

Chapter 4

In a previous chapter I ended by saying “Who’s greedy and jealous?” ...

But I wanted to make clear that I did not use those words first... Those words were said to me by my parents at the 2001 meeting with Keith, Karen, Sherry and me. I now believe that’s why Keith had no problem doing what he did. After this whole mess some people told me that Keith was always in competition with me (I did not know that). I had a successful career in technology that had gone on for years and he was an insurance salesman who lost his job. I never gave a second thought that Keith could have been jealous. I was always busy with my work.

I have not mentioned this yet and at the time I excused it away. Many years before Keith and I got into business I had another business based around a software package called WinTell. A software package for sales people that tracks their prospects. Keith, Mike and another Chris were at someone’s house and Keith asked Mike if he knew the code I wrote. Mike said yes. Mike had been working with me for a while after I had developed the software and was helping me custom design for specific companies. Well, when Mike said he knew the code Keith said, why don’t we go into business together and take the software, why do we need Harvey? Mike had already got a tape recorder and recorded the conversation. I already had several companies that had bought the software and was making money and so was Mike.

Mike brought the tape over to my house and played it for Sherry and I. Sherry and I could not believe what we heard. I asked Mike if Keith was drunk or something. Mike said he was drinking. I defended Keith and said, well he may have been joking or he was just drunk and was just shooting off his mouth... anyway I just blew it off as some weird event...

This was years before I started the insurance business using FaxForce/Fax-On-Demand with Keith.

Now I know this was not just a weird event, it was how Keith operated even with his own brother. I had many things I developed over the years before I got into business with Keith. Keith had been an insurance salesman and was fired by the company for reasons I won’t get into and was out of a job when I called him to see if he wanted in on using FaxForce for the insurance business. I thought we could work on this and he could get involved with this new technology I had just come up with.

So, let’s take Keith, Karen’s and Chris’s lies and Schemes 1 at a time...

These are sections of the letter Keith, Karen and Chris had sent to me and the family in 2001 or so...

Currently the Harvey Lawton that you are displaying to me may not be how you wish to appear. You are coming off unreasonable and ungrateful. We have put up with your temper for years. All because of a stock you didn't want at first.

I only became "unreasonable and ungrateful" after I wanted to see the books... Did not want stock? No, I wanted the stock... a third for each person... Chris wanted more stock... In the end at the meeting in 1994 Keith and I took 25% each... Chris got 50%...

However Telerate was not a corporation, it was a sole proprietorship in the name of Keith Lawton only. We completed all the pre-unification documents without awareness of Harvey Lawton as anyone other than a programmer. Nothing required Harvey's signature, as Harvey Lawton did not exist in any legal sense for Telerate or its creditors. When I wanted to know if someone else would be able to help with the Telerate bills, Keith protected Harvey and assured me that Harvey was in no way responsible for any of the bills.

The reason I did not have to pay any of the bills was because that was our agreement when I first came up with the idea to start the company. The company really began in Massachusetts when I began using FaxForce to write the code for our company. That took about 4 months and much more had to be done in the future. Keith did nothing until I moved back to Colorado. The reason the company ended up in the red after 5 years was because Keith was not very good at advertising and Chris said he was. Keith had told me that Chris had much more experience in advertising before the 1994 meeting. The software I had developed over the years did work and that's what Chris really wanted.

and...

Only when I wanted my share around the year 2000 did I hear I did not help with the TeleRate bills. If Keith or Chris ever mentioned that when we merged I would have told both of them to take a hike and left the meeting in 1994... And they knew that... But Chris, Keith, Nina and Karen knew that they needed FaxForce or the companies were not worth merging. So now in 2001 after they had already gotten everything they needed from me all of those years they come up with these trumped up false excuses, lies and schemes.

Any contribution you have made to this firm has been paid for. You are unhappy with more than 80 thousand dollars we sent you. You are constantly making threats and demanding money. Your temper tantrums have inflicted difficulties on the directors of NetQuote. You caused cancellation of my vacation to Italy, wasted time and money on spurious ideas not part of our core focus, hired our engineers away and caused divisive power struggles, all for nothing! All at a tremendous cost to NetQuote's most valuable resource, us. The guys that send you money!

This was around 2001... 80k or so was distributions from about 1998-2001 Keith took a total 800k or so (I have the exact figures and dates but trust me Keith was taking most of my share too) ... Chris said "Hired our engineers away" another lie... Mike quit because Keith assaulted him. The only engineers were Mike and I... Wow! Chris and Keith both knew this was just another lie but Keith & Karen went along with it...

Just about everything Keith, Karen and Chris wrote are lies and schemes. I could count the true statements on one hand.

