

Representations Matrix

	Staffing Company	Representation by Defendant/Info from FBI Interview	Made By	Bates #	Date	Comments
1	Robert Half Int.	"I have clarified the matter and concerning the credit application and we would like to proceed on the premises relating to the value and viability of our product, vice divulging our financials."	dbanks	006187	9/16/02	<p>Email from Mr. Banks where he was upfront when he asked Tiffany Zelenbaba of Robert Half to proceed in a business relationship based on the value and viability of the product, not on traditional financial analysis.</p> <p>Internal Email from Zelenbaba: "Yes, I am pushing to try to get this business, I could really use it and there is potential for a long-term relationship with many more job orders. I do understand that we have to make a good business decision and that we do not want any write-offs."</p> <p>***The above statement shows awareness of risk by Robert Half and the decision to do business with a small company who believes in the potential of their product***</p>
2	Adecco	<p>Scot,</p> <p>Thanks for your time today. I currently have three (3) software developer personnel sourced into the client...They've contracted me to obtain four (4) more people for project manager, software tester, system administrator, and PLSQL programmer; and, they are looking to do eight (8) more staffers over the next six to eight months...Currently,</p>	Harper	DKH Email		***NO MENTION OF CONTRACT OR IMPENDING CONTRACT***

		<p>there is a big push to complete their development project of information sharing which is a big demand for them right now. I have enclosed a client brochure to give you a general idea of their software product lines.</p> <p>I need to get this business transaction executed and closed within the next two days if the term are amenable to you. So, please respond as soon as you get a chance.</p>				
3	Kforce/Hall Kin.	<p>During the meeting Harper to Mcfadden that DKH was developing a software product designed for law enforcement. In addition, Harper told McFadden that investors were funding the software development and that product was close to being finished....Based on this visit to DKH office and the results and of the D&B report, Mcfadden entered into a contract to payroll one employee at DKH.</p>		001493	12/02	<p>***NO MENTION OF CONTRACT OR IMPENDING CONTRACT***</p> <p>***RELIED ON D&B REPORT TO ENTER INTO CONTRACT***</p>
4	Analysts Intl.	<p>Cherry relied upon statements relied upon statements by Banks and Harper during the three meetings...</p> <p>Cherry ran a D&B report prior to the third meeting. Cherry relied upon the D&B report when deciding to do business with DKH/LT.</p> <p>Based on the results of her due diligence, research on DKH/LT, Cherry facilitated a contract between AI and DKH/LT in which AI would payroll employees for DKH who would be placed in work positions at LT.</p>		000413		<p>FBI Interview of Val Cherry</p> <p>***Cherry relied upon D&B report when deciding to do business with DKH/LT***</p>
5	Manpower					
6	Ajilon	<p>Request from Shelley Robertson to DKH to fax new client app form/credit check and fax back</p>		003866, 003867		<p>***Relied on D&B and credit check policy***</p>

		with D&B number				
7	Ciber					
8	Today's Staffing					
9	Talent Tree					
10	Computer Task Gorup (CTG)	FBI Interview annotates that Stewart told Crockett that DKH was working on contracts with the New York Police Department, Manhattan Division and with the Philadelphia Police Department. Stewart did not mention federal agencies directly, but inferred that the software could be used at the federal level		001059		Prior to the July 13, 2004 interview of Donald Crockett by Agent Smith, Mr. Crockett sent a very detailed chronology of events on July 12, 2004 (Bates 001062) which contradicts the report of Agent Smith with no mention of contracts whatsoever . Specifically, Clinton Stewart explained the relationship between DKH and IRP, presented a technical description of the application, DKH that IRP owned the software, and IRP used contractors provided through DKH.
11	Option 1					
12	Prostaff/Advecta					
13	Professional Consulting Network (PCN)	<p>"seeking out PCN to payroll two consultants who were needed on a project which supported software development for IRP"</p> <p>"had lunch with Mr. Harper and Mr. Stewart where they explained the software product and what they were doing to sell it to organizations involved in criminal investigations"</p> <hr/> <p>"Stewart stated that DKH develops software and electronic solutions for the FBI and the prisons"</p> <p>"Stewart indicated that DKH was close to closing contracts with the city of New York"</p> <p>Krueger did not obtain financial statements, a Dun and Bradstreet report, or any references for DKH. Krueger indicated that this is a</p>		005950	2/20/04	Confidential Memorandum of Peter Jozwik ***NO MENTION OF CONTRACT***
				005994	7/25/04	Greg Krueger came to IRP offices
				005995	6/28/04	Annotated in FBI Interview of Krueger

