From: Mark Brannen [mailto:Mark.Brannen@kbr.com]

Sent: Sunday, January 11, 2009 6:20 PM

To: bbaisey@easternsolutionsgroup.com

Cc: Guy LaBoa; Larry Lust; Karen Chillcott; David Stallard; Richard Diddams; Connie Haydon;

Joni Cox; Derrick White2;

Ron Allen

Subject: Najlaa Performance in Iraq

Importance: High

Bill – appreciate your view, but it does not change the fact that the US Government is extremely upset at KBR right now and most of that frustration comes from Najlaa. Your man camp outside BIAP has become a corporate embarrassment that has the visibility of the US Ambassador to Iraq, the Army Leadership here at Victory Base and our Defense Contract Administrators.

Today a meeting was held at Victory and the Army accompanied KBR to visit the camp. Your representative on the ground, Dominic I believe, stated that the employees were still planning on moving to Taji and still believed that they would work for KBR at Taji. This despite the letters we have sent last week informing you that those two DFAC's would not be awarded to Najlaa. I cannot say clearly enough, that the decision to not award Taji to your company was a final decision based upon months of missed milestones and non-acceptance of the man camp and DFAC equipment. This decision will not be reconsidered.

During the meeting today the United Nations offered to fly all of your employees from the BIAP camp to their homes at no cost to Najlaa. Najlaa refused. I can only assume that your decision not to accept the UN's offer was based upon some misguided idea that the Taji DFAC decision was negotiable. This is not the case. We would ask that Najlaa stand by your word that these employees would be flown out of Baghdad in short order, removing them from the danger they face in their current conditions and ending this on-going problem for KBR and the US military. The UN offer is still available and

would allow Najlaa to avoid the cost of flying these personnel home.

One last point, Bill. The US Military has become increasingly less tolerant of subcontractors operating on their Coalition Bases. The recurring complaints by your employees across various sites about their conditions and the mounting issues

at BIAP, could lead to a debarment of Najlaa from all MNF-I bases in Iraq. We do not want this to occur and would encourage you to take the immediate steps to correct the situation at BIAP within the next 24 hours by flying these personnel home, or taking up the UN offer to do so on your behalf.

R,

Mark

Mark A. Brannen

Deputy Program Manager - Support

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mark.brannen@kbr.com

From: Bill Baisey [mailto:bbaisey@easternsolutionsgroup.com]

Sent: Sunday, January 11, =009 1:27 PM

To: Mark Brannen; bbaisey@easternsolutionsgroup.com

Cc: Connie Haydon; Joni =ox; Derrick White2; Larry Lust; 'Houry Awadis'

Subject: RE: Najlaa performance in Iraq

I am sorry but you were misinformed by your staff about the situation in G-3.. The meal was not late actually it was 15 minutes early, please see email attached. In G-3 the SOW calls for 198 staff and we have 232.. the staff on strike are all level one and will be removed from the site. As you can see part of the problem is wrong reporting on NICS but some of your staff for one reason or another. Why would they say that the meal was late when it was early! I attached the email from NICS Camp Manager for your reference and you can see that Ms. Rebecca McFadden DFAC1 is copied on the email.

As for the accident in G3, NICS took immediate action against the individual in question when it was brought to our attention and terminated the individual in question services and removed him from site. This individual acted on his own and against the Operational Procedures of NICS and SOP of KBR.

I agree with you on the part of having faced some problems during the first 2 days of the transition of the VBC DFAC's which was overcome and all DFAC's have been running smoothly since then except for very minor issues which were addressed at a time. And I am sure you are aware that F3 has received AWARD for Best DFAC during Thanksgiving and is now the preferred DFAC by most Military personnel in VBC.

As for the incident involving one of NICS staff going to the military and coming to KBR for assistant with the Elite staff,, As soon as this information was brought to my attention, I dealt with it and suspended the individual pending an investigation of his actions.

Mark, NICS has the highest regards =or its relationship with KBR and at no point I would allow any of NICS staff to go directly to the military for any issues between NICS and KBR. We work for you to serve the client and we will continue to honor our commitment. I believe that there is a lot of reporting coming from various people within your organization which are incorrect and I have many cases to show you some of which happened when Mr. Mayo was there.. He was misinformed about various situations which I provided the evidence it's otherwise. This type of reporting may have been the reason your Boss have been hearing nothing but negative comments on NICS.

For the past 5 days I have been trying to get a meeting scheduled with KBR Management to discuss your concerns and our concerns especially in reference to the latest letters but have not received a response. I will appreciate it if we can schedule a meeting in reference to these issues.

Last but not least, we will continue to do our utmost best to ensure services are not interrupted in any one of the sites.

Best Regards

Bill Baisey

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From: Mark Brannen [mailto:Mark.Brannen@kbr.com]

Sent: Sunday, January 11, =009 12:07 PM

To: bbaisey@easternsolutionsgroup.com

Cc: Connie Haydon; Joni =ox; Derrick White2; Larry Lust

Subject: Najlaa performance in Iraq

Importance: =High

Bill – we have had another dust-up with Najlaa employees at G-3 this morning and it has delayed the noon meal 30 minutes. Another black eye with the US Military for KBR – caused by your company. As you know, this is the same site where we had a pick-up truck filled with Najlaa employees overturn and narrowly avoid very serious injuries and deaths.

My new boss has been on the ground since 29 December and he mentioned this morning that he has not gone through a 24-hour period without negative information about Najlaa. From the failed transitions in October, to the poor performances and CARs resulting from those transitions, to the continued problems at the camp outside BIAP, the relationship between KBR and Najlaa has shown little improvement. This week we had a Najlaa manager going to the military at Victory and Slayer complaining about the situation his employees faced at the Elite Camp, only to be told by your office that the situation was overstated. However, from the military's perspective, KBR has again failed to control our subcontractor.

I want your plan for correcting the employee relations that continue to arise at DFAC's throughout Iraq. I also want your assurance that Najlaa is going to avoid confronting the military directly with internal problems, rather than resolve through our normal Contractor; Subcontractor channels. We are spending far too much time dealing with your internal issues trying to keep our DFAC's operating smoothing, safely and within regulatory guidance. The situation must improve soon.

R,

Mark

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