

EXHIBIT B

IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION

1 **DAVID GROCHOCINSKI, not individually)**
2 **but solely in his capacity as the Chapter 7)**
3 **Trustee for the bankruptcy estate of)**

4 **CMGT, Inc.,)**

5 **Plaintiff,)**

6 **v.)**

7 **MAYER BROWN ROWE & MAW LLP)**

8 **and,)**

9 **RONALD B. GIVEN)**

10 **Defendants.**

No. 06 C 5486

Judge Virginia M. Kendall

11 **AFFIDAVIT OF LOUIS J. FRANCO**

12 LOUIS J. FRANCO, being first duly sworn on oath, deposes and states as follows:

13 1. I am a resident of the State of Illinois and am over twenty-one (21) years of age. I
14 have personal knowledge of the facts set forth in this Affidavit and, if called as a witness
15 could and would competently testify to the matters set forth herein.

16 2. In and around July, 1999, I was hired to be the Chief Operating officer of
17 Caremanagement.com, Inc., which later changed its name to CMGT, Inc. ("CMGT" or the
18 "Company"). On or about June 1, 2000, I was appointed to the position of President and
19 Chief Operating Officer by Richard M. Ross, who, at the time, was the Company's Chairman
20 and Chief Executive Officer. On or about November 1, 2000, concurrent with the resignation
21 of Richard M. Ross, I assumed the position of CMGT's Chairman, President and Chief
22 Executive officer. Subsequently, I was responsible for the day-to-day executive leadership
23 and management of the Company, and I remained in that role up until CMGT ceased
24 operations.
25

3. CareManagement.com, Inc. (“CareManagement”) was originally founded in 1998 by Richard M. Ross to go into the disability case management business. Prior to July 1999, CareManagement’s business model and operations had not been launched, and its President and co-founder (Ralph Hurley) had died unexpectedly in or around June 1999. On June 30, 2000, CMGT became the successor by name change to CareManagement.com. Inc. and significantly revised its original business plan and service model to offer Integrated Absence and Disability Management (IADM) services, including FMLA (Family Medical Leave Act of 1003) and Leave of Absence (LOA) administration services to employers, insurance companies and select industry partners. During late 1999/early 2000, the Company began raising money to capitalize the enterprise under a \$2 million Private Offering, using Series A Convertible Debenture investor subscriptions.

4. In or around January 2000, CareManagement hired Mayer Brown LLP, formerly Mayer Brown Rowe & Maw LLP (“Mayer Brown”), and executed an engagement letter for Mayer Brown to provide outsourced non-litigation legal services in connection with CMGT’s general corporate activities. As an accommodation to CMGT, Mayer Brown agreed to provide its legal services without charge until and unless CMGT obtained financing, at which time Mayer Brown would be paid its normal fees, plus a 25% premium, from the proceeds of the financing.

5. In 2001, CMGT management determined that it needed to continue and expand its Private Placement Offering to raise about \$2 million in financing to develop and pursue its business objectives on a sound financial basis. Upon the recommendation of the Company’s CFO, Michael A. Bowers, CMGT management started talks with Robert Gerard Spehar and retained Spehar Capital, LLC (“SC”) on or about October 1, 2001 on a non-exclusive basis to

facilitate introductions to potential qualified investors and/or other sources of financing and perform certain related advisory services. The principal and sole employee of SC was Gerry Spehar a/k/a R. Gerard Spehar or Robert Gerard Spehar (“Spehar”).

6. During 2001 through 2003, CMGT, by and through its management, its CFO and other key staff, as well as the Company’s outside professional counsel and certain shareholders, explored all of the financing prospects that were presented to CMGT by SC as well as many other prospective financing opportunities that were either otherwise first introduced to the Company or that I independently developed. None of those financing prospects were successful. During this time period, CMGT was losing money and its financial resources substantially declined. As a result, CMGT was forced to layoff many of its officers and employees, including its Chairman/CEO, CFO, CAO, CIO, key call center staff and consultants. By the end of 2002, CMGT’s financial condition was not profitable, and at times the Company could not cover its expenses due to shortfalls of operating capital. CMGT had lost clients and strategic business partners because of the Company’s under-capitalized state and inability to evidence sufficient contingency reserves to satisfy the requirements of business partners and clients

7. On or about January 27, 2003, one of CMGT’s largest shareholders, Charles W. Trautner (“Trautner”), contacted CMGT indicating that he wanted to help CMGT reorganize so as to make it easier to secure financing, as well as give advice about currently pending financing negotiations between CMGT and Sealaska Corporation, an Alaskan Native Corporation (ANC). By way of history, Trautner had contacted CMGT many times since mid-2000 with ideas and suggestions for CMGT to consider in raising capital, including direct referrals to various prospective individual investors and finders of capital. Trautner

suggested he could find an investment group that would require the formation of a new “clean” company that would purchase all of CMGT’s assets and reorganize under a new corporate structure that would provide CMGT’s shareholders and its management team with minority ownership interest in a new company. CMGT did not receive any financing proposal relating to Trautner’s hypothetical transaction, and continued to negotiate with Sealaska and seek other sources of financing. However, the efforts to close a deal with Sealaska or find such other financing were not successful.

8. In or around May 2003, Trautner approached CMGT again through the Company’s legal counsel. He proposed that he and a newly formed group of investors would form “Newco”, and that Newco would purchase all of CMGT’s assets in exchange for, at CMGT’s option, either: (a) a \$500,000 cash payment to CMGT; or (b) 20% of the shares of Newco, which would have a minimum capitalization of \$2,500,000 (the “Trautner Proposal”). Over the next several weeks, on behalf of CMGT, I discussed this proposal with CMGT’s shareholders, management and its professional advisors.

9. In August, 2003, CMGT was still losing money, and it was periodically experiencing shortfalls of operating capital. CMGT was having great difficulty making its payroll, and was struggling to pay its bills on time and maintain required service levels for its clients. CMGT had also lost contracts and new business opportunities because it was not financially sound enough to meet its clients’ and/or business partners’ financial requirements. In my judgment, based on more than four (4) years of direct involvement in trying to raise funds for CMGT from the private and institutional equity venture capital community and active Small Business Investment Companies (SBICs), it was becoming increasingly more difficult for CMGT to find adequate financing through SC’s direct efforts or by

independently approaching known or new sources of capital; and even more difficult for CMGT to get and keep customers or business partners or further its proprietary business model.

10. In fact, by August, 2003, I had made a number of personal sacrifices to help CMGT survive. Among other things, I had personally contributed more than \$150,000 to CMGT that was expected to be reimbursed to me out of proceeds from a successful funding transaction, and I had not been paid a salary from CMGT for a considerable period of time. As a result, I personally had accumulated a significant amount of debt, and I could not afford to work for CMGT much longer. If I left CMGT, there would be no one left to provide the day-to-day executive leadership and management of the Company and execute its mission and vision, and CMGT would be forced to close its doors. A few shareholders, namely Dr. Leonard Carroll and two of CMGT's largest investors, Trautner and Wayne Baliga, had also contributed significant amounts of personal funds to enable CMGT to make payroll and provide operating capital, and they were not willing to contribute any more funds. Thus, for a variety of reasons, there was a need to quickly secure adequate financing if CMGT was going to continue operating.

11. In light of CMGT's under-capitalized condition and related adverse circumstances, it was my recommendation for the Company to accept the Trautner Proposal inasmuch as it presented the one and only bona fide alternative to shutting down CMGT's operations due to imminent financial failure. I consulted with a number of appropriate people in determining that the Trautner Proposal was CMGT's best and only real option, including most of CMGT's shareholders and the Company's professional advisors, which included CMGT's

outside legal counsel, Ronald B. Given, Esq. of Mayer Brown, and Robert Gerard Spehar of Spehar Capital LLC, the Company's outside private capital finder.

12. On or around August 15, 2003, on behalf of CMGT, I wrote a letter to all CMGT shareholders and interested parties explaining the framework and terms of the Trautner Proposal and my own personal situation and interplay with the proposed transaction. In this letter, I also responded to specific shareholder questions and asked for their support and approval of the Trautner Proposal through a corporate shareholder notice and voting process. A copy of that letter is attached to the Complaint as Exhibit 5.