		common practice for PCN and that most initial agreements are verbal in nature.				
14	Organic People	<p>Harper mentioned that DKH has an active contract to provide services to a municipality in Florida. In addition, Harper mentioned that the Department of Homeland Security has funding for these types of projects and the DKH had won a federal contract with Department of Homeland Security.</p> <p>“Per our earlier conversation, the slowness of the Government business cycle has placed my company in a difficult position to be able to pay my obligations in a timely fashion”</p> <p>Remington Green, president of IT staffing firm Organic People in Denver, said he visited DKH’s, met with principals Clinton Stewart and Demetrius Harper and heard and impressive presentation about how the company was developing software for law enforcement (including New York Police Department) and prisons. “They showed well, talked well,” Green said. He checked out motor vehicle and credit records and, “I even had [Harper sign a personal guarantee before I would do business with him....”</p>		005497	7/21/03	FBI Interview regarding
				005504	10/1/03	Email communication to Remington Green acknowledging the cancellation of employees. ***NO MENTION OF LOSING A CONTRACT***
				010106	4/15/05	Staffing Industry Report article illuminates how Remington Green was impressed with the presentation by Harper and Stewart. ***NO MENTION OF CURRENT OR IMPENDING CONTRACT REPRESENTATION OR FALSE STATEMENT***
15	Computer Horizons	<p>Sheptock’s understanding was that DKH was developing software for a government sector that he believed to be the New York Department of Transportation.</p> <p>Computer Horizons ran background checks on DKH prior to completing the contract.</p>		001055	6/19/04	<p>***No mention of Contract or Impending Contract***</p> <p>***Shows reliance on background checks to complete contract and engage in business with DKH***</p>
16	Interactive Business Sys.	Debbie Howard asks DKH on updates on the sales with NYPD		004987	11/14/03	***Shows that Debbie Howard was aware that IRP was engaged in a <u>SALES process</u> vice contract***
				004986		Clear evidence showing that Ken Harper does not have a very good command of

		Letter to Howard explaining DKH-IRP relationship		004989	the English language or the language of business. Shows Debbie Howard understands the relationship between IRP and DKH
17	Systems Eng. Serv. Corp. (SESC)	<p>In a January 19, 2004 detailed written response from Dean Hale regarding DKH and Leading Team, Hale says he contacted Clinton Stewart in July of 2003.</p> <p>Dean Hale also says Mr. Harper and Mr. Stewart informed him of intentions to hire several contractors to assist in the implementation of various applications specifically developed to provide consolidated automation of information for State Law Enforcement...</p> <p>In the FBI Interview of 6/14/04 of Dean Hale, Hale is reported to have said a staffing industry contact informed him that a minority-owned company named DKH contacted him and that other staffing companies did not want to provide services to DKH due to the necessity of using a retainer since DKH is a startup firm.</p>		002558 002551	<p>Hale contacted DKH with full knowledge of risk associated with a start-up firm and was aware that other staffing agencies would not engage for that reason, thereby assuming the risk. Further down in the response, Hale consults with his management team at SESC and decides to move forward and that decision is not based on a representation.</p> <p>***NO MENTION OF CONTRACT OR IMPENDING CONTRACT IN HALE'S ORIGINAL WRITTEN DETAILED RESPONSE*****</p> <p>Agent John Smith's report dated 6/14/04, reports that Harper and Stewart stated they had active contracts open with different agencies, but also mentions that they mentioned they were actively pursuing opportunities with DHS and several trips planned to NY to actively pursue a large state contract. How is that Hales detailer earlier accounting did not illuminate active contracts. Only after the FBI got involved did these facts materialize.</p> <p>Also in a 3/25/04 opening case document, Smith is alleging that Stewart initiated contact with Hale.</p> <p>***Agent Smith is overwhelmingly inconsistent in his reporting and at</p>

						odds with Dean Hales original accounting of events.***
18	Aquent	<p>First, it was per our conversation yesterday, I will have an answer concerning a "good faith payment by Thursday, Nov. 13th, 2003. My colleague Clinton Stewart is helping with the presentation for the DHS...and BOP...in Washington, DC. Upon the completion of this meeting and presentation, I will give you a call and verify any updates or arrangements being signed with these agencies.</p> <p>Client Note Information indicates DKH has a \$1.00 credit rating per email, FR: Dave Garcia 11/17/03</p>	Harper	004008 004019 004011	11/11/03	Aquent notes show no mention of contract or impending contracts
19	Sunnyside	"On September 10 2003 we mailed a credit application they filled it out, returned it and we checked references"		006246		
20	The Job Store			006612		<p>Marilyn Doty brings in associates to register with Job Store Staffing to have everything ready upon credit approval</p> <p>D&B, credit check, contacted US Bank about DKH...is not sufficient to establish customer relations with Job Store..."</p> <p>"Glenda Rasmussen contacts Dorothy Grandbois, President of Job Store Staffing, and pushes for business relations to commence"</p>

