

November 2014

Dear Mr ~~Hales~~,

I am concerned that the Weavabel business approach to you via Jed has been rather one sided. Would it be possible for me to have a conference call with you or other method of communication? Mike Harding, General Manager, could join as necessary.

Our concerns relate to:

1. Jed leaving the business in August 2014 without warning when we had to take control back of the business after trying to make it work with Jed in control since May 2012. He resisted Lance's appeal for him to take a lower role while we 'caretakered' the business back to health. He clearly resents this action but it was very needed as the business was failing to deliver it's full potential under his leadership.
2. Jed's recently acquired proportion of the business wealth being apportioned to him buying out a share in Creatif (Baileys). We are concerned that this is not in Jed's best interests. Also that we are starting a trend of paying money from Christies to Baileys via Jed. Jed resists our suggestion to work closeley with the Baileys to see if we can set up a winning formula.
3. The challenge of Jed splitting his time between two businesses and being effective in both of them – especially in view of him being away so much. We felt that Jed actually needed sustaining within a role in a larger business – a challenge that we were prepared for.
4. Jed 'running his own programme' without relating to the structure within the business. This would include the financial side as well – no coordination with his father, mother and brothers – his fellow partners.
5. Jed is morally very stable but struggles to keep up with the pace of modern business so his influence has a tendency to hinder progress – he questions things and delays decisions rather than positively supporting a winning formula. He has traditionally supported underachievers and resisted potentially high achievers joining the business. This results in friction as ensuing issues have to be addressed.
6. Interference with the father-son relationship through influences outside the business. Lance's underlying commitment and respect for Jed remains unchanged but it's clear that Jed has been influenced against him for some reason. The confrontational attitude towards Lance from Jed and Casey seemed to escalate after we had a crisis meeting involving local brethren one year ago. There seems to be resentment of Lance's style of management. This tends to be disruptive and hard to accommodate within the business.

It seems that since handing over the responsibility for finance to Jed in May 2012, that there has been an effort by Jed and Casey to pursue their personal agenda at the expense of the UBT based business agenda that Lance had entrusted to him.

I think this needs some investigation. The latest reaction when we suggested realigning the partnership share to reflect the irresponsibility of his actions is that he would stand out against this and take his money out.

This is not the true Jed. We refute the charge from Baileys and shared with Garth and others which is that we have ben 'knocking Jed back, physically, mentally and spiritually'. Whilst I own my failure as a father, this is exactly what we have not been doing. Baileys are convinced, and

backed by some the locals, that the situation is of my own making. It's very difficult to change their thinking.

Jed has done some extreme things from time to time that we've found destabilising. For example in December 2005 he 'had God's word to sell the business'.

We attach figures to date and agree that we have a strong business. We hope to have a financial report ready late December overviewing the past four years trading. We humbly submit that we can grow this business now that there is control and accountability being introduced but it'll need this strong financial base in order to do this. If we can achieve £20 million turnover at 50% GP within the next five years, that would be quite a feat!

We only want the best for Jed so are wholeheartedly committed and motivated to pay Jed's ongoing care out of our family business so long as we can do this legitimately. This will be a significant cost.

Lastly, on a personal note, can you confirm that you have said that we must stop dealing with Polo Ralph Lauren in New York? It's just that the arduousness of the signed trading agreement is somewhat offset by the high GP (80%) that we have been making on their orders and the fact that our suppliers have underwritten the agreement that we signed. So far, their delivery time requirements have been fairly relaxed so easy to accommodate. We will gladly submit to your word on this.

Much love

Lance Christie

Deb Christie