13. CMGT satisfied its corporate shareholder notice and voting requirements, and its shareholders approved the Trautner Proposal by majority vote. In fact, that approval was unanimously in favor of the instant transaction, but for five (5) of nineteen minority shareholders not voting due to their non-response to the Company's vote polling and/or proxy communications.

14. Thereafter, a dispute arose as to whether SC was entitled to compensation with respect to the Trautner Proposal. CMGT management and its legal counsel did not believe that SC was entitled to compensation. Nonetheless, CMGT's shareholder representatives, including myself, and the Company's legal counsel tried to resolve this dispute with Spehar, and suggested resolutions that were rejected by Spehar.

15. CMGT had no money to offer SC nor any line of credit or other resources that it could use to raise money for that purpose. CMGT's shareholders were unwilling to make any further capital investment(s) in CMGT. The Trautner investor group was asked if it would allow for the payment of money in connection with their proposed transaction to settle the dispute with SC. Trautner said his group was willing to pay SC a substantial sum --

\$250,000 or so – as a management consultant fee to wind up CMGT’s corporate affairs. I discussed this proposal with Spehar on behalf of CMGT but he rejected it on behalf of SC, stating among other things that CMGT will never get any money unless he gets his and that he is now talking with legal counsel. Both CMGT’s legal counsel and I asked Spehar to wait until CMGT closed the Trautner Proposal whereby CMGT would then have an interest in Newco, and perhaps something could be worked out to provide SC with some kind of compensation for its past (albeit unsuccessful) efforts on CMGT’s behalf. Spehar stated he was unwilling to wait and threatened to sue CMGT.

16. For several reasons, I hoped that, despite his threats and statements to me, Spehar would not sue CMGT. At the same time, I saw no way to stop him if he chose to do so. Among other things, CMGT had nothing additional to offer him. On behalf of CMGT, I warned Trautner and others that a suit by SC, albeit meritless, was likely and that potential litigation may render CMGT unfundable by the Trautner investment group and/or any other potential investor(s).

17. On or about September 9, 2003, SC filed suit against CMGT in California (the “SC Lawsuit”). On or about September 12, 2003, SC obtained an uncontested TRO preventing CMGT from accepting the Trautner Proposal or any other transaction by CMGT whose terms would not provide for payment to SC under its contract with CMGT, or licensing of CMGT’s software. Several months later, on or about March 18, 2004, SC obtained a default judgment against CMGT. On or about August 25, 2004, SC filed a petition to put CMGT into an involuntary bankruptcy, which was granted on or about September 19, 2004. Thereafter, on or about September 17, 2004, David Grochocinski was appointed by the U.S. Trustee as the Interim Chapter 7 Trustee (the “Trustee”) in bankruptcy for CMGT.

The Trustee's Complaint Against Mayer Brown And Certain Individuals

18. On August 21, 2006, I received a facsimile message, an attached letter and an "Agreement Tolling Statute of Limitations" from Robert D. Carroll, Esq. of Edward T. Joyce & Associates, special counsel for the Trustee in the bankruptcy of CMGT. Mr. Carroll's letter contained his threat to sue me (for no specific reason) and include me as party defendant along with Mayer Brown and Charles W. Trautner, unless I signed the non-specific Tolling Agreement, applicable to "any and all claims which the estate of CMGT . . . may have against [me] as of August 24, 2006." I was given until the "close of business on August 22, 2006" to sign this Tolling Agreement, which expired on August 24, 2007. On September 6, 2007, the Trustee sent a letter to my personal legal counsel, Shaw Gussis et al., and enclosed a copy of the Complaint he filed against Mayer Brown and Charles W. Trautner on August 23, 2006. In the Complaint, he accuses Ronald B. Given and Mayer Brown (collectively, "Defendants") of legal malpractice based on the following allegations:

- Defendants pressured me into accepting the Trautner Proposal because it offered them payment of their fees whereas if CMGT got financing from some other source the Defendants would not be paid;
- Defendants pressured me into saying that no financing was available to CMGT other than the Trautner Proposal when in fact other and better financing was available and Defendants should have been advising me to find it;
- Defendants pressured me into accepting the Trautner Proposal when financing was or might have been available from Sealsaka or the Washoe;
- Defendants did not advise me to settle the SC dispute before it turned into litigation;

- Defendants did not advise me that, if SC filed suit, they would not represent CMGT;
- Defendants did not advise me that the SC Lawsuit would preclude CMGT from finding financing;
- Defendants did not advise me that CMGT could lose the SC Lawsuit;
- Defendants did not advise me to settle the SC Lawsuit; and
- Defendants told me not to defend the SC Lawsuit because, among other things, challenging personal jurisdiction in the SC Lawsuit would result in CMGT submitting itself to personal jurisdiction in California.

None of the foregoing assertions is true.

No Pressure To Accept The Trautner Proposal

19. Defendants did not pressure me on behalf of CMGT into accepting the Trautner proposal. The decision to accept it by CMGT and its shareholders was made for the reasons explained earlier, including the fact that it was clearly CMGT's only real alternative to going out of business.

No Conflict of Interest re Payment of Legal Fees

20. I was well aware of what the Trautner Proposal said about the payment of Defendant's legal fees, and I discussed that subject openly on behalf of CMGT with Ronald Given, as well as with CMGT shareholders and other outside professional advisors. The Trautner Proposal did not ensure that Defendants' legal fees were going to get paid. The Trautner Proposal says that there would be a future "agreement to reimburse a certain percentage of legal fees that are currently unpaid, all as agreed to between Mayer Brown Rowe & Maw and Newco."

No Failure to Advise re Better Financing

21. I understand that one of the Trustee's allegations is that Defendants should have advised me to find better financing instead of accepting the Trautner Proposal. In my opinion, this allegation is not rooted in the realities of the instant situation – namely, that CMGT could no longer continue operations without an immediate infusion of adequate capital. At the time CMGT and its shareholders accepted the Trautner Proposal, there was no bona fide financing available to CMGT, much less better financing. Ronald Given had always supported and encouraged CMGT's management to seek adequate financing. There simply was no other definitive offer(s) to fund CMGT.

22. Spehar told me that he was actively searching for financing for CMGT for nearly three years, and he did not succeed in finding any funding source that resulted in a successful closing transaction. I also worked independently on getting financing for CMGT before and during that time and, among other things, I followed up on Spehar's suggestions and made numerous presentations about CMGT'S business to various prospective investors and financial organizations. I also could not find financing for CMGT. I believe that if financing had been available, we would have found it. In my view, there was none available, particularly in or around August, 2003 when CMGT was in such a precarious financial position.

Defendants Did Not Give Me Bad Advice About Sealaska "Financing"

23. After the dispute about the Trautner Proposal arose, Spehar told me that he thought CMGT could get financing from Sealaska. At Spehar's suggestion, both Spehar and I had spent a significant amount of time attempting to obtain financing for CMGT from Sealaska just a few months before this, and the discussions with Sealaska, which began in 2002, had

completely and irrevocably fallen apart in May 2003. Spehar's suggestion that I contact Sealaska again to see if Sealsaka might be interested in financing CMGT made no sense to me because Sealaska's executive management would not reach agreement with CMGT on significant ethical, economic and other issues, including Sealaska's refusal to compensate SC in accordance with the SC/CMGT contract, and a breakdown of trust between the parties. Spehar had full knowledge of these outcomes and nothing had changed except that CMGT's financial condition had gotten worse and CMGT had lost clients and business partners. Spehar could give me no reason why he thought Sealsaka would be interested now when they had lost complete interest a few months earlier, on or about May 13, 2003. I decided not to contact Sealsaka again. This was a corporate business decision based on sound business and ethical reasons, and Defendants did not pressure me, on behalf of CMGT, in any way to make that decision.

Defendants Did Not Give Me Bad Advice About Washoe Financing

24. Defendants did everything I asked them to do in connection with the Washoe financing discussion, and Ronald Given, to the best of my knowledge, made a consistent and diligent effort to help CMGT try to get a viable financing offer from the Washoe.

