

Irwin, Amy

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From: James H. Ripley [jripley@SharpRipley.com]

Sent: Tuesday, August 21, 2007 2:04 PM

To: Hargrove, Rebecca

Cc: dbottorff@councilventures.com; clairewtucker@comcast.net; Marvell@mtgllc.com; Stoecklein, Christie; jleh@hotmail.com

Dear Rebecca,

Given the recent problem encountered with the RNG system which is the subject of today's press release, I believe it incumbent upon me, as Chairman of the Audit Committee, to request that Christie Stoecklein and her staff immediately undertake an investigation of all causes and effects of the problem. As part of her analysis, I am asking Christie to identify, describe and/or obtain the following:

1. The specific nature of all human errors and machine errors which contributed, in any way, to the failure of the system.
2. The identity of all personnel of TEL, Smart Play, or other involved entity, who were responsible, to any degree, in the creation of the problem or who failed to take reasonable action to prevent the problem. This analysis should include an effort to identify all personnel who witnessed the process (of which the key stroke entry was a part) which gave rise to the problem.
3. The specific title and role of each person identified in the response to #2 above.
4. An analysis of the probability, if any, that the problem arose as a result of fraud or other deliberate dishonesty. Such analysis should seek to determine if any person(s) may have deliberately profited from the problem during the time period in which it persisted, and such analysis should be made regardless of whether the cause of the problem was deliberate or accidental.
5. A written account, within 10 days, from Mr. Markham and Smart Play setting forth their explanation of the cause(s) of the problem, any reasons for the delay in detecting the same, and all measures to insure the integrity of the system going forward.
6. The date when the problem first arose.
7. The date when the problem was first discovered.
8. The date when the TEL was first made aware of the problem.
9. The manner in which the problem was first discovered.
10. An analysis/explanation of the reason for any delay in detection and/or reporting of the problem.
11. Any means of communication (e.g. telephone, fax, email etc.) and record thereof, by which the fact of the problem was first made known to a member of TEL management.
12. The identity of any TEL employee(s) to whom the problem was first revealed or became apparent.
13. The identity of any employee(s) of Smart Play to whom the problem was first revealed or became apparent.

Upon receipt, should you or Christie have any questions, please advise.

Sincerely,  
Jim

8/23/2007