

Press Release

Reluctantly, Arumai Forced to Bring Litigation

Los Angeles Cal., San Francisco, Cal., Armonk, N.Y. December 13, 2016/PRNewswire-FirstCall/ -- Arumai Technologies, Inc., the only leading, independent, pure-play OTT products and solutions company, reluctantly was forced to bring litigation in the United States District Court, Southern District of New York in a case styled as 16-cv-awaiting docketing *Arumai Technologies, Inc. v. Kevin J. Conner and Conner & Associates, P.C.* under the claims of Negligence, Tortuous Interference, and Breach of Fiduciary Duties at \$95 million per count.

Chairman & CEO P. Stephen Lamont commented on the new litigation and stated "much like with Warner Bros. in 2013, Arumai tried very, very hard to avoid litigation, the parties were very far apart from the beginning, and Arumai's valuable assets cannot be compromised then bought off for \$5,000, \$25,000, or even \$75,000. There are simply too many unanswered questions in this matter that can only come out in the Discovery portion of litigation."

The basis for the litigation is that: On December 5, 2014, Arumai and Conner PC entered into an Engagement Agreement for purposes of compilations, audits, and tax returns of Arumai, on October 2, 2016 Conner requested that Arumai send its September 2016 Business Plan for his upcoming trip to Silicon Valley where each and every page of the September 2016 Business Plan was marked "Proprietary and Confidential." Along with the September 2016 Business Plan, Arumai supplied Conner with a Mutual Non-Disclosure Agreement for signature and Conner did not present it for signature. In an October 4, 2016 email, Conner stated: I had dinner with the head of Google ventures (sic) - a hombre of a college roommate. He now has you on his radar. I am charging you for 2 hours of my time, on October 5, 2016, Conner stated in an electronic mail message "They will do a review of the Business Plan and the IP," on October 6, 2016 Conner stated in an electronic mail message "you will take our invoices and times them by 20 times [if a transaction is consummated] not 10, my friend!!!, On October 7, 2016, Arumai provided Conner and Connor sent Google Ventures a one page Overview to accompany September 2016 Business Plan, equally marked "Proprietary and Confidential" that laid out the entire patent prosecution strategy for U.S. patent applications no.s 09/587,730 , 09/587,026, and 09/630,939. In an electronic mail message of November 6, 2016 Conner stated: "This is the response I received: Why not get a licensing deal with a strategic partner and let them build out the technology rather than build it yourself and "they will come."

Delighted at the response of Google Ventures, Arumai requested contact information for the head of Google Ventures - name, title, company, telephone, mobile, email, so that it could pursue that path with Google Inc. on its own, and Conner has refused to provide the information. Nine of the twelve exposed patent ideas are built upon artificial intelligence (“AI”), and includes an Expert System and a Knowledge Base. All four of the software platforms to be built are defensively protected by the patent ideas, among others.

Arumai received a response to its inquiry from counsel to Conner, Catherine S. Straggas, Esq. of Margolis Edelstein in Philadelphia denying that a meeting between Conner and Google Ventures ever took place. Arumai requested an explanation and restitution of the exposition of \$95 million in the unauthorized disclosure of patent and product ideas to a large, cash rich, competitor by December 2, 2016, did not receive such that led to the Complaint. On November 29, 2016, P. Stephen Lamont, Chairman and CEO of Arumai telephoned Straggas in last attempt to resolve this matter outside of the instant action and Straggas did not return the call.

As is traditional within Arumai, Lamont closed by stating “Arumai has always been about something much more important than patents, products, or money. It’s about values. We value originality and innovation and pour our lives into making the best products on earth, and we do this to delight our customers. Starting at the conclusion of the litigation with our adversaries, values will win and I hope all of Silicon Valley listens.”

A full copy of the Complaint is available at <https://sites.google.com/a/arumaitكنولوجies.com/arumai-technologes-inc-enabling-connected-tv/home/News/litigation>