25. In or around July 1, 2003, John Crishon ("John"), a Siemens representative I know in the Los Angeles, California area, and his colleague, Andrea Davis ("Andrea"), contacted me and suggested that CMGT contact the Washoe Indian Tribe, one of their Tribal Nations clients, to see if they might be interested in investing in or partnering with CMGT. John and Andrea indicated the Tribe was constructing a call center building in Lake Tahoe, Nevada and Andrea felt the Tribe may want to talk with CMGT about a possible building tenant or

investment transaction, based on CMGT basing its call center operations in the Tribe's new building.

26. I subsequently telephoned Spehar and let him know about this potential investor so that he could help me pursue this matter on behalf of CMGT. I told Spehar that there was very little time and tried to reinforce his understanding that CMGT was in deep financial trouble.

27. Over the next several weeks, there were many communications about possible financing from the Washoe, but the discussions proceeded very slowly, with initial discussions with Andrea and John taking place on July 16, 2003. In addition, I subsequently became dissatisfied with the way that Spehar was handling the discussions with the Washoe and became concerned that he was acting erratically and not in CMGT's best interests.

28. In August 2003, I told Spehar that the Trautner Group had mandated their deal be closed on September 30, 2003. I also told Spehar that CMGT would consider an equal or better bona fide deal before that time but that the Company would not risk losing the Trautner Proposal unless CMGT had a firm commitment from the Washoe (or from one of the other financing sources with whom CMGT was in contact and/or in discussions with at that time).

29. In direct contravention of my instructions, Spehar indicated to me that he told the Washoe that: (a) if pushed, CMGT would agree to give the Washoe until mid- or even late October to do their due diligence without any financial commitment from them; and (b) CMGT would agree not to close any other financing during that time.

30. On September 2, 2003, I received an email from Spehar enclosing a letter of intent on blank stationary which he said he had on Washoe letterhead. When I called him back

about the letter of intent, Spehar told me that he actually had a signed letter of intent from the Washoe signed by the Tribe's Chairman. I asked Spehar to send me a copy of that signed letter of intent, but he refused to do so and, to this day, I have never seen a copy of it (if it exists).

31. The unsigned letter of intent that Spehar attached to his email of September 2, 2003 was different from the one that I had approved on behalf of CMGT for discussion with the Washoe Tribe, and it was unacceptable. I told Spehar this, and subsequently Ronald Given and I revised the letter of intent.

32. On September 3, 2003, at my request, Ronald Given sent a copy of the revised letter of intent that I approved on behalf of CMGT to Spehar (with a copy to me) along with an e-mail to Spehar stating, in part, "let's get it signed by the Tribe and returned to Lou."

33. On September 4, 2003, Spehar informed me by telephone and e-mail that the Washoe Tribe had refused to sign the revised letter of intent and had walked away from any transaction with CMGT. Spehar also told me that he told the Washoe that, if they pushed, they could have until October 15th or 17th to complete their due diligence – he was not authorized to make this commitment on behalf of CMGT.

34. Within the next day or so, pursuant to Ronald Given and I agreeing on an action plan to try and revive negotiations with the Washoe, Ronald Given telephoned the Washoe Tribe's representative. Spehar, who originally resisted our request to try and revive negotiations and refused to provide the Tribes' representative's phone number(s), subsequently capitulated and at his own insistence, participated in this call. Spehar later informed me that, during that call, Ronald Given tried to convince the Washoe to complete their due diligence by September 29, 2003, the day before the Trautner Proposal was

supposed to close, but that the Washoe were unwilling to do this and wanted assurances that CMGT would not close any deal until the Tribe had completed their due diligence. Ronald Given also reported to me that the Washoe representative he spoke with indicated that the Tribe was not in the business of investing in companies like CMGT, but agreed to talk with Spehar on behalf of CMGT because of the potential synergy involving their call center building project.

35. Prior to this time, both Ronald Given and I had spoken with Trautner, told him of CMGT's discussions with the Washoe, and asked him to secure agreement from his investor group for more time to close the Trautner Proposal. Trautner refused and told us that his investor group would not agree to an extension of time.

36. Based on all the information available to me and having consulted with certain CMGT shareholders and outside professional advisors, all of whom agreed with me, I made the business decision that CMGT should not risk losing the Trautner Proposal just to see if the Washoe eventually would make a satisfactory proposal to CMGT.

Defendants Did Not Fail To Advise Me to Settle the Spehar Dispute

37. Defendants did not fail to advise me to settle the Spehar dispute. To the contrary, I thoroughly discussed settlement and related issues with Ronald Given. I wanted to act in CMGT's best interests and settle the Spehar Dispute, but, as explained earlier, I was not able to do so.

Defendants Did Not Fail To Advise Me That They Would Not Represent CMGT

38. As explained earlier, I was aware and informed all interested parties that SC might well file suit against CMGT because of the dispute over whether SC was entitled to compensation for the Trautner Proposal and Spehar's threats to sue CMGT. If such a lawsuit

were filed, I did not expect Defendants to represent CMGT in that litigation unless a new engagement letter was made to cover that litigation. Defendants had never indicated that they would represent CMGT in any litigation. In addition, Ronald Given, who was our primary Mayer Brown contact, was not a litigator. At no time were the Defendants expected to represent CMGT in the SC lawsuit nor were they expected to be responsible for giving CMGT advice on how to handle that litigation.

Defendants Did Not Fail To Advise CMGT That The SC Lawsuit Would Preclude Financing

39. Defendants also did not fail to advise me on behalf of CMGT that, if SC filed suit, the lawsuit would preclude CMGT from getting financed. First of all, as stated above, I did not think that CMGT could find any financing in a reasonable time frame, regardless of the SC Lawsuit. That is why I supported the Trautner Proposal – it was the only bona fide offer that CMGT had available.

40. I knew that if SC filed suit, Trautner’s group probably would withdraw its proposal and CMGT would almost certainly have to cease operations. I also knew that any small chance that CMGT had to find immediate financing would probably disappear if SC filed suit. I discussed these matters on behalf of CMGT with Ronald Given and fully understood them.

Defendants Did Not Fail To Advise Me That CMGT Could Lose the Lawsuit

41. Defendants did not fail to advise me that CMGT could lose the SC Lawsuit. On the contrary, Ronald Given confirmed that which I was already quite well aware of that, regardless of the merits, lawsuits can be lost. I, as well as CMGT’s accredited investors,

were also aware that, if one does not defend themselves against a lawsuit, a default judgment is almost certain to be awarded to the plaintiff party(ies).

42. CMGT found itself in the unfortunate position of not being able to defend itself in the SC Lawsuit. There were a number of reasons for this situation. Among other things, CMGT did not have an attorney to defend it in the SC Lawsuit. Ronald Given and Mayer Brown had never been hired to represent CMGT in litigation. In addition, CMGT had no money to hire any attorney to represent it in the SC Lawsuit. On behalf of CMGT, I asked all of CMGT's shareholders if they would contribute money to hire an attorney to defend CMGT in the SC Lawsuit. A couple of CMGT's shareholders (including Wayne Baliga) seemed willing to contribute some money to hire counsel if everyone else did, but most of the shareholders indicated to me that they were not willing to contribute funds for that purpose and that doomed the idea.

Defendants Did Not Fail To Advise Me To Settle The SC Lawsuit

43. I understood it would be advantageous to reach a settlement with SC, and I knew what was at stake and tried to settle the Spehar Dispute on behalf of CMGT, but I was unable to do so. After the lawsuit was filed, nothing changed. CMGT still had no money to fund a settlement with Spehar. In fact, the Company was in worse shape, because the litigation caused it to lose some of its contracts and business partners and made it an even less attractive candidate for financing.

Defendants Did Not Tell Me Not To Defend The SC Lawsuit

44. Defendants did not advise me not to defend the SC Lawsuit. In particular, Defendants never advised or suggested to me that the raising of a jurisdictional (or other) defense in the SC Lawsuit could result in CMGT submitting itself to jurisdiction in

California. As I stated earlier, CMGT found itself in the unfortunate position of not being able to defend itself. Among other things, CMGT could not afford nor raise the funds to hire legal counsel to do so.

