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Copyright infringement and Breaches of the Fair Trading Act

Mr Jones and Mr Bedggood,

We are the publishers of *Commercial Real Estate Investor's Guide* by Peter Aranyi, *The Rascal's Guide to Real Estate* by Olly Newland and *Property Tax – A New Zealand Investor's Guide* by Mark Withers, which are copyright works in which we own exclusive publishing rights worldwide. That copyright and those exclusive rights are protected under New Zealand law.

It has been brought to our attention that you have reprinted substantial parts of *Commercial Real Estate Investor's Guide* — including several quoted excerpts from *The Rascal's Guide to Real Estate* and material contributed by Mark Withers on commercial property tax issues — and included them in course materials for seminars run by Richmastery Limited.

We further note that Richmastery has plagiarised an article '10 traps to watch for when buying commercial property' written by Peter Aranyi (copyright retained by him) and published in *KPI Commercial* magazine in July 2005. Substantial material from this article appears in Richmastery course notes, again without permission or acknowledgement and bearing a copyright notice in the name of Richmastery Limited.

Examination of these materials shows significant and substantial copying and in many cases your use of the content from these copyright sources is word-for-word.

John Bedggood admitted this to Peter Aranyi on 19th August 2006 at Richmastery's commercial property one day seminar in Auckland. Mr Bedggood said he felt uncomfortable and embarrassed presenting the course in front of Mr Aranyi because he had "sourced a lot of the course from your excellent book". He said Mr Aranyi would recognise much of the course material because "you wrote it".

As Mr Aranyi pointed out, no acknowledgement of the source of the material appears in your course notes and you have labelled the course book "© 2006 Richmastery Limited. All rights reserved."

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We note that the August 2006 seminar referred to was videotaped.

We further note that Richmastery promoted and hosted a commercial property seminar by Mr Bedggood in Tauranga 9 December 2006 with the same material and that another similar Auckland seminar (12 May 2007) featuring Mr Bedggood is being promoted currently by Richmastery and its franchisees.

We take this matter very seriously. The material you have reproduced and unethically passed off as your own therefore amounts to illegal copying and your conduct infringes our and our authors' exclusive rights in terms of the Copyright Act 1994. It is also likely to constitute criminal offences in terms of the Copyright Act 1994 and the Fair Trading Act.

Note that the so-called 'author' of the infringing material, John Bedggood, and Richmastery Limited, and its individual franchisees *as distributors* face liability for making and dealing with infringing objects.

We have taken legal advice on this matter from our QC who indicates that your actions have also breached the Fair Trading Act. By using the material as you have, you are in effect passing off our authors' intellectual property, ideas and manner of expressing them, as your own and using this to promote John Bedggood and Richmastery as "experts" in commercial real estate investment. Your actions amount to misleading and deceptive conduct.

Your actions cause financial loss and damage to the real authors of this material (who conduct commercial property training courses in association with Empower Education Ltd as you know) and to ourselves as the legitimate publishers of these books.

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By way of example, we **attach** several sections of the Richmastery commercial property seminar course book and pages from our own *Commercial Real Estate Investor's Guide* publication (©2004) with highlighted sections demonstrating the extent of your illegal copying. We can demonstrate 20 pages of the approximately 60 page Richmastery course notes book contain information copied from our publications. The 'Richmastery Commercial Building Assessments Checklist' has been taken completely from *Commercial Real Estate Investor's Guide*.

We therefore require that you make the following written undertakings by 4.00 pm 7 May 2007.

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This accounting is to include content of the ***Richmastery Property Academy*** which John Bedggood is promoted as 'writing', materials supplied as part of ***Richmastery Property Mentoring Program*** and **any other events held by Richmastery.**

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(b) pay an amount of damages to Empower Leaders Publishing Ltd.

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If we do not receive the undertakings specified above within the time limit given we will not hesitate to enforce our rights.

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