It was unethical when, in May 2001, you tried to coerce your brother into relinquishing part of a dream he made reality, not you. Something that he created not you. Something he worked on night after night, day after day, not you. (A dream Keith was willing to risk his personal fortunes on, while you sat on the sidelines for the last seven years, never at risk. You never paid a bill. Trying to take Keith's shares of stock from him is totally unreasonable. Your request indicates a total lack of concern about what emotional and financial damage this would do to Keith. It also indicates a total lack of empathy and awareness as to the important concern about how much damage it might do to his marriage. NetQuote represents the embodiment of Keith's dream. After his wife and children, NetQuote is the fulfillment of Keith's life. I know because I work with him every day. I have worked everyday to make Keith's dream a reality. NetQuote is a corporation that matters hugely to me—and to Keith and his wife and children, as well as your father and mother.

Says I tried to coerce Keith into relinquishing part of a dream. Keith worked day and night. So, did I, from home, and so did Keith for many years. I never paid a bill because that was the deal Keith and I had from the beginning.

I kept my word with Keith, but Keith did not when the money began to come in.

Keith would have never been in a technology-based company in the 1st place if I had not invented FaxForce/Fax-On-Demand and called him after he lost his job at prudential.

When during the first corporate meeting, Harvey announced that he would be withholding the ownership of the Telerate software, we knew that having Harvey do much programming for us in the future would be a mistake. Especially since Harvey was not contributing "sweat equity" but instead required payment for writing software. When it came time to write software for the Internet, to create NetQuote, we made sure hire outside contractors that would not have claims on the NetQuote software and help Keith write it himself.

This was in 1995 or so... I wrote all of the leading-edge code for NetQuote up to 2001 or so. Bill wrote accounting database code. But, just about any database programmer could do that. The code I wrote was in c, assembly and c++ which are much more difficult to learn. Chris is changing the facts now in 2001. In fact I never heard anything like this until I wanted to see the books. I also wrote all the difficult internet code and Keith would help on the simple stuff.

Chris wanted people to believe this lie because I had the rights to the internet code too along with FaxForce and its scripts. Par for the course for Chris...

From the first time I met him, Harvey has emphasized how little he trusts other people and how little he trusts me. Keith asked if I could have made this venture work with Harvey. I said no. To build this corporation into this success, Keith and I had to trust each other to make good decisions. If Keith had not protected Harvey, if we had known Harvey better, we would never have given him any shares in Auto Insurance Shopper. There would be no NetQuote today.

When I saw how Chris was scheming and lying was when I began not to trust him. I worked with many people over the years and did not need contracts with other principals and never saw documents trying to claim the intellectual properties of my work.

Chris said he would have never given me shares... He had to. The only thing he wanted was my software. In fact, now that I know Chris and how he operates I could have pulled Chris to the side and said... Why don't you and I go into biz and forget Keith? But Chris knew I would never turn on Keith, but he did know Keith would turn on me.

Keith already turned on me years before NetQuote with the WinTell software company I owned when Mike made the recording. I blew it off... If I had taken Keith seriously at this time in 1989 and 1994 I would have gotten everything on paper.

Sherry and others told me I was crazy not to get it all on paper, but I said if I can't trust my brother who can I trust?

- From the very beginning of your association with me, you have expressed contempt for our corporation, our abilities and our business premise. Do you really want more stock and association in an enterprise you so dislike? For greed alone?

I did not want more stock I already owned it (25%) when we merged the companies and I owned 50% in 1989 with Keith when we started the company. Also, they hid other companies they owned that were doing biz with NetQuote (per the previous chapters).

- True, many years ago, you created some Telerate software that was of use to TeleQuote and for which we paid you.

Many years ago?

NetQuote used that software all the way into 2001 from what Mike told me.

Paid me? I covered that in a previous chapter...

And, some companies still use it today because it works.

- True, you thought of FaxBack technology for which you never got anything. That was not our fault. Keith tried to make up for it by giving you 10% of my company and \$80,000.

Never got anything? I presented proof that I had made a good living selling FaxForce for many years. Just another lie from Keith, Chris and Karen...

- Telerate was a sole proprietorship, by Keith Lawton so any work that you did for Telerate is irrelevant to AIS. Telerate was closed when Keith came to work for Auto Insurance Shopper INC. You never presented any bill or lien against Telerate when it was closed 8 years ago! Any verbal deal you had has no merit now.

The deal I came up with was when we merged with Chris in 1994. Why would I have paid a bill? That was not our agreement and as far as a lien... Why would I need a lien? Keith was my brother and I trusted him at the time...

- Any work you did for Auto Insurance Shopper or it's long gone dba TeleQuote was paid for.

Paid for?