CMGT Bankruptcy

45. On or around August 25, 2004, SC filed an involuntary bankruptcy petition against CMGT. Thereafter, on or about September 17, 2004, the Trustee was appointed. The Trustee did not contact me to ask for my cooperation or for any information about what happened at CMGT.

46. On November 30, 2004, I sent the Trustee a letter offering to provide him with the corporate records of CMGT which I was holding and invited the Trustee to contact me. A copy of my letter to the Trustee is attached hereto as Exhibit A.

47. In response to my letter, the Trustee accepted the documents that I had, but he did not ask me for any information about what happened at CMGT, the quality of the legal services provided by Ronald Given and Mayer Brown, why CMGT did not defend itself in the SC Lawsuit or anything related to these matters. He also never asked me about any of these matters prior to filing this lawsuit against the Defendants.

48. The foregoing statements are based on the personal knowledge I obtained while acting as an officer and/or employee of CMGT and these statements reflect decisions that I made in my capacity as an officer and/or employee of CMGT.

FURTHER AFFIANT SAYETH NAUGHT.

Louis J. Franco

LOUIS J. FRANCO

Sovanna Ybeung 10-9-07

"OFFICIAL SEAL"
Sovanna Ybeung
Notary Public, State of Illinois
Dupage County
My Commission Expires April 15, 2009

X Kevin J. Francis

SUBSCRIBED and SWORN to before

me this 9 day of October, 2007

Sovanna Yoeung
Notary Public

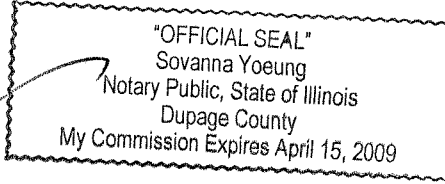


EXHIBIT A

Louis J. Franco
2 S 647 White Birch Lane
Wheaton, IL 60187
Tel: (630) 260-9507
Fax: (978) 389-1060
E-mail: Ljfranco@aol.com

November 30, 2004

David E. Grochocinski
Grochocinski, Grochocinski & Lloyd, Ltd.
1900 Ravinia Place
Orland Park, IL 60462

**Re: CMGT, Inc. – Order for Relief Under Chapter 7
Bankruptcy No. 04 B 31669**

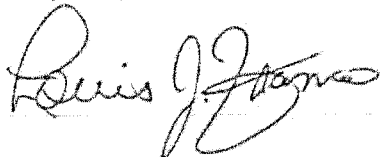
Dear Mr. Grochocinski:

I understand you have been appointed as the interim Chapter 7 Trustee regarding an Order for Relief entered by Judge John H. Squires in September 2004 in the above referenced involuntary Chapter 7 case.

I am writing this letter in my status as a claimant, as well as an ex-officer of CMGT, Inc, as a courtesy to alert you to the fact that I am holding CMGT corporate records and would appreciate it if you could take custody of such records.

I look forward to hearing from you about this and related CMGT matters.

Very truly yours,



Louis J. Franco

EXHIBIT C

**IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION**

DAVID GROCHOCINSKI, not individually)	
but solely in his capacity as the Chapter 7)	
Trustee for the bankruptcy estate of)	
CMGT, INC.,)	
)	
Plaintiff,)	No. 06 C 5486
)	
v.)	Judge Virginia M. Kendall
)	
MAYER BROWN ROWE & MAW LLP and)	
RONALD B. GIVEN)	
)	
Defendants.)	

AFFIDAVIT OF WAYNE BALIGA

WAYNE BALIGA, being first duly sworn on oath, deposes and states as follows:

1. I am a resident of the State of Illinois and am over twenty-one (21) years of age. I am a licensed attorney and a certified public accountant. I have personal knowledge of the facts set forth in this Affidavit and, if called as a witness, could and would competently testify to the matters set forth herein.

2. I was a shareholder and investor in CMGT, Inc. ("CMGT"). I made an initial investment in CMGT of approximately \$100,000 in return for my CMGT stock. For about the last year that CMGT was in operation, Lou Franco ("Franco") and I were the primary people funding its operations, and I loaned approximately another \$100,000 to CMGT during this time period in an effort to enable it to survive to the point where it could close a financing deal.

3. I was involved in telephone conversations in the August to September, 2003 time period with Franco and Gary Spehar ("Spehar"), the principal of Spehar Capital ("SC"). During at least one of those calls, Spehar was touting the Washoe Indian Tribe as a possible source of

financing for CMGT. In the past, Spehar had touted a large number of organizations as possible sources of funding for CMGT. Ultimately, none of them offered any financing to CMGT. Nothing that Spehar told me in our telephone conversations led me to believe that the Washoe Indian Tribe was a more realistic source of financing for CMGT than any of the other organizations he had touted over the prior three-year period without success.

4. In this same general time frame, I told Franco and James Wong (“Wong”), a CMGT shareholder who also served as CMGT’s accountant, that I was not willing to provide any more funding to CMGT unless a genuine way to finance the ongoing business of CMGT was found and found quickly.

5. I supported CMGT closing the proposal made by Charles Trautner. I regarded it as the only realistic option that CMGT had other than to go out of business. (I reached this conclusion based on my own business judgment, and not on anything that Ronald Given had told me.) The other shareholders whom I spoke with (Wong, Franco and Kim Quarles) agreed with me. None of us was willing to risk losing the Trautner deal on the chance that the Washoe would make CMGT a better offer.

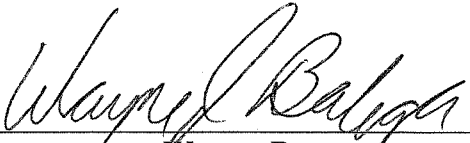
6. During this same general time frame, I was aware that Spehar was demanding to be paid a fee with regard to the Trautner Proposal and that he was threatening to sue CMGT if he were not paid. I did not believe that Spehar was entitled to be paid anything, because he had not brought the Trautner Proposal to CMGT. In any case, CMGT had no money to pay Spehar, and I was not willing to contribute money to CMGT to pay or to settle Spehar’s claims. I realized that Spehar or SC might file suit against CMGT. I did not welcome that prospect, but from a business standpoint, I was not willing to contribute more money to CMGT to pay Spehar off.

7. In September, 2003, when SC filed suit against CMGT in California (the "SC Lawsuit") and obtained a TRO preventing CMGT from closing the Trautner Proposal, I knew that Mayer Brown and Ronald Given were not going to represent CMGT in that lawsuit. I had not expected Mayer Brown and Ronald Given to take on the responsibility of representing CMGT in the SC Lawsuit without being paid for their work, and CMGT had no money to pay them.

8. After the SC Lawsuit was filed, I became concerned about what might happen if CMGT did not defend itself, including a default being entered against CMGT. I told Franco that I was willing to contribute my pro rata share of the money needed for CMGT to hire counsel and put up a defense. Franco told me that the other shareholders were not interested in contributing funds for that purpose and that many of them had told him that they had written off their investment in CMGT. I was not willing to pay CMGT's defense costs by myself, and I mentally wrote off my investment in CMGT too. I understood that CMGT was going to shut down and go out of business.

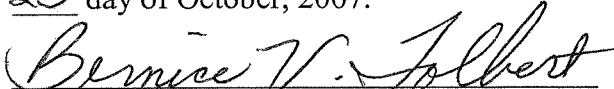
9. A few months later, in or around January, 2004, Wong and Franco called me to discuss hiring legal counsel in the SC Lawsuit. At that time, Wong and Franco were looking into hiring counsel to intercede in the SC Lawsuit on behalf of CMGT. Wong and Franco interviewed attorneys at Baker & McKenzie. I am aware that potential counsel in California was also contacted. The cost of hiring counsel to defend CMGT was high. I agreed to pay a pro-rata share of such costs. However, other shareholders of CMGT were not willing to do so. As a result, CMGT did not hire counsel. I realized that if CMGT did not hire counsel, a default judgment against CMGT was possible. However, in light of the state of CMGT's business at that point in time, a default judgment would have little, if any, impact on the business.

FURTHER AFFIANT SAYETH NAUGHT.



WAYNE BALIGA

Subscribed and sworn to before me this
23 day of October, 2007.



