

2198. 6_7_2000 - Phone Conversation.Norris, John.Adams, Ray.txt
RFC Headers:

From: Norris, John
To: Adams, Ray
Date: 6/7/2000 10:11:46 AM
Subject: Phone Conversation

Ray, good speaking with you this morning. Hope it wasn't too late on the Island!

I received a fax from the law firm this afternoon as a result of the conference call.

Just to recap, we included Jan in the law suit in hopes it would give you leverage to impact Jan's relationship with Nagra and/or slanderous comments he apparently has made towards NDS, you, Mike, Alex, et al. We (NDS-US and DIRECTV) have no "case against Jan although the law suit certainly impacted him somewhat. I think the biggest impact was the concerns his family has on their good name.

When and if you can use the law suit to your advantage do so as you see fit.

Our negotiations with the 4 Canadian's, 'D,' Tosh, Ereiser and Huddleson are supposed to be "secret" at this time although I have absolutely no problem with you divulging whatever you want to divulge to the Bulgars. In fact, giving them a 'secret' update may solidify their perception of your trust in them... just make sure they understand they may not disclose to the Canadian's anything you share with them. The Canadian's are convinced the Bulgars work for NDS and are part of our strategy. Jan on the other hand does not know what the Bulgars are up to other than they were also listed in the law suit as far as we can determine here.

The negotiations are now boiling down to 8 items.

- 1) All canadian's must consent to a \$1 million (Cdn) judgement with agreement the judgement is recognized by the canadian's in US Federal Court. We will dismiss the other law suit we have against them in the MT Federal Court. They must comply with items 2,3, & 4 following or we enforce the judgement and begin collection procedures against all.
- 2) They agree to a permanent injunction against hacking NDS technology anywhere, world-wide.
- 3) They immediately stop all hacking and do NOT sell their hacking business to anyone.
- 4) They turn over all contraband and research.
- 5) Each partner will be liable for a fine of \$150,000 if any other member of the group violates 2,3, or 4. Violator liable for the \$1 million fine.
- 6) They turn over all business documents/records.
- 7) They cooperate with debriefings (you might want to join in on the debriefing if interested Ray). We have the option to follow-up with future debriefings.
- 8) They must testify in other civil and criminal proceedings on a case by case basis.

Ray the strange thing about this entire affair is Reuven's insistence we (NDS) debriefed Norm Dick the morning after the warrant with intentions of turning Norm in 1996. DTV was adamantly against the debrief although Reuven put his foot down and the debrief was done (to our full advantage). The agreement above could have been initiated 4

2198. 6_7_2000 - Phone Conversation.Norris, John.Adams, Ray.txt
years ago and both companies would have save SUBSTANTIAL legal
expenses not to mention our belief that the P02 hack would have been
sorely curtailed. RH was right in his assessment and objective but
the customer was unwilling.... said they wanted to take everything
Norm owned and put him in jail.

As it turned our, everything seized in the criminal search warrant was
returned to Norm by the Court and the RCMP was forced to pay the
defendants a large fine. Norm has since hidden all of his assets and
will likely NOT lose anything in the civil proceeding and he continued
to hack the technology.

If Directv had only listened to the strategy in 1996, we would be a
lot further down the road in neutralizing the Canadian mob.

50-50 hind sight!

John