

11/9

PAT -

THIS AFTERNOON FINDS ME IN HOUSTON, TEXAS WITH WHAT HAS BECOME FAR TOO INFREQUENT - A FEW HOURS TO MYSELF.

AS I MENTIONED TO YOU ON THE PHONE THE OTHER NIGHT AND AS WE HAD DISCUSSED PREVIOUSLY IT SEEMS DESIRABLE TO BUY OUT DENNIS AS A PARTNER. THE REASONS WERE INTUITIVELY FELT BY YOU LONG AGO AND HAVE BECOME INCREASINGLY CLEAR TO ME (AND I SPEAK FOR DEAN HERE TOO). DENNIS IS DISINTERESTED, INCONSISTENT, IRRESPONSIBLE, AND UNSHARING. (THIS IS NOT UNKIND - SIMPLY AN OBJECTIVE STATEMENT. HE IS STILL A FRIEND THOUGH

INVOLVEMENT MUST NOW BE
AT A DISTANCE.)

HE HAS EXPRESSED AN
INTEREST (WITH SOME SUGGESTION
ON MY PART) IN SELLING
OUT. HIS REASONS ARE COINED
IN DENNISESE: THAT HE
DOES NOT WANT TO STAND IN
THE WAY OF MY TAKING
A STRONGER POSITION IN
DIRECTING THE COMPANY,
INCREDIBLE! AT ANY RATE,
THE OPTION IS THERE AND
I BELIEVE THAT THE FOLLOWING
CONDITIONS WOULD BE BOTH
FAIR AND ACCEPTABLE.

1. FOR DENNIS' INTEREST IN
SHARE CAPITAL - \$25,000.
2. NO COMMISSIONS OR
ROYALTIES WOULD BE DUE
TO DENNIS AFTER SALE
AND BACK DUE WAGES

UNDER OUR CONTRACT WOULD
BE WAIVED.

3. DENNIS WOULD PAY ATLANTIS
HIS SHARE OF LOAN
OUTSTANDING TO OFFICERS
(APPROX. \$2,000)

4. DENNIS WOULD BRING ALL
ACCOUNTS OF YACHT STARSHIP
UP TO DATE.

5. DENNIS WOULD AGREE
NOT TO COMPETE WITH
ATLANTIS (TERM 3-5 YRS)

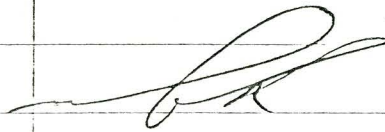
6. ALL DEBENTURE HOLDERS
WOULD BE GIVEN THE OPTION
TO REDEEM THEIR NOTES
AT FACE VALUE AND
ACCRUED INTEREST.

THIS WOULD LEAVE YOU,
ME, AND DEAN (AND WHATEVER
DEBENTURE HOLDER ELECTS TO
STAY ON BOARD). I AM

QUITE WILLING TO REMAIN
PARTNERS WITH DEAN AS
HE HAS SHOWN HIMSELF
TO BE A HARD WORKER,
AND A SWARING PERSON.
THOUGH SLOW AND NOT
IMAGINATIVE, HE IS
COMPETENT AND RESPONSIBLE.
AS CAPITAL AS YET IS
NOT MY DEPARTMENT, I
PROPOSE THAT YOU CONSIDER
FUNDING THIS RESTRUCTURING
OF THE OWNERSHIP OFFERING
DEAN AND MYSELF THE OPTION
TO REALIGN OUR EQUAL
OWNERSHIP (IN THIRDS THIS
TIME) AT TWICE THE RATE
YOU ~~BUY~~ ^{BUY} OUT DENNIS FOR.
WHEN I COME BACK
FROM SOUTHERN CALIFORNIA,
I'D LIKE TO STOP AND SEE
YOU SO THAT WE CAN

EVALUATE OUR PROGRAM SO
FAR AND AGREE ON A
COURSE OF ACTION FOR THE
FUTURE.

HOPe YOUR TRIP TO
ANTIOUA WAS BOTH RELAXING
AND EVENTFUL.

A handwritten signature in cursive script, appearing to be the initials 'JR' or similar, written in dark ink.