "Employment Agreement"), and include in your answer references to any and all agreements that were in writing, and any and all agreements that were oral.

Answer No. 8

The terms of the written Employment Agreement are stated in the "Employment Agreement."

Interrogatory No. 9

Please describe any and all negotiations leading up to your entry into the Employment Agreement with CCTimes, and identify in your answer by name, role and job title, each individual involved herein.

Answer No. 9

My attorneys have advised me to object to this interrogatory on the grounds that it is overly broad, vague, and unduly burdensome. Notwithstanding this objection, in discussions with Kempf regarding nature of the job, Kempf told me that the key thing is for me not to be sitting behind a computer, that I should be 'out on the road, doing what you do best, selling to realtors.' In a meeting in Peter Meyer's office discussing dates of employment, Peter indicated specific dates were not important since CCT has never laid anyone off, except a janitor who was planning to leave soon anyway. In a letter from Peter Meyer dated March 20, 2002, Peter stated, "In regard to employment assurances, I mentioned that it is our hope you will be here for a long, long time." Peter went on to say "The focus should be on selling Internet advertising and services to existing real estate customers and expand the client base by prospecting new business." I was given an Employee Handbook showing that employee work week would consist of 37.5 hours. I emailed Kempf to clarify this and he emailed a reply indicating I would have a 37.5 hour work week. In a July 2002, conversation with Kempf about my concerns that calls coming into CCT might be directed to print, he assured me that would not happen. On August 27, 2002, Kempf emailed me a draft of the Employment Agreement. On October 31, 2002 (prior to closing), Kempf sent me draft letter to customers, includes "CapeCodRealEstate.com brings Cape Cod's most trafficked and results-generating real estate portal along with a strong history of individual attention to customers, customized marketing approaches and attentive customer service. CapeCodOnline brings powerful marketing synergies with the Cape Cod Times, state-of-the-art web technologies, an affordable IDX system and experience as the leader in custom website development for Cape Cod Realtors. During the initial phase of our integration, both existing websites will run side-by-side. We will combine data over approximately the next 30 days, and will be providing you with an improved level of exposure, service and marketing tools with our new website and web services."

Interrogatory No. 10

Please list all communications made by or between the CCTimes and you, or your agent, relative to the Employment Agreement referenced above, and identify in your answer all persons in receipt of or responsible for such communications.

Answer No. 10

My attorneys have advised me to object to this interrogatory on the grounds that it is overly broad, vague, and unduly burdensome and that it seeks material protected by attorney-client privilege and material prepared in anticipation of litigation.

Notwithstanding this objection, please see my Answers to Interrogatories No. 4, 5, 7, and 9.

Interrogatory No. 11

Please list all communications made by or between you and any third party relative to the Employment Agreement referenced above, and identify in your answer all persons in receipt of or responsible for such communications.

Answer No. 11

My attorneys have advised me to object to this interrogatory on the grounds that it is overly broad, vague, and unduly burdensome and that it seeks material protected by attorney-client privilege and material prepared in anticipation of litigation. Notwithstanding this objection, I am not aware of communications with any other third parties, besides a meeting I had with my previous attorney.

Interrogatory No. 12

Please set forth in full detail any and all documents, reports, analyses or summaries exchanged between you and CCTimes relating to the negotiation, preparation and execution of the Employment Agreement and/or the P&S Agreement.

Answer No. 12

My attorneys have advised me to object to this interrogatory on the grounds that it is overly broad, vague, and unduly burdensome. Notwithstanding this objection, please see my Answers to Interrogatories No. 4, 5, 7, and 9.

Interrogatory No. 13

Please describe the nature of the work and duties you were employed to perform for CCTimes, and include in your answer the work and duties actually performed by you and any changes or alterations to your duties, work or performance.

