To: jeffrey epstein (jeevacation@gmail.com)[jeffrey epstein (jeevacation@gmail.com)]; jeevacation@gmail.com[jeevacation@gmail.com]
From: Boris Nikolic
Sent: Fri 6/20/2014 10:10:51 PM
Subject: FW: FW: Operating Agreement of BNG1, LLC

Please see comments below

B

From: David Schwarz[redacted]
Sent: Friday, June 20, 2014 11:17 PM
To: Hayes Nuss; Boris Nikolic
Subject: Re: FW: Operating Agreement of BNG1, LLC

On 6/17/14, 1:39 PM, Hayes Nuss wrote:

> I've read it and it is as he described.   It is pretty basic and not what I'm used to.
>
> It is open ended with no investment period. But I don't think that is necessarily a problem since I still think the Managing Member and Members are still aligned.
>
> I'm uncomfortable with members providing debt - there is too much opportunity for abuse with no controls for side deals that are not in the interests of other members. There should be an advisory committee with some teeth.
>
> I don't agree that a 0% management fee is necessary or expected by likely investors. Investors should understand that Boris needs to pay the bills. The document is not sufficiently detailed on what kinds of fund expenses Boris can charge through to members.

I don't know that I understand what is meant by "no open solicitation". What is the line there? Doesn't Boris have a target fund size and shouldn't he use all means to get there? I do think it is good to have a small group of investors for your first fund but not if it limits the number and type of deals that he expects to do in this fund.

These are just a few very quick impressions.

Co-locating with another VC fund is potentially a good move for him.

Hayes