21	Personnel Plus	On October 23, 2003 she drove to 7350 Campus Drive. During the visit Harper elaborated the DKH was currently conducting final contract negotiations. The New York Police Department, The Philadelphia Police Department, Los Angeles Police Department, and the Department of Homeland Security regarding contracts for Law Enforcement software to be provided by DKH		005554		FBI Interview of Brenda Williams.
22	Express Personnel	Email from DKH stating: "IRP Solutions are diligently moving the sales cycle with the agencies below. (BOP/DOJ/NYPD)" Renee Rodriguez send email showing reliance on D & B credit evaluation to extend credit.		004690 004687		****NO MENTION OF CONTRACT OR IMPENDING CONTRACT****
23	ETI Professionals	In the FBI Interview, Susan Holland of ETI said "DKH was planning on marketing their software product to NYPD and DHS" In the email Mr. Harper sent to Ms. Holland, he states: "...DKH Enterprises, Inc, desires to contract this staffing need, vice bring on additional direct hires at this time for a 3-month period; using a bi-monthly, and net-45 day payment terms (this is due to the government procurement cycle"		004487		****NO MENTION OF CONTRACT OR IMPENDING CONTRACT**** ***RELIED ON CREDIT DUE DILIGENCE TO ENTER INTO CONTRACT*** In the first part of the interview, FBI agents represent that "DKH was planning on marketing their software product to
24	Labor Ready	"It is a well-known and accepted fact that companies doing business with the government can be subjected to slow payments during the procurement cycle."	Harper	005198 & 005199		Harper is waiting to be paid by IRP from the sale of the software and inaccurately and ineffectively communicates "slow payments" during the government procurement cycle as justification. Mr. Harper never dealt directly with any Government, agencies regarding the large CILC application.
25	Lloyd Staffing	"I am anticipating my second round of via	002011			

		<p>angel investments”</p> <p>“The slowness of the government business cycle has caused a temporary cash flow crunch for our company.” We look forward to that flow being restored within the next one to two months as some receivables being are satisfied with major federal and state law enforcement agencies”</p>	Harper	002013		Mr. Harper is trying to speak on behalf of IRP instead of simply communicating that he is waiting on payment from IRP. Mr. Harper is trying to communicate for IRP and does not fully understand, nor has all of the details concerning IRP business activities.
26	Productive Data Solutions	<p>Banks stated that IRP is a software development company that builds criminal investigations software and that IRP was currently working on securing contracts</p> <p>Banks stated that IRP is currently negotiating with the New York City Police Department. In addition Banks said IRP is negotiating with the Department of Homeland Security.</p>	dbanks	005785	3/18/04	<p>FBI Interview with Ron Brennan.</p> <p>***NO MENTION OF CONTRACT OR IMPENDING CONTRACT***</p>
27	Idea Integration	<p>The staffing prospectus annotates the following written statements to Idea Integration.</p> <ol style="list-style-type: none"> 1. The company is seeking a flexible staffing/payrolling arrangement to accommodate necessary staff to COMPLETE DEVELOPMENT AND FINALIZE SALES to the New York City Police Department, Federal Bureau of Prisons and the Department of Homeland Security. 2. Section 12.1 of the prospectus says the following: The project staffing company (PSC) would agree to payroll or make a project staffing investment for 6 months to support IRP Solutions in the engineering, sales and support of the CILC Federal, CILC Precinct, CILC 		004714-004720		<p>Banks sent an initial email with a staffing prospectus attached. The staffing prospectus laid out in full detail what IRP was requesting of Idea Integration. Idea Integration rejected the business proposal set forth in the prospectus for \$1.7 million of staffing services over a six month period and offered IRP executives the ability to work on a traditional staff augmentation basis. IRP accepted their offer and sent job descriptions. Idea integration filled these jobs with contractors from their contracting pool and recruiting efforts. Idea provided all the necessary contract and/or credit docs. Absolutely no misrepresentations in the prospectus.</p>