Answer No. 13

I was told multiple times in writing, and verbally, by Kempf and Meyer, that the Primary nature of my work would be to sell internet advertising into the websites I was selling to CCT. The "Job Description" more clearly identified the nature of the work. The Job Description was modified multiple times, including one modification that was provided to me many months past the date shown for modification. The work and duties I actually performed consisted of selling internet advertising, as well as website design, customer website updates, scheduling rental and real estate ads into the websites for print salespeople, repairing of ongoing database problems, technical analysis of MLSSstudio - IDX system malfunctions, scheduling and maintaining of MLS "SMAD" advertising, adding clients and tile & banner ads to the website, meeting print book obligations, assisting print sales staff in selling print/online packages, billing, correcting billing errors, meeting with and training real estate franchises of the functions and use of MLSSstudio, attending print sales meetings, speaking to the CC& Island Board of Realtors, attempting to keep track of and make up for online advertising where the customer was billed but the products were oversold, working olate into the nights, weekends, holidays, during

vacations, meeting revenue goals that management had given to Ottaway. Alterations to my duties were made 5-6 different times, until the final Job Description change suggested that I was responsible for helping anyone employed at CCT with anything to do with real estate. Ultimately, as I was notified in writing during the in 2003 by my Manager, Robert Kempf "you are responsible for everything within the real estate vertical". The nature of my hours worked was to be 37.5 hours per week. In order to perform the duties required of me, my typical week consisted of 55-70+ hours per week.

Interrogatory No. 14

State the factual basis of your allegation that CCTimes actively concealed its business plans from you, or that such plans included an intent to misappropriate online revenue that would otherwise have been attributable to you.

Answer No. 14

The obvious primary concern that I had in selling to CCT under a revenue share agreement was that CCT had the resources and commitment to help quickly build revenues for the business, and that the newspaper would not simply be using my business to increase their print revenues. I was quickly and repeatedly assured by Mr. Kempf that CCT was "ready to hit the ground running" and waiting for the sale with me to happen to aggressively promote the real estate vertical. Without those assurances, I had little if any motivation to sell to anyone. Kempf also assured me that they had a large sales team, crack web designers, and combined with the resources of Ottaway Newspapers, they had both the technical resources as well as the print and online marketing resources to help us own the market right from the start. He said as Internet Manager, it was his duty to increase online revenues, and they would not allow print to take money away from online, indicating that it would be print, along with radio, and cable ads that would help us increase our market share. I relied upon CCT's statements of 2002 revenues as well as expected 2003 revenues. I was given a financial document by Peter Meyer indicating the potential revenues for each year, for the combined businesses. No mention was ever made that any revenues included in any of their projections had any relationship to print. By the 3rd month after the sale, January 2003, I was notified by Kempf that print and online managers had agreed to discount the rates for online advertising by 57%, to assist print in selling their books, to be renamed CapeCodRealEstate.com and CapeCodRental.com, even as Molly Evans, then Advertising Manager wrote that she had concerns about renaming the book due to confusion it would create among advertisers. The decision "requiring" the large CCT sales staff to sell this advertising through print books at a huge discount had the obvious effect of enticing advertisers to purchase the online ads through the print staff, duliting their need and motivation to purchase the online ads through the internet department instead. This resulted in at least a 57% loss in revenue that could have been earned through those advertisers. Print and Online Management then agreed among themselves to a revenue share whereby print would credit online 10%+- of those print sales. The majority of the online component of those print ads were for 'directory listings', which under the contract should have been credited to me at 20% for revenue share. Instead, print credited online 10%, that went into online's overall revenue, where I would then get 20% of that total revenue, or 2%. The percentages may not be exact because David Hunt, Controller for CCT, refused to discuss

'print" with me when I was viewing my annual revenue share numbers, as I was allowed under the agreement. He did not even know if any print revenues were included in my revenue share, even as he stated in writing to me that "Cape Cod Times has the right to price their products as they wish". He said that "But it's obvious that the advertisers are only buying the print so they can get online". When I asked Kempf if print revenues were included in my revenue share, he replied "Yes, because it's my feeling they should be included". So prior to even completing the merging or populating the new websites with paid client advertising units, CCT already had negotiated amongst themselves and implimented plans to divert money from the new websites to the benefit of the print product.

