



MARTIN^{LLP}

January 15, 2020

VIA E-MAIL (hharsanyi@rebny.com)
AND FEDERAL EXPRESS

Ms. Henriett Harsanyi
Director of Operations
The Real Estate Board of New York, Inc.
570 Lexington Avenue
New York, New York 10022

Re: Stratus Data Systems, Inc.

Dear Ms. Harsanyi:

We are writing on behalf of our client, Stratus Data Systems, Inc. (“SDS”) to address a matter of urgent importance regarding the Software License Agreement, as amended, between it and The Real Estate Board of New York, Inc. (“REBNY”) (“the License Agreement”).

As you know, pursuant to the License Agreement, SDS licensed to REBNY certain limited rights related to the Listing Transmission System portion of what the parties defined as “SDS Software.” The license rights conferred to REBNY by SDS were precisely drawn with respect to the important matters of the limitations on access and permitted uses to SDS’ proprietary software.

The License Agreement, along with the corollary Vendor/End-User License Agreement SDS required REBNY to make with any vendor and/or end-user making use of the SDS Software, leave no uncertainty “that SDS owns all rights, title and interest, including but not limited to copyright, patent, trade secret, and all other intellectual property rights, in the SDS Software and any changes, modifications, additions and corrections thereto utilized by the system.” Consistent with that acknowledgement of complete ownership, REBNY is prohibited from “permitting any third Person to disassemble, reverse engineer, de-compile, alter or otherwise modify the SDS Software.”

REBNY representatives have made various statements about the announced transition from SDS to Perchwell’s “Elastic Listing System” that causes a concern on the part of SDS about the infringement of SDS’ valuable rights and the violation by REBNY of the agreements related to the SDS Software. In particular, the representations REBNY has made to vendors to the effect that the transition or conversion can be made seamlessly and with nothing more than a modification of the server URL and the issuance of new credentials are inconsistent with our experience that conversions of the nature planned here always need a configuration of the user’s systems in order to work with the new software system. That SDS has not been asked to and has not agreed to provide data in a pre-agreed format leads us to conclude that Perchwell is

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attempting to take a shortcut in its development efforts by using SDS metadata, data dictionary and definitions to build the Elastic Listing System. Any such use is not permitted, and it makes the Elastic Listing System a derivative work of the SDS Software.

On behalf of SDS, we demand that REBNY immediately cease and desist from allowing Perchwell to use the access afforded to it by REBNY to conduct its unauthorized copying of SDS' metadata and that it confirm to us, in writing, by no later than the end of the business day on January 22, 2020, that it is taking appropriate steps with Perchwell to ensure that the Elastic Listing System not be built from any proprietary elements of the SDS Software and that Perchwell assign to SDS all ownership to any derivative work it has already built.

This letter is without prejudice to SDS' exercise of all of its rights, including the right to seek injunctive relief and monetary damages.

Very truly yours,



Mark S. Gregory