



C O R P O R A T I O N
Premier Human Capital Provider

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18 July 2011

John F. Walsh
United States Attorney
District of Colorado
1225 Seventeenth Street Plaza
Denver, Colorado, 80202

Dear Sir,

I felt compelled to write this letter as I have met with and had discussions with several of the men being indicted by you in regards to case number 09-CR-00266-CMA against Demetrius Harper, Kendrick Barnes, Gary Walker, David Banks, Clinton Stewart, and David Zirpolo for fraud of multiple staffing firms in the Great State of Colorado. We have known these men for over 10 years and recently sat down and witnessed a demo of the software that is being implied not to exist. Sir, it not only exists but I believe can assist law enforcement with improvement of our country as a whole.

I have been in the staffing business for 15 years now, 12 of which as The Remy Corporation's-Principal Executive Officer. I have been the President of the Staffing Industry User Group from 2002 thru 2007 along with being the Co-President of the Oracle Mountain States User Group from 2003-2008. I have been a finalist for Ernst and Young's Entrepreneur of the year for 2003 and 2004 and have been Honorably Discharged from the United States Military. I have been a member of the Federal Bureau of Investigation's InfraGard for almost 9 years and have assisted the FBI in an investigation of a false network of candidates interviewing (bait and switch) with staffing firms.

I feel the majority of people are confused as to how Staffing and Recruiting firms actually operate and first wanted to take the time to perhaps explain our business and show you that what transpired in this case is "normal operations" in the staffing industry.

Staffing firms are called upon to staff contractors on projects. We are asked or we solicit companies and then find people to match the job requirements. We pay our contractors a "pay rate" and charge our clients a "bill rate". The difference between the two is called the "spread" or "margin". This is how staffing firms make money. We are called upon daily to decide with whom to do business with. There is no gun put to our heads and we are free to choose who we engage with anyone associated with those clients.



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On many occasions, we are shared information on the financial stabilities of companies and look into those companies to determine if they are solvent to pay our invoices. On occasion they are not; some companies file for bankruptcy, some close their doors and others negotiate payment

plans with staffing firms. At the yearend we simply write off the bad debt-a very normal business practice. In speaking with these men, they have neither closed their doors nor filed for bankruptcy protection. It is their intention to ultimately make good their debts.

There are examples of companies that misled us and we later found that they were bankrupt or insolvent. These would include FL2 as well as BrightKite. Both were small Colorado start-ups that went bankrupt, and forced us to forfeit, move on and write off the bad debt. Many other firms I have spoken with have experienced and will concur with my assessment of this exact situation.

In our due diligence of companies we have found that the term "contract" has little to no bearing on whether we engage with that company or not. We base our decision to engage with a company on its credit-worthiness, cash flow or product they are developing.

Also, it is a common practice for contractors to simultaneously work multiple contracts and charge the contracting company full-time hours weekly. This often occurs with full knowledge or even encouragement by the staffing company.

I hope this letter helps explain that it is normal business practice to write off "bad debt" and I have shed some light that if this case moves forward there are at least 12 other corporations in the Colorado area that are guilty of the exact same business practice.

I ask that this case be dismissed without prejudice as in review we see no activities outside the "normal" activities of operating a staffing firm.

Sincerely

Andrew Albarelle
Principal Executive Officer
The Remy Corporation