		Basic for delivery to major federal, state and local law enforcement agencies.				
28	TAC Worldwide					
29	Snelling Personnel Svcs.	<p>FBI Interview about Harper statements (8/12/06) - the IRP representatives advised Peterson that IRP worked with police departments and was working on something for the New York Police department" At the conclusion of the meeting Peterson agreed to payroll three people in positions at IRP</p> <p>FBI Interview (1/6/2009) - another interview with Dottie Peterson- "Peterson was told by the IRP representative that the signing of a major contract with the New York Police Department (NYPD) was imminent. In an attempt to verify that statement, she called the NYPD and was told that IRP was on some sort of vendor list. From that statement, she concluded that IRP had already been selling products to the NYPD" - Snelling FBI interview 1/6/2009</p>		002779	4/12/04	In 2006 Peterson makes absolutely no mention of a contract, but two and a half years later her memory gets better and now she remembers talk of a contract. A pattern is developing where later FBI interviews conducted by Agent Moen are contradicting earlier testimony and it appears that Moen is shaping facts to fit the "CONTRACT" theory where none exists.
				002281		
30	Spherion	"IRP is trying to secure a large contract with New York Police Department and is interested in entering into the payrolling relationship in anticipation of securing the in-progress NYPD contract"	dbanks	006395	4/2004	Jennifer S. Stephens of Spherion communicates as what dbanks told her in FBI interview.
31	AppleOne	<p>FBI Interview of Kathy Losey who is now Kathy Miller and the Regional Vice President. The interview alleges the David Banks agreed to:</p> <ol style="list-style-type: none"> 1) A 68% markup and because of that Miller became suspicious. 2) Banks led Miller to believe that IRP 		000613		Bates 000429 is a signed memo dated 4/5/05 from Kathy Miller to Marlene Yon, legal counsel for AppleOne. This memo is a written chronology documenting Appleone's activities with IRP which is completely inconsistent with the FBI interview (Bates 000613).

		<p>had a viable product that was ready to sell.</p> <p>3) Banks told Miller that IRP had already sold the product to several major police departments</p> <p>4) Banks told Miller that IRP was in final contract negotiations with the New York Police Department</p>				<p>This memo shows Banks had no direct conversations or interactions with Kathy Miller; on the contrary it shows Lori Swafford met with David Banks at the IRP offices. This report presents a completely fabricated accounting of events by FBI Agent Robert Moen or Kathy Miller is lying to the FBI.</p>
32	SOS Staffing					
33	Technisource					
34	ESG Consulting	<p>Banks says "I spoke with the investor and he will not divulge credit information based on a request for credit for such a low threshold given the traditional payment model of Net 30 for staffing companies"</p>	dbanks	001301		<p>Not a mention of contract or impending contract to ESG by Banks. In fact, in this same email communication, Banks subsequently says in Bates 1307 & 1308: "If you can still do the business, then let me know. If not, I am forced to have to search the staffing marketplace for another company..."</p> <p>After that email, Jon Landau of his own volition contacts his Executive Vice President by the name of Ali and gains approval for a partial credit app. Landau contacts Banks back to move the process forward.</p> <p>***NO MENTION OF CONTRACT OR IMPENDING CONTRACT*****</p>
35	Kelly Services	<p>"As mentioned on the phone, we have identified five candidates and want Kelly IT to be in a position to further assist IRP Solutions in any other future services that New York Police Department will need in the future"</p>	Harper	001896		<p>***NO MENTION OF CONTRACT OR IMPENDING CONTRACT*****</p>
36	StaffMark	<p>Harper stated that IRP was developing software to support the Department of Homeland Security (DHS) and that there was a contract in place between IRP and DHS. At the time, Olsen completed a service agreement with between IRP and Staffmark and accepted</p>		002545		<p>IRP D&B – Staffmark – bates 002543 IRP Experian credit check – bates 002544 David Banks and Ken Harper led Olsen to believe that IRP had a contract in place with the Department of Homeland</p>

		a credit application from IRP. The Staffmark corporate office verified the IRP credit report. - Staffmark FBI interview 6/22/2007				Security - Staffmark FBI interview 2/13/2009 (Bates 002548) ***Notice the FBI interview in 2009 changes to reflect the "CONTRACT" theory where in 2007 there was no mention*****
37	Computer Merchant	9/13/2004 email from Harper to Courtney Mullen states: "We have a great project we will be looking to wrap up for the New York Police Department"		003496	9/13/04	****NO MENTION OF CONTRACT OR IMPENDING CONTRACT*****
38	Judge Technical Services					
39	Boecore	???		000885		
40	MSX International					
41	Headway Staffing	Harper "We have a great project that we will be looking to wrap-up for the New York Police Department"	Harper	001638	11/30/04	
42	Blackstone Tech. Group	David Zirpolo sent email to Jesse O’Gorman saying: “We have a great project that we will be looking to wrap –up for the New York Police Department and start at DHS” Casey Courneen, the manager of Jesse O’Gorman states in FBI interview that not enough due diligence was done.		000643 000678		O’Gorman claims that IRP told him that there were contracts when in fact the email by Zirpolo says no such thing. O’Gorman memory is severely lacking. He thinks he talked to Gary Walker and that in 2009 IRP claims they had contracts. ****NO MENTION OF CONTRACT OR IMPENDING CONTRACT*****
	Gazette Telegraph News Paper Article	“The agencies were told that temporary labor was needed to develop software that <u>WOULD BE SOLD</u> to the Federal Bureau of Prisons, the Department of Homeland Defense, the New York Police Department, and other agencies”			2/9/05	Article ran on 2/12/05 while still under seal. ***Interesting that the paper would report that “SOFTWARE WOULD BE

						SOLD***
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