Interrogatory No. 15

State the factual basis of your allegation that CCTimes failed to provide sales support to allow growth of the online business and actively prevented you from growing or even maintaining your existing online business.

Answer No. 15

There are several dozen email communications from myself, from the very beginning and going on for years, pleading for assistance from CCT so that I could stop working 50-60-70+ hour weeks, or during my weekends, my vacations, holidays. Each Manager was well informed and very well aware that I was working these hours. These communications were sent to Kempf, Molly Evans, and Peter Meyer. There are many sent at 1, 3, 4 am in the morning, updating them on my work. Many of the replies, most often from Kempf, explain that he is working hard to get us help "but it won't happen anytime soon." He admits that we are under resourced. When Kempf left CCT, there is a communication from Meyer suggesting that hopefully we can start getting some help from Ottaway. The sole CCT webmaster, Bryan Swallow, indicated to me right after I joined CCT that he had advised Kempt that "we cant buy this guy's business, we don't have the resources to handle what we have now." Yet in spite of purchasing my business, including 4 active websites, 120+ clients, projections by Peter Meyer of the new business doing up to \$1,200,000 a year, not a single person was added to the staff. It was continually stated by Bryan as well as each of us online, that CCT always used the cheapest vendors and tools available. I personally sold, built, placed the advertising, billed and handled all activity for about 90 percent of all sales on the websites. There were about 20 "\$720 yearly" clients whom I sold to CCT, where we got paid to manually update their websites. I handled all of them - except for 1 time when Bryan took care of one of them, and then they paid a retire years later to handle a few more. The CCT IDX tool, which I sold to some 40 clients, was in continual disrepair. This was an extremely technologically heavy tool which also ran our website databases. It was made my responsibility to work with the builder of this system, Kempf's friend, Mike Caron or Dependable NT. I must have averaged 20 hours a week trying to figure out the ongoing issues that needed to be addressed with this system, often many, many more. Kempf made it MY duty, and I was only allowed to contact Mike Caron once I had analyzed every possible cause, each and every time. For the majority of my employment, I was responsible for scanning and placing individual rental and real estate listings on the website, often when they were sold through print. Bryan Swallow was too busy with

other obligations assigned by Kempf. This was not a program that an untrained person should be working on. By the end, I could give Bryan a class on how the whole thing worked. If it didn't work, our site didn't work, and none of our client's websites would work. I responded to thousands of calls and email complaints by clients, thousands of hours of my time. Kempf would give Ottaway revenue projections, then CCT gave them to me as goals I had to meet, regardless of the other duties that "were my responsibility." I ended up having to perform every duty I had done prior to the sale, with the added duties mentioned above. We had continual server issues, email problems where we could not receive email for a week, new system put in place and then we would have no email for another week. I did the sales, I placed the ads, I did the billing. And then I was told I also had to help print sell books, place ads, learn and fix the next new ad system, then the next. Then, the print books would go out with ads in each asking advertisers to contact print to get their advertisements in the book and online. Other than free pens and pencils, there was virtually no sales support provided to me. In fact, the support I was required to help others with under my constantly changing Job Description resulted in ME being the support for everyone else at CCT. All while Cape Cod Times tells The United States Department of Labor that I was not a salesperson, but an "administrative exempt employee."

Interrogatory No. 16

State the factual basis of your allegation that CCTimes lacked adequate resources to support your clients.

Answer No. 16

Please see my Answer to Interrogatory No. 15.

Interrogatory No. 17

State the factual basis of your allegation that CCTimes caused you to suffer significant lost revenue and diminution in earning capacity.

