UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
(Alexandria)

PHILLIP W. KNIGHT,	:	
	:	
	:	
Plaintiff,	:	
v.	:	Civil Action No. 1:10cv887
	:	CMH/TCB
LIZ GRAYSON, et al.	:	
	:	
	:	
Defendants	:	

AFFIDAVIT OF ROBERT J. FLYNN, JR.

Robert J. Flynn, Jr., submits this Affidavit in connection with the Opposition to Defendant Liz Grayson's Motion to Dismiss the Amended Complaint filed in this proceeding. Robert J. Flynn, Jr. deposes and states as follows:

1. I am the attorney for Red Branch Technologies, Inc., a Virginia corporation located at 44081 Pipeline Plaza, Suite 300, Ashburn, Virginia 20147.

2. Red Branch Technologies, Inc. has been involved in various defense contracts that it performs in Virginia for the United States government. These contracts involved sensitive issues, potential defense acquisitions , most notably the attempt to acquire Kuchera Industries of Winber, Pennsylvania,and required the merger and acquisition expertise of selected persons such as Matthew Carley and Phillip W. Knight.

3. Red Branch Technologies sought to use the "M & A" services of Phillip W. Knight in 2009. As part of an agreed to plan, the company was prepared to

make use of Mr. Knight's services to acquire all or part of Kuchera Industries and met with Mr. William Kuchera at Kuchera Industries' Pomroy Drive Headquarters in the summer of 2009together with Mr. Knight and Mr. Carley. It was understood by Red Branch that ifMr. Knight could effectuate the merger and acquisition with Kuchera and raise thefunds needed therefore, he would be entitled to extensive private placement fees andcommissions, in the neighborhood of $500,000. Kuchera Industries had no objection to such an arrangement with Red Branch/Kuchera for the raising of funds.

4. Also, during September, 2009 the company officials of Red Branch began to work with Mr. Knight in an effort to augment a planned expansion of Red Branch's defense contracting operations in Ashburn, Virginia , with the understanding that Mr. Knight and Mr. Carley would raise funds for Red Branch and would be compensated on the same basis as that reflected in the Kuchera proposal. This would require Mr. Knight's significant and continuous presence at Red Branch in Ashburn.

5. Beginning in November/December, 2009 company officials at Red Branch started received telephone calls at their offices in Virginia from a person who claimed to know Phil Knight. This person claimed to have needed business reference and personal information about Phillip W. Knight and stated that " the world should know all about his past scams" , suggesting the viewing of a website listed as Phillip W. Knight.com for information about Phillip W. Knight. This person also indicated that a warning was being given to all persons doing business with Phil Knight in Virginia and that all such persons would be referred to the same website. These

telephone calls placed to officials of Red Branch Technologies at their offices in Virginia at Ashburn occurred frequently and were always instructive in terms of viewing the mentioned website. The website in question was viewed by one of the Red Branch Board members and brought to the informal attention of the Board.

6. Red Branch officials accessed the website PhillipWKnight.com on their computers in Ashburn on a number of occasions between December 2009 and April, 2010. These officials were concerned about what they saw on this site. The site focused exclusively on Phil Knight and depicted him in unsavory terms such as "con artist," "liar", "thief", as a person who "stole" money and as a person who "couldn't be trusted."

7. On the basis of the information contained on this website, officials at Red Branch decided that, while they had no factual verification of any of the outrageous allegations made upon the site, continued association with Mr. Knight under these circumstances could be deleterious for the Company and , reluctantly, informed Mr. Carley that they could not continue the Company's relationship with Mr. Knight as a result of the website's allegations.

8. Phillip W. Knight was advised through Mr. Carley of Red Branch's reluctant decision to terminate its relationship with him on April 30, 2010. It is my understanding that Mr. Carley advised Mr. Knight of these events , citing the information provided to Red Branch via the referenced web site.

9. Several months later, I informed Mr. Knight that additional telephone calls

were placed to Red Branch offices in Virginia on a regular monthly basis from July to October 2010 by the same anonymous persons with the same information , with the caller often screaming to Red Branch officials " you don't even answer your (expletive) phone" and in later calls advising review of the website Phillip W. Knight.com. I also advised Mr. Knight that Red Branch officials would periodically check the website for updates from Ashburn to see if there had been any retraction.

10. All of the calls I have described were received at the Red Branch office at 44081 Pipeline Plaza, in Ashburn, Virginia, and the Company access to the website was made at that address.

11. Red Branch regrets having to terminate its relationship with Mr. Knight and has never accepted as truthful any of the website representations regarding him, but with such allegations spread through the public domain was compelled thereby to sever its relationship with him.

SIGNED UNDER PENALTY OF PERJURY
As provided in 28 U.S.C. 1746

DATE: December 20, 2010

Robert J. Flynn, Jr.