

Subject: 7TH RAY LABS LTD - amending our contract, readjusting rate

From: Michal Siemaszko <mhsiemaszko@fastmail.net>

Date: 10/3/16, 01:12

To: Derek Palma <dpalma@vnomic.com>

Derek,

It will be close to year and a half since we work together.

When I was starting, in April 2015, close to none of the tech stack used in Vnomic app I had any experience with - I learned a lot, gained a lot of experience, and I know there's still a lot to learn/parts of Vnomic app and tech stack which are not known to me / I have no experience with.

Most tasks / projects assigned to me I completed successfully - very recently you mentioned, and it's a fact, that on F5 project most issues which even F5 didn't know how to tackle were resolved thanks to me / my effort; there's been many other projects like this and will be if we continue to work together. Projects which I am not able to complete - yet - or take longer to complete, stem from fact I have no experience - yet - with all of the tech stack and/or existing code. My dedication, working after hours / weekends if necessary, should be clearly visible after these almost 18 months.

Because within the next 2-3 months I will be moving out of Poland completely - I have few remaining things to take care of while I'm still there, which I should be able to complete within a month or so - and, if all these projects you mentioned pending are still in the pipeline (Fog Director, Hadoop automation, etc.) and Vnomic would like to continue working with me, I would like to take this time to ask for amending/renegotiating the contract we have.

1. Our contract is an independent contractor agreement, yet invoices are being issued by LTD company where I'm a shareholder and director. If, as an IT contractor providing services via my LTD company, I wanted to get mortgage, or if there was any control from UK authorities, this contract is in fact not a proper contract; it must be a B2B contract, where my LTD company is the service provider, in addition to (adjusted) rate and notice period being specified in the contract.

2. Since, unlike an employe, all of the cost for you is what you pay me monthly and I have to offset it against taxes & other expenses (taxes, accountancy, social security equivalent, retirement fund, vacation time, etc.) in addition to risk I take because of the very short notice period (currently two weeks) - and the baseline rate in such case is well over the 24 USD / hour (which current rate comes down to), even for remote contracts, in fact 3 or 4 times that amount considering I have well over 10 years of experience in IT - plus, I will be living in a country which has higher living expenses - I would like to ask for re-adjustment of this rate. I propose the following 3 options - rates given are per hour, calculated based

on 160 hours monthly, but amount / rate in contract would remain per month, as so far; often it's more than that, but I do not charge Vnomic for over-time, as you know:

a) 25 GBP / hour (4000 GBP / month @ 160 hours monthly; approx. 5165 USD / month at current exchange rate, which is ~ 32 USD / hour) - 24 month contract (extended automatically after that period, if we both agree to that) with 3 month notice period - lower risk for me, lower rate

b) 32,5 GBP / hour (5200 GBP / month; approx. 6710 USD / month at current exchange rate, which is ~ 42 USD / hour) - 12 month rolling contract (extended automatically after that 1 year, if we both agree to that) with 6 weeks notice period - medium risk for me, medium rate

c) 40 GBP / hour (6400 GBP / month; approx. 8260 USD / month at current exchange rate, which is ~ 52 USD / hour) - like currently, i.e. month-to-month (open-ended) rolling contract with 2 week notice period - high risk for me, higher rate

Kindly please let me know which of these options fits Vnomic best or perhaps Vnomic can suggest an alternative.

Considering our business relationship of these past 18 months and the amount of work that's always there @ Vnomic, the time it takes to get to know the tech stack, I hope we can come to a mutually satisfying agreement.

Regards,

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