

## DECLARATION OF PETER MISKOVICH

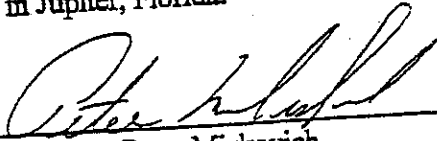
I, Peter Miskovich, declare as follows:

1. I am currently employed by Custer Battles, LLC ("Custer Battles"). I have been employed by the company continuously since approximately September 2003. From approximately September 2003 to January 2004, I was a camp facility director for a camp used for the Iraqi currency exchange ("ICE") project. Custer Battles' responsibilities under the ICE project included operating camps in Basrah, Mosul, and Baghdad, Iraq. During this time (except when I was on leave), I worked and lived in Basrah and Mosul, Iraq. Custer Battles' operations in Iraq were headquartered in Baghdad, Iraq.
2. In or around January 2004, I became ICE Project Manager and relocated to Baghdad, Iraq. My primary responsibility as ICE Project Manager was to develop and implement a plan to demobilize the three ICE camps.
3. As ICE Project Manager, I gathered information and documentation related to the ICE project. In the course of completing that task, I learned information about the ICE project by speaking with employees and reviewing documents. Much of the knowledge I acquired concerned events that had transpired without my involvement during the previous months.
4. I discovered that documentation for the ICE project was incomplete and, in some respects, questionable.
5. I wrote a report to Charles Baumann, County Manager for Custer Battles, on February 28, 2004, informing him of problems with the documentation for the ICE project. I made several statements in the report, including one regarding the presence of "elements of criminal fraud."
6. My statements regarding the existence of fraud were not formalized findings made after a full and complete investigation. My intention was merely to convey the information I assembled during my time as ICE Project Manager and to present it to the company's management for their reviews and actions as they deemed appropriate.
7. My review of the ICE project led me to conclude that the Custer Battles employees who were in charge of the project from August 2003 to January 2004 – namely Joseph Morris, Pete Baldwin, and Derek Fox – failed to secure and maintain documentation relating to the ICE project. My review also led me to suspect that Morris and Baldwin were involved in questionable billing practices related to leased assets and services provided by Laru, Limited, a subcontractor on the ICE project. Morris, Baldwin and Fox are no longer employed by Custer Battles.

8. I do not believe, based on what I learned during my tenure as ICE Project Manager, that Scott Custer or Mike Battles was involved in the questionable conduct. In fact, it appears to me that the questionable conduct occurred without their knowledge, control or consent. Custer and Battles were not involved in the day-to-day operations of the ICE project. Instead, they hired people such as Morris, Baldwin, and Fox to run the ICE project and trusted them to act with integrity and honesty.
9. In addition, I do not believe, based on what I learned during my review, that James Powell or Scott Tholan was involved in or had knowledge of the questionable conduct. As with Custer and Battles, neither Powell nor Tholan were assigned to the ICE project or were involved in its day-to-day operations.
10. Since January 2004, Custer Battles has taken significant steps to address problems that occurred during the ICE project. Those problems were principally associated with record-keeping and billing done from Iraq. Custer Battles has addressed those problems in the following ways.
- a. First, the employees responsible for the problems with the ICE contract – Morris, Baldwin and Fox – have been terminated or have resigned.
  - b. Second, Custer Battles has adopted corporate policies that require oversight of billing and invoicing.
  - c. Third and most importantly, Custer Battles has established an Office of Corporate Integrity to address problems – real or perceived – raised by employees or third parties. I was asked to be, and am, the head of that office. In that capacity, I report directly to Custer Battles' counsel. In my role as the company's corporate integrity officer, I do not report to Scott Custer, Mike Battles, or any other officers or employees of the company other than its counsel. Neither Custer nor Battles has interfered with my activities as head of the Office of Corporate Integrity. I believe that had I (in my role as corporate integrity officer) learned of the problems with the ICE project as they were occurring, I would have had the power and authority to stop them and remedy any similar issues that arose.
11. In my opinion as a Custer Battles employee and its corporate integrity officer, Custer Battles' problems with the ICE project were specific to that project and have been addressed.
12. I never stated, in my report or elsewhere, that Custer Battles failed to heed my earlier warnings about the ICE project. My February 28, 2004, report, was my first (and only) report to management about the project.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 13 day of October, 2004, in Jupiter, Florida.

  
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Peter Miskovich