Answer No. 17

CCTimes caused me to suffer significant lost revenue and diminution in earning capacity by incentivizing and requiring all print staff to sell into the websites, but through print, and at a huge discount, by inducing me to sell by claiming their business was much stronger and more resourced than it turned out to be, and by not adding resources they claimed they would as Kempf admitted we were short on resources. There are a dozen communications from Kempf along the years acknowledging the need for support and resources. On one occasion, Kempf told me, "Unfortunately, that's our world right now, I'm working on it, I don't anticipate that changing anytime soon." Also, CCTimes caused me to suffer significant lost revenue and diminution in earning capacity by having me be the sole salesperson for the real estate internet vertical, yet changing my responsibilities to include duties unrelated to selling internet, typically involving assisting print staff in selling their product, which was effectively reducing my revenues. From Feb/March 02 until closing, I held my advertising rates the same and refused to commit to any substantial new advertising commitment, per the request of Kempf, in anticipation

of the sale "the merged companies will obviously demand higher rates" he said. Hence my 2002 revenues were grossly diminished.

Upon sale, we basically raised fees to existing customers that were already on the website. We created a few new ad units which I could have done without CCT since a website is effectively infinite length long and infinite pages deep. In spite of their projections, sales in 2003 were about the same as in 2002. Kempf wrote this off as taking longer to merge the two sites than expected. By having all other sales staff effectively compete with me at a lower price than I could offer, sales flowed to print that could have and would have come direct to online, at a large discount, that ensured the print book would increase its bottom line. CCT sells online through print, and they save the 20% they have to pay me through revenue share. CCT ended up making \$800,000+ in sales during the 4+ years I was there, not to mention the hundreds of thousands they made in print book sales because of my websites. And I made what I would have made had I not sold them the websites, yet they also got my business.

My last Job Description change, in addition to my new "responsibilities" to now help print and everyone else employed at CCT with anything to do with real estate, they had spend my last 6+- months on the job - using my relationship with the Cape Cod & Islands Association of Realtors, to negotiate a deal whereby all Cape Cod MLS listing would be shown on the site for free. Allowing all listings to be on the site for free, and having all other sales staff compete with me at a 57% discount, it didn't seem like the way that Peter Meyer's pre-sale projections were going to become reality. Not to mention failure to advertise, a single webmaster, nor did dropping web design, domain registrations and website hosting. They didn't pay me for sales made going back 11 months prior to termination, or sales I made, billed and scheduled going forward up to 12 months after my termination. As they terminated my employment before the employment contract was due to expire, they walked me out the front door, allowing me to get my car keys, and reminding me of my "two year non-compete clause." This resulted in my family being eligible for food stamps and fuel assistance.

Interrogatory No. 18

State the factual basis of your allegation that CCTimes falsely represented its ability to market, support, and generate Internet business.

Answer No. 18

Bob Kempf indicated to me both verbally and in writing that Cape Cod Times was waiting for the sale to complete to "aggressively market the websites." He and Peter Meyer indicated that there was both a significant sales team and Internet division available to "hit the ground running from the start." They convinced me in writing to exclude year the full year of 2007 from the revenue share as "we want to exclude 07 and include 02 to be successful from the start." Yet Kempf wrote in his 2003 Managers Report on Employee Fontaine how the first year ended being wasted because it took longer to merge the two companies than they thought. When I explained that I was only interested in selling because I expected CCT to be able to help me market the sites and deliver website traffic, Kempf wrote, "and believe me, we deliver serious traffic," even as traffic showed no increase whatsoever, and dropped by some 700% since the sale. I don't question CCT's ability to market, support or generate business, I allege that while they

did have this ability, and promised to utilize that ability prior to the sale, they did not do so. Marketing was slim at best and was most often used in terms of marketing the print product. Support was effectively non-existent as I was not only responsible for creating the majority of the sales, and doing all the work from making the sale, building the websites, fixing the errors, scheduling the advertising, to billing the customers, I was also considered the support for other sales staff.

