

Jean E. McCall

Edward B. Detwiler's spouse; likely not involved

Approximately 2 months after Jerry Scott was fired and the takeover attempt failed, Leader has alleged. The dubious lawsuits to create creditors to drive the company into involuntary bankruptcy (see para. 4 beow) began within 10 months of this email with the filing of Rampelt/Detwiler v. Leader on May 2, 2005, then Steiger v. Leader on Oct 20, 2005, then Barmack v. Leader on Feb 2, 2006

From: Edward B. Detwiler [EBD@columbus.rr.com]
ent: Friday, July 09, 2004 2:20 PM
To: Betsy Foote
Subject: Legal Action Against Leader

Betsy,

Former talented programmer for Leader

I was happy to see your response to Jerry Rampelt's e-mail. Mike McKibben is the most skillful person I have ever met at creating an environment of mistrust among all associates. I decided to send this e-mail to just you as you seem to be the informal leader and I appreciate your continuing communication. I wanted to expand on my position and thoughts.

Since no one responded to my update about pursuing legal action, I thought maybe I had done something that may have caused concern. My intention is to do nothing that would harm any of our "group" (who ever that may be at any given time, but my definition would be generally those who participated with Jerry Scott in discussions). The reason I gave the \$500 cost information is to provide everyone an idea of the initial legal cost. Filing the lawsuit may add another \$200. If it goes to litigation then the costs can be substantial (maybe \$5,000). My hope is to avoid litigation; however, Leader is taking a defensive position and will try to see if I have the financial courage to continue. Their legal fees are paid for by uninformed investors.

Mike is into me for one year of work for stock options (that don't exist anymore as they expired March 2004) and seventeen months of consulting billed on an hourly basis. The stock option compensation for being a director is also gone. Not including my investment, this is greater than \$200,000! I feel like such a dumb ass!!!

Leader Technologies is so far in debt and managerial chaos that, in my opinion, none of us are likely to ever be fully paid. My decision to take legal action was more to stop the circus before the next crop of sheep get sheered than to really believe I will get all compensation due me. I am not in the habit of throwing good money after bad, something Mike counts on to continue the con. You can bet that he still gets paid out of investor money and that he is NOT disclosing all company debt. It took me a year to get my debt put on the corporate books. Filed lawsuits are public knowledge and must be disclosed to new investors IF they significant compared to overall assets of the corporation. Enough unsecured creditors can force the company into involuntary bankruptcy whereby the company can be reorganized at the discretion of the creditors or just shut down.

You have a choice to pursue legal action with other W2 employees or pursue legal action independently. Since Don Patterson sent the memo acknowledging the debt, that part of the battle is over. Now it is a question of getting them to pay it off in a timely manner. Advantages to the group approach would be shared cost and a solid front. Disadvantage is that all would share the same financial pot and that may prolong the time it takes to fully pay everyone. My understanding is that there is a rather wide disparity of amounts owed to each individual so some arrangement would need to be made to make the sharing fair. If everyone pursued legal action independently, then Leader would be faced with many individual lawsuits and in my opinion, make them more willing to settle just to reduce the numbers. One thing is certain; Mike will do everything to make it difficult.

I am using a lawyer by the name of Tim Miller who is with Isaac, Brant, Ledman, & Teetor, LLP. I doubt that Tim could represent you independently from me because of the conflict of interest. I would be happy to ask Tim for a recommendation if you would like me to do so. I spent an hour with him and gave him a detailed timeline of my interaction with Leader from start to current. I essentially kept a diary of meetings and documented all discussions with Mike about compensation promises. From that information, a demand letter was sent to Leader. We have not filed the lawsuit yet but the paperwork is done so that it can be filed quickly.

I would be happy to help you and others any way I can. Sounds like you are very busy. E-mail works and my telephone number is 895-0465 if you want to talk. I am always open for a beer.

Ed

Confirmation of strategy under consideration to push the company into involuntary bankruptcy.

Tim Miller, Esq. subsequently represented E. Esther Barmack along with Brandi L. Dorgan, Esq. which plaintiffs imply was purely coincidental.