NOTARY PUBLIC

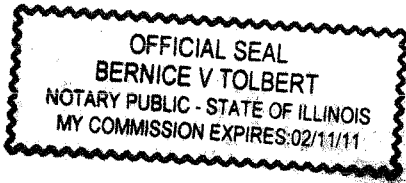


EXHIBIT D

**IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION**

DAVID GROCHOCINSKI, not individually)
but solely in his capacity as the Chapter 7)
Trustee for the bankruptcy estate of)
CMGT, INC.,)

Plaintiff,)

v.)

MAYER BROWN ROWE & MAW LLP and)
RONALD B. GIVEN)

Defendants.)

No. 06 C 5486

Judge Virginia M. Kendall

AFFIDAVIT OF KIM QUARLES

KIM G. QUARLES, being first duly sworn on oath, deposes and states as follows:

1. I am a resident of the State of New Jersey and am over twenty-one (21) years of age. I have personal knowledge of the facts set forth in this Affidavit and, if called as a witness, could and would competently testify to the matters set forth herein. My knowledge comes from my discussions with Lou Franco and other shareholders of CMGT, Inc. ("CMGT") and through my reading of the engagement letter between CMGT and Mayer Brown.

2. My husband and I are former shareholders of CMGT. I am a licensed attorney in the State of Illinois.

3. Lou Franco kept my husband and me very well-informed about CMGT and its affairs, including its efforts to find financing and its disagreements with Gary Spehar ("Spehar") and his company, Spehar Capital, LLC ("SC").

4. I always understood that Mayer Brown and Ronald Given were not going to represent CMGT in any litigation filed by SC. The engagement letter between Mayer Brown and CMGT did

not include litigation services, and it was always absolutely clear to me that Mayer Brown and Ronald Given would not be representing CMGT in litigation matters. I was aware that, in or around January, 2004, Lou Franco approached the law firm of Daar & Newman, P.C. in Los Angeles, California to determine if that firm would represent CMGT in the litigation with SC. Unfortunately, because CMGT had no money and because its shareholders were unwilling and/or unable to invest more money into CMGT, CMGT was not able to hire counsel. As a shareholder of CMGT, I accepted the business and economic decision of CMGT and its shareholders that CMGT would not be represented in the SC litigation and that, as a result, a default judgment could be entered against it.

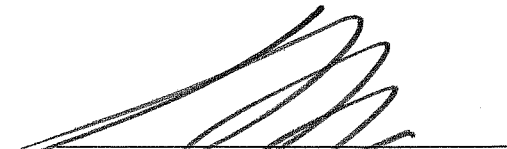
5. On December 15, 2004, I sent the Trustee a letter (by facsimile) encouraging him to pursue an action against Spehar and SC. A copy of my letter is attached as Exhibit A.

6. In response, the Trustee sent me a letter dated December 16, 2004, a copy of which is attached as Exhibit B.

7. Apart from his letter of December 16, 2004, neither the Trustee nor his counsel ever contacted me to discuss the facts and circumstances surrounding the demise of CMGT, the legal services provided by Ronald Given and/or Mayer Brown, the dispute with SC and Gary Spehar, why CMGT did not hire counsel or otherwise defend itself in the lawsuit filed by SC or any of the other matters referenced in my letter to him.

FURTHER AFFIANT SAYETH NAUGHT.

SUBSCRIBED and SWORN to before
me this 22nd day of October, 2007.


KIM G. QUARLES

LISA KOERBER
Notary public, State of New York
No. 01KO4909466
Qualified in Richmond County
Commission Expires Oct. 26, 2009

EXHIBIT A

December 15, 2004

Kim G. Quarles
Robert W. Quarles
222 Miller Avenue
Portsmouth, NH 03801

David Grochocinski
Grochocinski, Grochocinski & Lloyd Ltd
1900 Ravinia Place
Orland Park, Illinois 60462

VIA FACSIMILE: 708.226-9030

Dear Mr. Grochocinski

As a shareholder of CMGT, we have recently received your correspondence directed to Ron Given of Mayer, Brown, Rowe & Maw, LLP, requesting Ron's files to determine potential assets of CMGT.

Please be advised that as a shareholder, we are owed \$25,000 from CMGT. Other shareholders are owed significantly more. If, as Trustee in Bankruptcy, you are searching for assets, I suggest you take some time to evaluate the circumstances that led to CMGT being forced into bankruptcy by Gary Spehar, Spehar Capital, and the attorneys for these entities.

You may not be aware that CMGT had an agreement for funding that had been agreed to by all Shareholders. Gary Spehar, knowingly and egregiously caused the funding to be withdrawn. But for his negligent and intentional actions and those of his attorneys, CMGT would have been fully funded and operational, obviating the need for bankruptcy proceedings.

There are a number of factors that need to be addressed immediately:

1. Spehar was not entitled to any fee from CMGT. Spehar never produced any investment capital for CMGT under his performance-based contract and, consequently, there could not have been a breach of said contract. Without breach, litigation against CMGT was unwarranted;
2. Assuming for the sake of argument that he was entitled to a fee, that fee would not have ripened or been subject to being paid until after funding had been finalized. Consequently, the damage, if any, to Spehar was caused solely by his own actions and the actions of his attorneys in prematurely filing litigation.
3. Contrary to Spehar's contentions that he was harmed by CMGT, Spehar's lawsuit was the sole, direct and proximate, cause of irreparable damage to CMGT and its shareholders.

The facts are:

- i. CMGT had a bona fide offer of funding;
 - ii. Those investors immediately withdrew all offers of funding as a result of the Spehar filed litigation;
 - iii. CMGT was rendered unfundable as a direct and proximate result of the actions of Spehar and his lawyers.
 - iv. Spehar's filed affidavits that were at best, erroneous and contained numerous misstatements of fact. Assuming the worst case scenario, Spehar's actions and the actions of his attorneys constituted negligence, abuse of the legal system and fraud committed against the shareholders of CMGT, the Courts in California and Illinois, and CMGT's debtors.
 - v. Spehar's litigation was without merit. His attorneys pursued litigation with full knowledge that there was no cause of action against CMGT.
 - vi. Because of Spehar's egregious conduct, CMGT was left unfunded and without the financial means to battle the spurious allegations of the lawsuit. CMGT was not able to pay the corporate taxes owed in the state of its incorporation and was thus, precluded from responding to any litigation filed against it. Clearly, Spehar's actions and those of his attorneys were not only negligent, but deliberate and intended to cause and did cause irreparable harm to CMGT, its shareholders and its debtors.
4. Spehar and his attorneys not only violated their responsibilities to CMGT, its shareholders and debtors, Spehar breached his fiduciary duties as a Certified Financial Planner and his fiduciary obligation to CMGT, as its investment banking representative by taking unwarranted and unjustified legal action against CMGT, which actions were the sole and proximate cause of CMGT's demise.
 5. As a result of Spehar's fiduciary obligation to CMGT, he and his attorneys knew better than anyone how irreparably destructive his lawsuit would be. He and his attorneys knew that the litigation would render CMGT unfundable and force it into bankruptcy.
 6. Because CMGT was irreparably damaged, it was unable to pay the corporate taxes and fees in the state of incorporation. Consequently, CMGT was precluded from contesting the spurious allegations brought by Spehar that resulted in a default judgment in California, which is the genesis of this bankruptcy proceeding.

As a shareholder of CMGT, we strongly urge you to investigate the facts leading to the bankruptcy of CMGT. The only realistic assets available to pay creditors, claimants and trustee fees, are those of Gary Spehar and Spehar Capital. Additionally, Spehar's attorneys, by their negligent and intentional conduct have exposed their malpractice policies to claims by CMGT, Shareholders, Creditors and the Trustee.

Please keep us advised of the progress of your investigation.

Sincerely,

Kim G. Quarles
Robert W. Quarles

EXHIBIT B

David E. Grochocinski
Mark S. Grochocinski
David P. Lloyd
Arthur W. Rummler
Thomas B. Sullivan,
Of Counsel

December 16, 2004

Kim G. Quarles
222 Miller Avenue
Portsmouth, NH 03801

Dear Ms. Quarles:

RE: CMGT, INC. - O4 B 31669

Thank you for your letter of December 15, 2004. A bankruptcy trustee is not an appellate court nor do I have the power to set aside judgments. Simply because a trustee in bankruptcy has been appointed does not provide the debtor with rights to ignore a valid state court judgment. In fact the Supreme Court has espoused a statement of the law in a set of cases which is known as the Rucker-Feldman Doctrine which seems to be applicable in this circumstance and the doctrine's effect on the debtor is set forth below according to my reading of the cases and my understanding of the doctrine.

