

JFAX COMMUNICATIONS, INC.

February 11, 1996

GSP Software
Att.: Greg James
63 Coolaroo Road
Lane Cove , 2066
Australia

Dear Greg:

This letter shall serve to confirm our Agreement on the terms by which you, a partnership of professional software developers and independent contractors (hereinafter referred to as GSP), will develop software solutions for the exclusive use of JFAX Communications, Inc., a limited company incorporated under the laws of the State of Delaware, U.S.A. (hereinafter referred to as JFAX).

- 1 You confirm that you are a full partner in GSP Software.
 - 1.1 You stipulate that you have full authority and right to enter into this Agreement on behalf of GSP Software and on your own behalf.

The partners in GSP are Greg James, 63 Coolaroo Road, Lane Cove, 2066 Australia and Stuart Andrews, 63 Coolaroo Road, Lane Cove, 2066 Australia.

- 1.1 By entering into this Agreement you specifically stipulate and warrant that there are no contracts or other understandings of any type whatsoever between you and third parties which could preclude you from fulfilling each and every aspect of this Agreement.
 - 1.2 By entering into this Agreement you specifically stipulate and warrant that you have do not represent any firms, institutions, societies, governments, individuals, products or services which provide any similar products, licenses or services to those provided under the JFAX name, nor shall

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you do so during the term of any of this Agreement's provisions.

- 2 You agree to develop original software solutions, write original software routines, carry out testing and otherwise provide technological solutions for the JFAX system, and be responsible for the creation, execution and delivery to JFAX of a series of aspects of those solutions. They shall include:

2.1 A commercially viable system for enabling faxes to be received via advanced telecommunications equipment located anywhere in the world and then transmitted over the Internet to electronic mail addresses of JFAX customers. This system shall be referred to as "Fax to E-Mail" for the purposes of this Agreement.

2.1.1 JFAX may provide guidelines and/or specifications for the system and the types of equipment on which the system must run.

2.1.1.1 "Fax to E-Mail" shall be completed, delivered to JFAX and available for full commercial use no later than January 31, 1996.

2.1.2 Among the elements of the system will be a sub-system for remote control from a site of JFAX's choice of JFAX equipment using existing Internet technology such as FTP and Telnet.

- 2.2 A commercially viable system for enabling faxes to be sent by via JFAX using popular word processor, spreadsheet or graphics software programs. The outgoing faxes will be sent via the Internet to a JFAX Server and forwarded as fax messages to any fax number in the world. This system shall be referred to as "E-Mail to Fax" for the purposes of this Agreement.

2.2.1 JFAX may provide guidelines and/or specifications for the system, the types of equipment on which the system must run.

2.2.1.1 "E-Mail to Fax" in form of "ASCII" or "TIFF" file formats shall be completed, delivered to



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JFAX and available for full commercial use no later than April 1, 1996.

2.3 A commercially viable system for enabling voice mail messages to be received via advanced telecommunications equipment located anywhere in the world and then transmitted over the Internet to electronic mail addresses of JFAX customers. This system shall be referred to as "Voice Mail to E-Mail" for the purposes of this Agreement.

2.3.1 JFAX may provide guidelines and/or specifications for the system and the types of equipment on which the system must run.

2.3.1.1 "Voice Mail to E-Mail" shall be completed, delivered to JFAX and available for full commercial use no later than April 15, 1996.

3 JFAX shall become the sole owner of all code and compiled software solutions as described in this Agreement as soon as it is developed, and GSP shall assign to JFAX all copyright interests in such code and compiled software.

4 If you are required to make purchases in order to accomplish your obligations herein, JFAX will reimburse you for the cost of those purchases. Purchases as described herein must be approved by JFAX in advance, in writing, if their value exceeds two-hundred fifty United States dollars (US\$250).

5 As payment for your creative talents and for the development, writing, testing and associated work on code and compiled software and for all of your work under this Agreement, JFAX will remunerate you as follows:

5.1 Within thirty (30) days of your successful completion and JFAX's first successful commercial use of the "Fax to E-Mail" project described above in paragraph 2.1, you shall be issued two percent (2%) of the total authorized shares in JFAX Communications, Inc., a limited company incorporated under the laws of the State of Delaware, U.S.A.

5.1.1 Such shares shall have full voting rights.



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- 5.2 Within thirty (30) days of your successful completion and JFAX's first successful commercial use of the "E-Mail to Fax" project described above in paragraph 2.1, you shall be issued an additional two percent (2%) of the total authorized shares in JFAX Communications, Inc., a limited company incorporated under the laws of the State of Delaware, U.S.A.
 - 5.2.1 Such shares shall have full voting rights.
- 5.3 Within thirty (30) days of your successful completion and JFAX's first successful commercial use of the "Voice Mail to E-Mail" project described above in paragraph 2.1, you shall be issued a further two percent (2%) of the total authorized shares in JFAX Communications, Inc., a limited company incorporated under the laws of the State of Delaware, U.S.A.
 - 5.3.1 Such shares shall have full voting rights.
- 5.4 Your proportion of ownership in JFAX Communications, Inc., shall not be reduced except in the event of an investment in JFAX Communications, Inc. of at least one million United States dollars (US\$1,000,000.00), by either an individual or group of individuals or by way of an initial public offering.
- 5.5 All code and compiled software solutions covered by this Agreement shall be treated as the trade secrets of JFAX. GSP shall not disclose to any third party, anything about JFAX operations, equipment, systems, software, code, compiled code, management or business methods to any person or entity whatsoever, without the prior, express, written permission of JFAX.
- 6 JFAX shall be permitted to assign, sell or otherwise commercially distribute any code or compiled software developed pursuant to this Agreement to any third party, as long as the transaction is made in good faith.
- 7 A violation of any provision of this Agreement is grounds for immediate cancellation with cause of any portion of the Agreement which has not been fulfilled.



