

March 24, 2009

Mr. Patrick Shin  
3170 Noela Street  
Honolulu, HI 96815

Mr. Fooney Freestone  
President  
Mr. Ryan Nakaima  
Vice-President  
Nan, Inc.  
636 Laumaka Street  
Honolulu, Hawaii 96819


Gentlemen:

In 2004, we filed a lawsuit (that was twice amended) against Mr. Shin and Nan, Inc. on behalf of the United States of America pursuant to 31 U.S.C. § 3729 *et seq.*, in which we alleged that we (as former employees) and Mr. Shin and Nan, Inc. made certain false statements and submitted false claims to government officials in connection with the award and performance of several U.S. Government prime contracts that had been issued to Nan, Inc., and in which we further alleged that some government employees acted inappropriately with respect to those contracts as well. The U.S. Government investigated the allegations that were set forth in our lawsuit and elected to decline intervention in the lawsuit. Following that investigation and election to decline intervention by the U.S. Government, we voluntarily dismissed our lawsuit with prejudice, and it is our understanding that the U.S. Attorney's Office has concurred with that the dismissal.

This letter will serve as a public apology for any injuries, monetary or otherwise, that Mr. Shin, or Nan, Inc., or any government employees may have suffered because of the erroneous factual and/or legal allegations set forth in our lawsuit. We are aware that the allegations that we made against Mr. Shin, Nan, Inc., and the government employees may have severely damaged Mr. Shin's, Nan, Inc.'s, and the government employees' reputations within the federal contracting community in Hawaii, especially with those U.S. Government contracting officials with whom Mr. Shin and Nan, Inc. has had a good working relationship. We sincerely regret our actions and any injuries we may have caused to Mr. Shin, Nan, Inc., or the government employees by filing of the lawsuit, by any of the erroneous factual or legal assertions that may have been set forth in the lawsuit, or by any erroneous factual statements that we may have made responding to the U.S. Government's investigation. We further hope that this letter of apology will assist in reestablishing Mr. Shin's and Nan, Inc.'s goodwill, and the reputation of the government employees, with the government contracting community and especially the reputation of Mr. Shin and Nan, Inc. with those U.S. Government contracting officials with whom Mr. Shin and Nan, Inc. have dealt in the past or with whom they will deal in the future.

Sincerely,

  
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Grant Imamura

  
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Geoff Ulep