While I appreciate your strong views relative to Spehar Capital LLC and perhaps Mr. Spehar individually, a judgment was entered against CMGT, Inc. and in favor of Spehar Capital, LLC in an amount in excess of \$17,000,000.00. No motion to vacate the judgment was filed on behalf of CMGT and in fact the judgment has been executed upon by virtue of a citation to discover assets and the former president of CMGT, Louis Franco, has given testimony at the citation. It is likely that the time period to vacate the judgment has now expired. This means that Spehar Capital is a judgment creditor and it is likely that any counterclaims or affirmative defenses as you indicate in your letter are no longer available to CMGT.

The time to defend CMGT has probably expired because of inaction by CMGT. If such good defenses existed you might want to ask your active officers or their counsel why the defenses were not presented. If it was for a lack of money you and other shareholders might have provided funds for a defense. The fact that you chose not to do so and yet have such strong feelings respecting a potential defense to the suit brought by Spehar is curious to me.

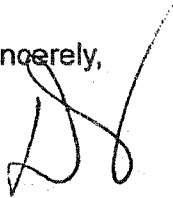
On another matter however, I do have some documents that indicate that a security interest was given to you which is evidenced by a UCC 1 filing. A copy of that is enclosed. Unless you gave new value for that security interest it is likely an avoidable transfer. Please provide me the information upon which you are relying to perfect your security interest in the assets of the debtor.

December 16, 2004

If you cannot do so I will be forced to initiate a suit to set aside the interest as a voidable preference or fraudulent transfer.

I look forward to hearing from you.

Sincerely,



David E. Grochocinski

Enclosure (1)

cc: Robert Quarles
Ronald Given

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

1a. ORGANIZATION'S NAME		
CMGT, INC.		
OR	1b. INDIVIDUAL'S LAST NAME	
	FIRST NAME	MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - insert only one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME						
OR	11b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
11c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
11d. TAX ID #, SSN OR EIN	ADD'L INFO RE ORGANIZATION DEBTOR	11e. TYPE OF ORGANIZATION	11f. JURISDICTION OF ORGANIZATION		11g. ORGANIZATIONAL ID #, if any	<input type="checkbox"/> NONE

12. ADDITIONAL SECURED PARTY'S ASSIGNOR S/P'S NAME - insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME						
OR	12b. INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX	
12c. MAILING ADDRESS			CITY	STATE	POSTAL CODE	COUNTRY
2 S 647 WHITE BIRCH LANE			WHEATON	IL	60187	USA

13. This FINANCING STATEMENT covers lumber to be cut or ss-extracted collateral, or is filed as a fixture filing.

14. Description of real estate:

15. Additional collateral description:

16. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

17. Check only if applicable and check only one box.
 Debtor is a Trust or Trustee acting with respect to property held in trust or Decedent's Estate

18. Check only if applicable and check only one box.
 Debtor is a TRANSMITTING UTILITY
 Filed in connection with a Manufactured-Home Transaction — effective 30 years
 Filed in connection with a Public-Finance Transaction — effective 30 years

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

9. NAME OF FIRST DEBTOR (1a or 1b) ON RELATED FINANCING STATEMENT

9a. ORGANIZATION'S NAME
 OR CMGT. INC.

9b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME, SUFFIX

10. MISCELLANEOUS:

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

11. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only one name (11a or 11b) - do not abbreviate or combine names

11a. ORGANIZATION'S NAME

OR 11b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

11c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

11d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 11e. TYPE OF ORGANIZATION 11f. JURISDICTION OF ORGANIZATION 11g. ORGANIZATIONAL ID #, if any NONE

12. ADDITIONAL SECURED PARTY'S or ASSIGNOR S/P'S NAME - Insert only one name (12a or 12b)

12a. ORGANIZATION'S NAME

OR 12b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME SUFFIX

12c. MAILING ADDRESS CITY STATE POSTAL CODE COUNTRY

2 S 647 WHITE BIRCH LANE WHEATON IL 60187 USA

13. This FINANCING STATEMENT covers timber to be cut or as-extracted collateral, or is filed as a future filing.

14. Description of real estate:

15. Additional collateral description:

15. Name and address of a RECORD OWNER of above-described real estate (if Debtor does not have a record interest):

17. Check only if applicable and check only one box.
 Debtor is a Trust or Trustee acting with respect to property held in trust or Decedent's Estate

18. Check only if applicable and check only one box.
 Debtor is a TRANSMITTING UTILITY
 Filed in connection with a Manufactured-Home Transaction — effective 30 years
 Filed in connection with a Public-Finance Transaction — effective 30 years

EXHIBIT E

**IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION**

DAVID GROCHOCINSKI, not individually)	
but solely in his capacity as the Chapter 7)	
Trustee for the bankruptcy estate of)	
CMGT, INC.,)	
)	
Plaintiff,)	No. 06 C 5486
)	
v.)	Judge Virginia M. Kendall
)	
MAYER BROWN ROWE & MAW LLP and)	
RONALD B. GIVEN)	
)	
Defendants.)	

AFFIDAVIT OF JAMES M. WONG

JAMES M. WONG, being first duly sworn on oath, deposes and states as follows:

1. I am a resident of the State of Illinois and am over twenty-one (21) years of age. I have personal knowledge of the facts set forth in this Affidavit and, if called as a witness, could and would competently testify to the matters set forth herein.

2. I am a former shareholder of CMGT, Inc. ("CMGT") and a licensed CPA. My accounting firm, Wong & Knowles CPA, provided CMGT with corporate accounting services.

3. I was involved in several telephone conversations and emails in and around the August-September 2003 time period with Lou Franco ("Franco") concerning CMGT. During these times, Franco and I communicated about whether CMGT should approve the proposal by Trautner (the "Trautner Proposal") or should wait to see if the Washoe Indian Tribe would make an offer to CMGT. I supported CMGT accepting the Trautner Proposal. I based this decision on my own business judgment, not on anything that was said by Ronald Given or Mayer Brown.

4. There were several reasons for my position. CMGT was in poor financial condition. For example, it owed my firm more than \$100,000 for corporate accounting services. CMGT was

out of funds and could not afford to operate its business any longer. CMGT had given Gary Spehar (“Spehar”) two to three years to bring a financing deal to the table, and he had not succeeded. I had no reason to believe that the Washoe would be any more likely to finance CMGT than the many other prospects Spehar had proposed in the past. I did not want to risk losing the Trautner Proposal, which Trautner required to be closed no later than September 30, 2003, on the chance that the Washoe might make an offer to CMGT.

5. I was aware of the claim by Spehar Capital (“SC”), Spehar’s company, that it wanted to be paid a commission for the Trautner Proposal. I thought SC’s claim was unjustified, because SC did not bring the Trautner Proposal to CMGT and, in addition, under its contract, SC was not entitled to any payment until a financing deal actually closed. I thought that, if the Trautner Proposal closed, we might be able to work out a settlement with SC. I was aware that SC was threatening to file suit against CMGT and that, if it did, it would adversely effect CMGT. However, prior to the closing of the Trautner Proposal, CMGT had no funds to settle SC’s claim. In addition, I was against any such settlement, because I believed that SC’s claim was without merit.

6. I did not assume that, if SC filed a lawsuit against CMGT, Mayer Brown and Ronald Given would represent CMGT in that lawsuit. Mayer Brown and Ronald Given had agreed to provide CMGT with corporate legal services; they had not agreed to provide CMGT with litigation services. I did not expect Ronald Given or Mayer Brown to represent CMGT in litigation unless CMGT made a separate agreement with them and agreed to pay them to provide litigation services. CMGT did not have the money to do so, and no such agreement was ever made.

