

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

3D GLOBAL SOLUTIONS, INC.

Plaintiff,

Civil Action No. 1:06-cv-722(GK)

v.

MVM, INC.

Defendant.

_____ /

PLAINTIFF 3D GLOBAL SOLUTIONS, INC.'S MEDIATION STATEMENT

FACTS OF THE DISPUTE:

1. MVM and 3D Global entered into a letter of intent to contract for 3D Global to provide third country nationals (“TCNs”) as security personnel in support of MVM’s contract with the US Government. They entered into this letter of intent on or around September 26, 2005.¹
2. On September 29, 2005, 3D Global received Task Order #1 (labeled exhibit A) via facsimile. The Task Order requested 65 TCN Guards to deploy to Kabul, Afghanistan.²
3. On October 4, 2005, 3D Global received a second task order via facsimile calling for 145 TCN Guards and 20 TCN Senior Guards.³
4. Both task orders refer to requirements in “section B” of the original letter of intent, but do not specify any other requirements.⁴

¹ Please note that Exhibit 1 in the present case differs from the original Exhibit 1 attached to MVM’s answer and counterclaim filed in the United States District Court for the District of Columbia on 08/10/2006. The current Exhibit 1 is missing facsimile markings and is dated October 12, 2005, whereas the Exhibit 1 in the previous court documents has facsimile markings evidencing the exchange of documents between the two parties and is dated September 26, 2005.

² Exhibit 2.

³ Id.

⁴ Id. This fact is also supported by an email from 3D CEO Michael Dodd to MVM asking for clarification on the language requirement.

5. MVM claims that Exhibit B “Task Order No. 01”, a document which differs in formatting from the previous faxed and signed task orders, should apply to this letter of intent between MVM and 3D Global.⁵
6. Pursuant to the faxed Task Orders, 3D Global recruited a total of 230 TCNs for MVM and submitted their employment packages.⁶
7. Subsequently, MVM employed and deployed all TCNs, terminating any further pre-deployment obligation by 3D Global and thus completing 3D Global’s performance obligations under the letter of intent.⁷
8. 3D Global invoiced MVM for performance of its pre-deployment services, as agreed between the parties.⁸
9. MVM has failed to pay any of the submitted invoices.⁹
10. After deployment of the TCNs, MVM modified its contract with the U.S. Government in which MVM and the U.S. Government agreed that no default had occurred and that the prime contract had been terminated for convenience of the government effective December 25, 2005.¹⁰
11. MVM agreed to release any claims that any subcontractor, including 3D Global, had against the U.S. Government.¹¹
12. In exchange for this settlement agreement, MVM received 3.5 million dollars.

⁵ Id. “Task Order No. 01” requests 8 Senior Guard II’s and 74 “Guards,” and specifies language requirements. There are no facsimile markings, and the document refers to an Agreement for Recruiting Services dated October 12, 2005, which is a date subsequent to both previous task orders.

⁶ Material Facts Not in Dispute. See Jayson Turner affidavit. Turner was employed by MVM and was sent to Peru to vet and approve all TCN’s recruited by 3D.

⁷ Id.

⁸ Id.

⁹ Id.

¹⁰ Id.

¹¹ Id.

13. Despite this settlement, MVM has failed to pay monies due to 3D Global as required by the terms of the subcontract.¹²

KEY LEGAL ISSUES:

1. Breach of Contract

- 3D has met all obligations under its subcontract with MVM and is entitled to payment. 2.

In not paying the invoices as agreed under the subcontract, MVM is in bad faith breach of its contract with 3D.

- 3D has suffered damages as a result of MVM's breach of contract, in the amount of **THREE HUNDRED SIXTEEN THOUSAND DOLLARS (\$316,000.00)** with interest and costs.

2. Negligent or Intentional Interference with Business Advantage

- 3D had a business expectation to sell, transfer, or assign administrative packages for TCN's.
- MVM knew that 3D had a business expectancy regarding 3D's administrative packages.
- MVM acted negligently or intentionally towards 3D
- This negligent or intentional conduct was calculated to cause damage to 3D in a loss of business expectancy.
- MVM's conduct was committed with the unlawful or improper purpose to cause such damage without justification, and actual damage resulted.
- WHEREFORE, 3D demands compensatory damages in the amount of **THREE HUNDRED SIXTEEN THOUSAND DOLLARS (\$316,000.00)** with interest and costs, and punitive damages in the amount of **TWO MILLION DOLLARS (\$2,000,000.00)** with interests and costs.

¹² Id.

POSSIBLE AREAS OF AGREEMENT:

1. A contract existed between MVM and 3D Global, and between MVM and the United States Government.
2. 3D recruited 230 TCNs for MVM pursuant to the agreement that existed between them.
3. MVM received, employed, and deployed all of the TCNs.
4. 3D invoiced MVM for performance of the pre-deployment services under the subcontract.
5. The United States Government sued MVM for breach of contract.
6. MVM argued that they did not breach their contract.
7. MVM and the United States Government came to a settlement in which they agreed that the contract between them had been terminated for the convenience of the United States Government.
8. MVM and 3D agree that no breach of contract occurred between MVM and the United States Government.
9. MVM has not paid any money it owes to 3D.

OPTIONS FOR SETTLEMENT:

3D Global Solution will drop its claims and settle for an amount equal to its economic losses which total approximately \$130,000.

SETTLEMENT HISTORY:

- Before present counsel was hired for the case, there was a previous attempt at mediation. A private mediator was hired, but parties could not come to an agreement.

PERSONS OTHER THAN COUNSEL WITH DECISION-MAKING AUTHORITY:

Mr. Michael Dodd

**PERSONS CONNECTED WITH EITHER PARTY THAT MIGHT IMPROVE UTILITY
OF MEDIATION/SETTLEMENT**

1. Affidavit of Jayson Turner
2. Mr. Clyde Slick

_____/S/_____
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_____April 19, 2010_____
Date