There are multiple communications where I explained to management that I received but 2-3 inquiries a year from brokers looking to join the websites, I personally created the business and sales we did acquire. During each of my many requests to Kempf, and then his successor, Kate McMahon, to get us some help through resources and advertising, neither one even knew the process of how to get an ad placed in the Cape Cod Times newspaper on our behalf. You will not find a record of either of them requesting an advertisement for these websites. The list of real estate brokers advertising on CapeCodRealEstate.com at the time of the sale is substantially the same group of brokers who were advertising on the website at the time of my departure. Traffic had fallen so low that I suggested that we re-institute individual Town Pages so that we could place "SMADS" since clients were being charged each month for advertising that wasn't being delivered. It took over a year to get these pages made. There are a dozen written notices from me to each member of management telling that that "SMADS" are oversold, yet we were still required to sell them. The ad-server would break down so often that we couldn't even keep track of how many SMADS had been delivered, and when we could keep track, they came up so short that I spent the last 2+ years trying to figure out their next month how to make up for overbilled advertising from the prior month. The amount of money that clients lost is substantial. Kempf wouldn't help me with it, Molly couldn't help me with it, Kate wouldn't help me with it, and Peter ignored my warnings.

Interrogatory No. 19

State the factual basis of your allegation that CCTimes made representations that were untrue when made and were known to be untrue.

Answer No. 19

My attorneys have advised me to object to this interrogatory on the grounds that it is overly broad, vague, and unduly burdensome and that it seeks material protected by attorney-client privilege and material prepared in anticipation of litigation. Notwithstanding this objection, there are several instances in which CCTimes made representations that were untrue when made and known by them to be untrue when made. Both in affirming or failing to clarify my specific question on the CCT's claim that they would do \$100,000 in sales in 2002. Peter Meyer's projections could only have been true if CCT provided the opportunity for the to come to fruition, which they didn't. Bob Kempf's statement that they expected to do \$150,000 in 2003 was untrue and totally unrealistic. We based the \$100,000 off-set on that figure. CCT then confirmed, when pressed on the issue, multiple times in email communications, including an email sent on 6/23/02: Question #4, "Should I be under the assumption that CCT currently takes in 100K+- on real estate and rentals, & mortgages, and combined with the \$80,000+- I bring, would be considered \$180,000 within our agreement." Kempf answered, "Your assumption is correct."

In a 7/1/02 office meeting with Kempf, Molly and Peter, Peter Meyer said to Kempf "we'll do over \$100,000 this year right?" Kempf responded, "yes." I wrote it on the Projection sheet itself at that meeting. I reaffirm having done this in the 8/26/02 email to Kempf. On 7/26/02, I wrote to Kempf, "My point is, it's important both that I know what "figure" you are associating for year 2002, and also that ultimately we both agree on a figure for 2002 now, and up until the time of closing, if any there be. When CCT tells me they will do over \$100,000 this year, and I know I've already done \$50,000+ . . . These are facts that I take note of because they are the very factors that will determine the value of my business under the formula that we agreed to use. Those specific numbers are the actual instrument we are using to determine the price of my business." An 8/9/02 "new listing" I wrote "CCT has indicated to me they will do over \$100,000 for the "Real Estate" in 2002. Since I have not been privy to your numbers, and since they very much affect me, I am relying on that number."

In an 8/26/02 email, "Fw: Traffic and Revenue," I wrote, "Based on the information that I was given, and based on the questions I asked, it was my understanding that the very reason that we were using the \$100,000 deduction was specifically related to the fact that CCT was already doing \$100,000 on their own...." This was for a closing that was scheduled to take place in August.