7. When SC filed suit against CMGT (the “SC Lawsuit”), Franco contacted me to discuss the matter. (I also spoke with Ronald Given in this general time frame and always

understood that neither he nor Mayer Brown would be representing CMGT in the SC Lawsuit.) At that time, I was willing to share in the cost of hiring litigation counsel to defend CMGT against the SC Lawsuit and to fight the TRO that SC was requesting. Wayne Baliga was also willing to share in that expense. Franco told me that none of the other shareholders he had spoken with were willing to share in the cost of hiring litigation counsel for CMGT. Baliga and I were not willing to bear the entire cost ourselves. As a result of the unwillingness of the shareholders to contribute funds, CMGT did not hire counsel to represent it in the SC Lawsuit.

8. Once SC filed the SC Lawsuit, Trautner walked away and was no longer willing to close his proposed deal with CMGT.

9. Some months later, Franco called me to reopen the question whether CMGT should hire legal counsel to represent it in the SC Lawsuit. On or around February 10, 2004, at Franco's request, I assisted him in interviewing attorneys at Baker & McKenzie as possible counsel for CMGT. I understand that Franco also contacted potential counsel for CMGT in California. Franco and I also spoke with Michael Newman, an attorney in California, about the possibility of his representing CMGT. In addition to discussing his fees for defending CMGT in the SC Lawsuit, Newman raised concerns about whether CMGT would be permitted to appear in a California court when it was not in good standing and had not paid its corporate franchise fees. CMGT did not have the funds to pay those outstanding franchise fees.

10. The cost of hiring counsel for CMGT was high. At that time, I was no longer willing to share in those costs. I was concerned that the litigation would be too expensive and that it was not worthwhile for me to invest any additional money in CMGT. I understood that if CMGT did

not hire counsel to represent it in the SC Lawsuit, a default judgment would be entered against CMGT.

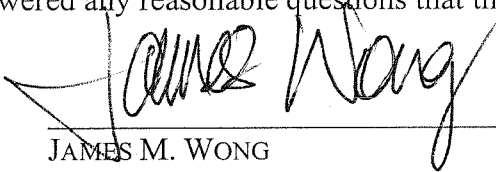
11. At a later time, CMGT was placed in bankruptcy and a trustee (the "Trustee") was appointed on its behalf.

12. On December 8, 2004, I sent the Trustee a letter stating that I believed that Spehar had acted wrongfully and that his actions had destroyed CMGT. I also told him that Spehar's lawsuit against CMGT had no merit. I also told the Trustee that Spehar and his legal counsel knew that CMGT did not have the financial resources to defend itself in the lawsuit. I encouraged the Trustee to "remedy the wrongs caused by Gerry Spehar/Spehar Capital," and I told him not to hesitate to call me if he needed my assistance. A copy of my letter to the Trustee is attached hereto as Exhibit A.

13. Neither the Trustee nor his legal counsel ever responded in writing or called me in response to my letter. The first time that they did contact me was one day before the Trustee filed this case against Ronald Given and Mayer Brown. At that time, I received a telephone call from Robert Carroll ("Carroll"), one of the Trustee's attorneys. In our telephone conversation, Carroll told me that the Trustee was going to file a lawsuit against Ronald Given and Mayer Brown and asked me to sign a tolling agreement. He told me that if I did not sign a tolling agreement, then the Trustee would include me as a defendant in the lawsuit. To avoid another meritless litigation, I signed the tolling agreement. Carroll did not ask me any questions concerning whether a lawsuit against Ronald Given or Mayer Brown was justified or any related questions nor did he ask me anything about CMGT or why it had not defended itself in the SC Lawsuit.

14. Apart from Carroll's phone call to me, neither the Trustee nor his counsel has ever asked me any questions about this matter or to cooperate with them in any way, and I have never refused to do so. If the Trustee or his counsel had ever asked me, I would have provided them with the information set forth in this affidavit and answered any reasonable questions that they had.

Further Affiant Sayeth Naught


JAMES M. WONG

Subscribed and sworn to before me this
24th day of February, 2009.


NOTARY PUBLIC

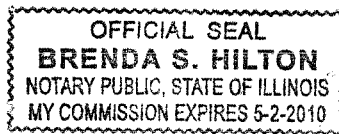


EXHIBIT A

James M. Wong
21W760 Glen Crest Drive
Glen Ellyn, IL 60137
Phone: 630-790-4763
Email: jim@wongknowles.com

December 8, 2004

David E. Grochocinski
Grochocinski, Grochocinski & Lloyd, Ltd.
1900 Ravinia Place
Orland Park, Illinois 60462

Re: CMGT, Inc. File No. 04B 31669

Dear Mr. Grochocinski:

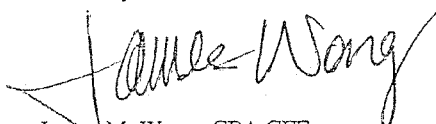
I understand you have been appointed as the interim Chapter 7 Trustee regarding CMGT, Inc. I was one of the initial investors in CMGT, Inc. I am a CPA and my firm provided accounting services to CMGT during some of its operating years. As a result of CMGT's inability to fully pay for my services, my firm became a creditor of CMGT as well. As of today, my outstanding invoices to CMGT, exclusive of late fees, totaled \$105,315.32.

I am writing this letter as a CMGT creditor/shareholder to assert my claim, and to provide you with clarification of certain circumstances under which CMGT was forced into bankruptcy. To put it simply, Gerry Spehar/Spehar Capital LLC initiated a lawsuit against CMGT without merit or sustaining damages, rendered CMGT unacceptable as an investment to any potential investors and caused its demise.

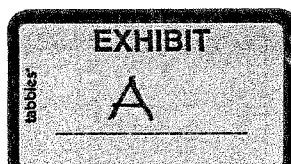
1. Gerry Spehar had a performance-based contract with CMGT to act as CMGT's investment banking representative and consultant. He never brought in any money from any investors and would have been compensated if CMGT became funded through his efforts as delineated under the contract, which began on October 1, 2001 and expired on October 1, 2003.
2. In late 2003, CMGT was negotiating with a potential investor group that was not brought to CMGT by Spehar. That investor group would have invested in CMGT allowing CMGT to implement the next phase of its business plan.
3. Gerry Spehar sued for his compensation before CMGT was ever funded. Consequently, the potential investor group became alarmed and withdrew its offer.
4. CMGT was never funded.
5. Gerry Spehar destroyed any possibility CMGT might have had in getting funded and further implementing its business plan.

All of the initial investors lost their investment in CMGT because of Gerry Spehar's lawsuit, which was filed without merit. He and his legal counsels knew that CMGT was never funded and did not have the financial resources to defend itself. He and his legal counsels also knew that CMGT was legally precluded from appearing in Court. His lawsuit would never have prevailed but for the fact that it was uncontested. He was never damaged and his lawsuit was filed with the intent to prevent CMGT from becoming capitalized and ultimately destroy CMGT. If there is anyone who is damaged, it is the initial investors in CMGT, its creditors and shareholders, NOT Gerry Spehar. As the Trustee of the bankrupted estate, you appear to be in a position to remedy the wrongs caused by Gerry Spehar/Spehar Capital and his attorneys. If you need any assistance in doing so, please do not hesitate to call me.

Sincerely,



James M. Wong, CPA CFE



PL 01389

EXHIBIT F

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NCA HON. D. M. SCHACTER, JUDGE

SPEHAR CAPITAL, LLC,)
)
 Plaintiff(s),)
)
 vs.) No. EC037602
)
 CMGT, INC.,)
)
 Defendant(s).)
 _____)

REPORTER'S TRANSCRIPT OF PROCEEDINGS
 February 26, 2004

APPEARANCES

For the Plaintiff: STEVEN KLENDIA, ESQ.

JEANETTE G. SOTO, CSR #8733
 Official Reporter

COPY

INDEX

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

DAY	DATE	SESSION	PAGE
Thursday	February 26, 2004	A.M.	1

PROCEEDINGS

Default prove up hearing

1 BURBANK, CALIFORNIA; THURSDAY, FEBRUARY 26, 2004;

2 A. M. SESSION

3 DEPARTMENT NCA

HON. D. M. SCHACTER, JUDGE

4 (Appearances as heretofore noted.)

5 (Jeanette G. Soto, Official Reporter.)

