

From: Dan McHale <dmchale@rspinv.com>
Sent: Friday, March 21, 2014 at 05:53:20 PM CET
To: "John DeLoche" <jdeloche@rosemontseneca.com>
Cc: ncallahan <ncallahan@rosemontseneca.com>, "William Lee" <will@rstp.com>, "Hunter Biden" <hbiden@rosemontseneca.com>, "Devon Archer" <darcher@rosemontseneca.com>, "Eric Schwerin" <eschwerin@rspinv.com>
Bcc:
Reply-To:
Priority: Low
Subject: Re: Neil - a few RSTP questions

Thanks John, this is good color. As for JP Morgan, what part of the firm are you speaking with? I only ask because they're obviously huge and make investments from various divisions so I want to certain that it's not a different group from the one that I met with.

Dan

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On Fri, Mar 21, 2014 at 12:42 PM, John DeLoche <jdeloche@rosemontseneca.com> wrote:

Hi Dan,

I think the agreement will be finalized today. We agreed to pay you a 5k monthly retainer for 6 months and have the success fee paid out on the same schedule as Troy, up to 10 quarters, to put you on totally equal footing with them. We are very excited to have you on board!

Due to the delay, JP Morgan has already signed an NDA and we have a meeting set up with them. Sorry about this as I know you have a relationship there as well.

New RSTP investors will have pro rata ownership in both Counsyl and Metabiota. Cataphora has been fully realized so there will be no ownership there.

Goldman has committed a total of \$39 million to RSTP, of which, \$23 million has been invested in a fund called RSTP II Alpha. We expect an additional \$15-16mm to be invested with us by the end of April. We are talking to GS today about their participation in RSTP II fund directly. We are confident this will happen.

We should market it as a first closing with over \$30 million and the largest LP being GS. I don't think you need to get into the weeds of what the different funds look like, but rather aggregate it which has been working with the other investors we are talking to thus far thru Troy (Neuberger Berman, Morgan Stanley, Julliard, JP Morgan etc).

Note investors who commit to RSTP II are allowed to co-invest on a no fee and no carry basis in deals in which there are co-invest opptys. Investors who do not commit to the RSTP fund would invest with us in SPVs and pay us 2 and 20 through those vehicles.

I hope this helps.

I am in NYC all day next Friday, 28th. No meetings on the calendar yet. Also in town on the 27th and available of meetings in the afternoon that

day. I look forward to getting something scheduled so feel free to fill it up if you can. We will send you updated marketing materials today which supersede the ones you have.

Best,

John

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On Mar 21, 2014, at 9:29 AM, Dan McHale <dmchale@rspinv.com> wrote:

Hi Neil,

I've been going through all of my notes, as well as the RSTP presentation as it looks like the contract will be done any day now (I need that prior to being able to send materials per FINRA), and I just wanted to clarify a few questions.

1) If someone invests in RSTP II, are they only investing in future investments or are they prorated into existing Counsyl, Metabiota, and Cataphora deals?

2) Of the \$30mm that was closed in December, is any in the

commingled fund? And how much of that was Goldman? Can you provide me the details on the GS commitment so that I'm tight on that (I recall they will not be in the fund). The institutions I deal with will definitely want to know the makeup of what capital is currently in the fund as opposed to an SPV or co-invest, so I want to make sure that I'm tight on all of this.

I'm really looking forward to working together, I like this story a lot (regardless of the firm overlap).

Dan

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