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- 8 GSP shall not be required to assume any debts, liens or fees incurred by JFAX or to make any guarantees as to them. .
- 9 JFAX agrees to indemnify you from and against any and all liabilities, expenses (including attorneys' fees) and damages arising out of claims by JFAX customers, including any claim of libel, defamation, violation of rights of privacy or publicity, loss of service by other Customers and infringement of intellectual property or other rights.
- 10 This Agreement shall be governed by the laws of the State of Delaware, U.S.A.
- 11 Any dispute arising out of or relating to this Agreement shall be settled by arbitration pursuant to the commercial rules of the American Arbitration Association, San Francisco, California, U.S.A.

If you are in accord with all terms of this Agreement, please write your initials at the end of each page, and then date and sign below to denote your acceptance of this Agreement and all its provisions. Kindly return two (2) original copies of it to me at the following address: Jack Rieley, JFAX Communications, Inc., 244 Madison Avenue, Suite 191, New York, NY 10016.

AGREED TO AND ACCEPTED:

11/2/96
Date

Greg James
Greg James
GSP Software

11 February 1996
Date

Jack Rieley
Jack Rieley
JFAX Communications, Inc.

COPYRIGHT ASSIGNMENT

The undersigned warrants that the Fax to E-Mail software program (the "work") as designated below was the creation of the undersigned either solely, jointly, or as a work for hire for the undersigned, that all copyrights in the work in the United States and throughout the world, together with any rights of action which may have accrued under said copyrights, which are owned by the undersigned, are hereby assigned for One Dollar (\$1.00) and other good and valuable consideration as separately agreed to between the parties, the receipt of which is hereby acknowledged, to JFAX Communications, Inc

Work: JFAX-FAX to E-MAIL
(specify the type of program)

Completed:

Dated: August 30 1996

By: Greg James

Address: 63 Coolaroo Road
Lane Cove 2066
Australia

State of New York

County of New York

On _____ before me, _____,
Date Name, title of officer - e.g., "Jane Doe, Notary Public"

personally appeared _____,
Name(s) of signers(s)

personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary

COPYRIGHT ASSIGNMENT

The undersigned warrants that the Voice to E-Mail software program (the "work") as designated below was the creation of the undersigned either solely, jointly, or as a work for hire for the undersigned, that all copyrights in the work in the United States and throughout the world, together with any rights of action which may have accrued under said copyrights, which are owned by the undersigned, are hereby assigned for One Dollar (\$1.00) and other good and valuable consideration as separately agreed to between the parties, the receipt of which is hereby acknowledged, to JFAX Communications, Inc.

Work: JFAX-Voice Mail to E-Mail.
(specify the type of program)

Completed:

Dated: August 30 1996 By: Greg James

Address: 63 Coolaroo Road
Lane Cove 2066
Australia

State of New York

County of New York

On _____ before me, _____,
Date Name, title of officer - e.g., "Jane Doe, Notary Public"

personally appeared _____,
Name(s) of signers(s)

personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary

COPYRIGHT ASSIGNMENT

The undersigned warrants that the E-Mail to Fax software program (the "work") as designated below was the creation of the undersigned either solely, jointly, or as a work for hire for the undersigned, that all copyrights in the work in the United States and throughout the world, together with any rights of action which may have accrued under said copyrights, which are owned by the undersigned, are hereby assigned for One Dollar (\$1.00) and other good and valuable consideration as separately agreed to between the parties, the receipt of which is hereby acknowledged, to JFAX Communications, Inc.

Work: JFAX - E-Mail to Fax. (Beta Version)
(specify the type of program)

Completed:

Dated: August 30 1996 By: Greg James

Address: 63 Coolaroo Road
Lane Cove 2066
Australia

State of New York

County of New York

On _____ before me, _____,
Date Name, title of officer - e.g., "Jane Doe, Notary Public"

personally appeared _____,
Name(s) of signers(s)

personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature of Notary

September 1, 1996

Jaye Muller, President
JFAX Communications, Inc.
60 Spring Street, Room 501
New York, NY 10012

Dear Jaye,

This confirms that I have today received, as per our written Agreement of February 11, 1996, seventy-five (75) shares of JFAX Communications, Inc. stock.

I understand and reconfirm that all code and compiled software solutions that I have written for JFAX Communications, Inc. are the trade secrets of JFAX Communications, Inc. I shall not disclose to any third party anything about JFAX Communications, Inc. operations, equipment, systems, software, code, compiled code, management or business methods to any person or entity whatsoever, without the prior, express, written permission of JFAX Communications, Inc. Further, I shall not engage in any activity that could be construed as competition against JFAX Communications, Inc. for a minimum period of one (1) year from this date.

Very truly yours,

Greg James

Witness