6
7 THE COURT: Spehar Capital.

8 Swear in the witness, please.

9 THE CLERK: You do solemnly swear the testimony
10 you may give in the cause now pending before this court
11 shall be the truth, the whole truth, and nothing but the
12 truth, so help you God?

13 THE WITNESS: I do.

14 MR. KLEND: Steven Klenda on behalf of Spehar
15 Capital. Present is Gerry Spehar, president.

16
17 GERRY SPEHAR,
18 called as a witness on behalf of the Plaintiff, was sworn
19 and testified as follows:

20
21 DIRECT EXAMINATION

22 BY MR. KLEND:

23 Q Please state and spell your full name for
24 the record.

25 A Gerry Spehar, that's what I go by. My first
26 name is actually Robert.

27 THE COURT: What would you like to go by today?

28 THE WITNESS: Gerry.

1 THE COURT: Why don't you sit down and relax.
2 Please go ahead.

3 MR. KLEND: Your Honor, if you recall, this case
4 involved Spehar Capital. It's a Glendale business who
5 contracted to raise money for a start up company called
6 CMGT, Inc.

7 They succeeded. Two entities signed a
8 letter of intent to provide capital to CMGT. This
9 acceptance of the letter of intent triggered certain
10 provisions in Mr. Spehar's capital contract, excluding
11 investment banking rights, a percentage of stock
12 compensation and a success fee which was 6 percent of
13 \$2.5 million.

14 In addition, the capital -- the capital
15 required Mr. Spehar to be paid \$100,000 for providing
16 management consulting services, and it contained a fee
17 shifting provision.

18 Those provisions of the contract are
19 detailed in paragraphs 13 to 17 of our complaint.

20 THE COURT: This was the finder's fee, wasn't it?

21 MR. KLEND: Yes.

22 THE COURT: Go ahead. You got to have him say
23 something.

24 THE WITNESS: Dangerous territory, Your Honor. I
25 say a lot.

26 THE COURT: So you had a document, which the
27 documents we're going to put into evidence shows that
28 you had it set up into a finder's fee is \$100,000, and

1 they bilked on it?

2 THE WITNESS: The \$100,000 is a management
3 consulting fee. The finder's fee was \$150,000.

4 THE COURT: So what are we after today?

5 THE WITNESS: Much more than that. We're also
6 after evaluation of the stock compensation that I was
7 owed which was 6 percent of CMGT and evaluation of the
8 investment banking rights which accrued to be when they
9 accepted the letter of intent.

10 THE COURT: So what are the damages that are
11 reflected in the documents of counsel?

12 Sit down, counsel, and relax.

13 What are the documents -- what are the
14 damages in the documents that are -- what documents?
15 Number what? A through what?

16 MR. KLEND: Numbers 1 through 15, Your Honor.

17 THE COURT: 1 though what?

18 MR. KLEND: 15.

19 THE COURT: What kind of damages are they for
20 what? Each one?

21 MR. KLEND: For legal expenses \$5,863 for the
22 cash.

23 THE COURT: Now is there something that allows for
24 legal expenses?

25 MR. KLEND: Yes, there is.

26 THE COURT: And the document says attorney's fees?

27 THE WITNESS: Yes, there's a fee shifting
28 provision in the document.

1 THE COURT: What's the next one?

2 THE WITNESS: Cash success fee which is what you
3 were calling the finder's fee, and that's \$150,000.
4 That's 6 percent of the \$2.5 million capital rates.

5 THE COURT: And the next one?

6 THE WITNESS: I have to write down the manager's
7 fee. In the contract the words were cash success fee,
8 but it is a finder's fee, as you refer to it.

9 THE COURT: Well, one I understand.

10 Go ahead.

11 THE WITNESS: There was a management consulting
12 fee put in the contract on the second revision of the
13 contract because I was doing much more than I was
14 originally called for to do in consulting management,
15 and that was \$100,000.

16 THE COURT: Okay. What else?

17 THE WITNESS: Stock compensation, I was also when
18 the contract, when the letter of intent was subpoenaed,
19 I was owed 6 percent of the CMGT as common stock. The
20 valuation of that CMGT relied on and investors relied on
21 was a IPO to be done in 2006.

22 Current valuation of my 6 percent would be
23 \$11,253,627.

24 THE COURT: What's it worth now?

25 THE WITNESS: That's it. 11 million.

26 THE COURT: Is CMGT in existence?

27 THE WITNESS: Yes, it is. Because I have called
28 as late as last week in their call center operations,

1 and they are answering the phones. Beyond that, I can
2 get no information out of CMGT.

3 THE COURT: Once you have the judgment, they're
4 going to come in and set aside the judgment, and the
5 dance starts all over again.

6 THE WITNESS: I stand by my representations.

7 THE COURT: I'm just saying this is what usually
8 happens. It's like the first dance one person forgot to
9 get up, and the second dance, everybody gets up.

10 THE WITNESS: Okay.

11 THE COURT: Okay. That's fine.

12 THE WITNESS: And there's one more provision.
13 They, because I was the party who helped them raise the
14 initial capital, I was given what were called investment
15 banking rights for future deals. So I would be the
16 party if they raised capital for any purposes --
17 financial billing through the IPO -- I would be the
18 party as a investment banker that would be allowed to do
19 that.

20 There's a fee attached to that, of course.
21 I valued the IPO fee in 2006. My portion of that would
22 be worth today 5,400,000.

23 THE COURT: But that one is pretty hard because
24 nothing has happened on that yet. You could have it in
25 your judgment that you had the right to the fee, if it
26 ever occurs, but this may never occur.

27 THE WITNESS: The investors at CMGT in all of
28 their presentations to investors relied upon an IPO as

1 an extra strategy in 2006. They relied on that.

2 THE COURT: Okay.

3 THE WITNESS: And I had a right to do that.

4 THE COURT: Okay.

5 THE WITNESS: So my value of that fee today would
6 be \$5,438,290.00.

7 THE COURT: What does CMGT do?

8 THE WITNESS: Own a business called absence
9 management. And just to give you a perspective on what
10 companies, how they value this service, 51 percent of
11 the human resource directors in the United States
12 according to a magazine by the name of HR Next that they
13 subscribe to have said it's their biggest headache,
14 absence management, under the family leave act under
15 which a lot of the employees go out, and they have a
16 call center operation.

17 When a client employs them, a client has
18 told all of the employees, "You will now when you're
19 going to be absent call CMGT's call center." They have
20 a piece of proprietary software that integrates. CMGT
21 has a proprietary piece of software they wrote which
22 allows for the call center to over the internet
23 integrate all of the employers' data bases on their
24 employees and all of the disability carrier's data bases
25 on that company with a call center. So that whenever
26 anybody calls in that's sick, that's the funnel. That's
27 the tip of the funnel from which all information flows
28 out to all of those people.

1 THE COURT: All right. Do you have the judgment
2 ready?

3 MR. KLEND: Unfortunately, Your Honor, I do not.

4 THE COURT: Then you can prepare it up. Okay so
5 probably one of two things will happen. They will set
6 it aside, walk away from the company or they will go
7 bankrupt. It's one of those three things will happen.

8 MR. KLEND: That is likely, Your Honor.

9 THE COURT: Oh, yeah. Okay. Thank you very much.

10 MR. KLEND: Can I tender the exhibits to the
11 court?

12 THE COURT: Yes, please. And we'll put them in
13 the file. So the exhibits are to be in the file.

14

15 (The proceedings in the above-entitled
16 matter were concluded.)

17

18

19

20

21

22

23

24

25

26

27

28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NCA

HON. D. M. SCHACTER, JUDGE

SPEHAR CAPITAL, LLC,)

Plaintiff(s),)

vs.)

CMGT, INC.,)

Defendant(s).)

No. EC037602

STATE OF CALIFORNIA)

COUNTY OF LOS ANGELES)

SS

I, JEANETTE G. SOTO, Official Reporter of the Superior Court of the State of California, for the County of Los Angeles, do hereby certify that the foregoing pages 1 through 7 comprise a full, true, and correct transcript of the proceedings held in the above-entitled matter on February 26, 2004.

Dated this 25th day of September, 2006.

 CSR #8733
Official Reporter