\$33k over 12 years the years they complained about and then in the later years we received distributions. Keith and Chris were getting paychecks for many years before we got distributions and then Keith and Chris took millions between themselves over a few years and I may have gotten 80k or so...

- Your whining has been very divisive. That includes your insistence on a frivolous audit that produced no result! The only result of your audit was the total loss of my first holiday in years, a non-refundable holiday to Italy. You can never repay my family and me for that loss. You put a lot of work, and a strain upon the senior officers of this corporation to face a threat from the inside of the corporation, at a time when we were facing real outside threats.

My "whining" started when Keith reneged on his agreement with me in 1999 or so, and when they were afraid to show me the check register and didn't. I let Keith take the majority of the distributions for a while before I requested my share (I never did get my full share). Chris said he had no money then but could afford to take vacations? Just read some of his statements I have provided in previous chapters. Now at the same time he says he made no money he's going on a European vacation? Which one is it Chris? He has so many lies he can't keep track of them...

- You have criticized our management competence and integrity to the point of slander and libel. Only the deep friendship and mutual respect between your brother, and me have made it possible for us to rise above and move beyond this distraction.

Same as above... And they tried at a meeting with lawyers to get me to sign a document that said they were not libel for anything they may have had done wrong. Now why would they do that if there was not anything illegal going on? Spare me...

- You have a temper. You lose it constantly. You are frustrated that Keith and I have worked so hard for so little money. We are frustrated too. We have waited a long time to be paid back for the years we worked for nothing while we saved enough money to pay you! Over the years you have insulted me personally. You have called our family members names. You swear at me and have threatened me with bodily harm. In June, this year, you tried to use lawyers to get what you couldn't through threats. The lawyers told you that you have nothing to complain about., that you are lucky that we have paid distributions, not all companies do. Through all of this we have treated you with respect in a professional manner.

I only got upset when I finally figured out Keith was not going to keep to our agreement around the year 2000. Chris went crazy when I wanted to see the books... Keith did not like working with Chris for many years. But, I have learned that anything Keith says cannot be trusted. Keith would call me even in 2002 and say he has had it with Chris. Keith said that Chris basically called him a thief. At that time, I could not believe anything Keith said at all. Come to find out later Keith and Chris were playing good cop bad cop forever...

Ok... So, I went thru just these perpetual lies and schemes from Keith, Karen and Chris...

Never mind all the others... I could do more but who cares...

In 2002 I met Keith at an AppleBees and told him that I could not believe what was going on and that these letters are full of lies. I said I wanted our agreement on paper and I wanted my share of 50% we split. Keith told me that Chris and Karen were holding him back from keeping his word with me. I got upset and so did Keith... We left and got into Keith's car and I was just leaning over to put on the seat belt when Keith floored it and ran the car into a wall. We were only 10 feet or so from the wall, but Keith already put his seatbelt on and I was not ready at all. I ended up in the hospital with whiplash...

I always thought whiplash was a joke and people were just making more out of it to make money from insurance companies, but I was wrong.

Keith and Karen paid the hospital bill and apologized. Many people in our family said don't take any legal action against Keith. If I did I could have owned all of his interests in NetQuote in addition to mine and they knew it.

I'm sure Chris and Karen were very concerned with what I would do (wish I was a fly on the wall for that conversation). But by this time, I was getting very upset and wanted nothing to do with Keith.

A few days after whiplash thing Keith called again. During the conversation I said I will not help with anything anymore. Keith said then why don't you sell me your shares in the company if you are not going to work anymore? I said I don't even know what they are worth. Keith mentioned something like \$200k and I said I have no idea and we decided to

talk about it later. I eventually sold my 10% for about 400k. The lawyers in 2007 or so said Harvey they did a good job forcing you out... a very old trick Harvey... But, after the whiplash event I wanted nothing to do with Keith.

Later after NetQuote sold, Keith and Chris said, Harvey was calling other competitors in order to sell his shares... Wow! What would you do if you after all of this! In fact, it was not my idea. A business friend asked what the stock was worth, and I said I had no idea. He said just call people who may be interested and find out what they offer. I did, but the 10% I had on paper was not enough for anyone to be interested.

I'm not sure if Keith ran me into the wall 1st before I tried to find out what the stock was worth (i could look it up) but it did not matter by then. So many other lies and schemes happened years before that... He had already reneged on the deal I put together long before.

Keith, Karen and Chris will never give anyone a timeline with details, documents, dates on all of the events.

In fact, many people said I was crazy not to go after them in a much bigger way and much, much sooner...

And I'm the one with the temper...

I'm showing all the details with a timeline.

They have never responded to this date.

If someone was writing all of this about you, and it was not true, what would you do?

You would go crazy and sue me with a vengeance.

But, they can't, because the documents were provided by Chris, Keith & Karen ...

Harvey Lawton