Only then on 9/27/02, after I had already transferred assets into Cape Cod Time's name, does Kempf state, based on another questioning of the number, "As to our revenue for this year, I'm estimating our real estate revenue conservatively at \$75k." As I was obviously concerned about this new disclosure, I emailed Kempf on 9/30/02, "Re: Some Clarification," I asked, "If you're target for next year is \$150,000, how do you assume to average \$100,000 over 5 years? [Robert Kempf] Let's just say we are being very fair. As I've indicated before, we very much want to get this deal done and have all along. \$100k/yr over 5 years is a target we know we will achieve and exceed but we also wanted to provide you with incentive." He also wrote, "[Robert Kempf] For the purposes of the deal we are assuming \$100k/yr over the five years of the deal. Our pattern (and expectations) for CapeCodOnline and the real estate vertical demand aggressive year over year growth. This has been our model and will continue to be our model so I don't foresee any shortfall on the Cape Cod Times contribution to the real estate vertical over the term of the deal." So on 8/26/02, he continued to allow me to believe they were going to do \$100,000 in 2002 "on real estate and rentals, & mortgages", never once mentioning some of those revenues were through print transfers, or how much was in one-time website design. This statement was both misleading and inaccurate.

Interrogatory No. 20

State the factual basis of your allegation that the acts of CCTimes were unfair acts and practices in violation of G.L. c. 93A.

Answer No. 20

My attorneys have advised me to object to this interrogatory on the grounds that it is overly broad, vague, and unduly burdensome and that it seeks material protected by attorney-client privilege and material prepared in anticipation of litigation. Notwithstanding this objection, I suffered loss of monies and the loss of my business as a result of Cape Cod Times' unfair and deceptive acts whereby they misrepresented to me

both the anticipated value of my business and work, the anticipated revenues, my work schedule, etc. Please see my Answers to Interrogatories No. 13, 14, 15, 17, 18, and 19.

Interrogatory No. 21

Please identify each individual known to you that is in possession of discoverable information concerning the allegations set forth in the Complaint.

Answer No. 21

My attorneys have advised me to object to this interrogatory on the grounds that it is overly broad, vague, and unduly burdensome and that it seeks material protected by attorney-client privilege and material prepared in anticipation of litigation.

Notwithstanding this objection, I believe that the following individuals are in possession of discoverable information: My Attorney, Ken Levine; Myself; Robert Kempf and/or Cape Cod Times may have much of this information. The vast majority of written correspondence was transmitted via email. Mr. Kempf spent the last day and 1/2 of his employment, in front of dozens of employees, with Roger Leroy, Network Administrator for Cape Cod Times, copying information for his own use, and deleting information from the hard drive of his Cape Cod Times computer. Based on various emails exchanged with Peter Meyer, Molly Evans, Leslie Terrey - CCT Human Resources Manager, Dave Hundt and Kate McMahon each should have some of this information available to them.

Interrogatory No. 22

Please identify each person you expect to call as a witness at trial, listing in your answer his or her full name, residence, and occupation.

Answer No. 22

My attorneys have advised me to object to this interrogatory on the grounds that it seeks material protected by attorney-client privilege and material prepared in anticipation of litigation. Notwithstanding this objection, a determination has not yet been made on this matter.

Interrogatory No. 23

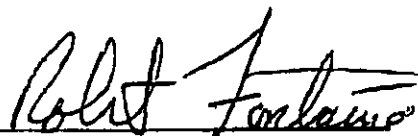
For each person that you expect to call as a witness at trial, state:

- a. the identity of each expert, giving his or her name, address, specialty, professional education and experience;
- b. the subject matter on which each expert is expected to testify;
- c. the substance of facts and opinions to which each expert is expected to testify; and
- d. a summary of the grounds for each opinion.

Answer No. 23

My attorneys have advised me to object to this interrogatory on the grounds that it seeks material protected by attorney-client privilege and material prepared in anticipation of litigation. Notwithstanding this objection, a determination has not yet been made on this matter.

SIGNED UNDER THE PAINS AND PENALTIES OF PERJURY THIS 21st DAY
OF MAY 2009.


Robert Fontaine