

EXHIBIT 26

Redacted-A/C-work product

From: **Spitler, Todd M CIV USAF SAF/PAO** <Todd.Spitler@pentagon.af.mil>
Date: Thu, Feb 3, 2011 at 4:01 PM
Subject: RTQs
To: james risen <jrisen31@gmail.com>, "risenj@nytimes.com" <risenj@nytimes.com>

Jim: here is our statement in response to your queries. If you have any follow up please let me know.

For attribution, please use "an Air Force spokesman."

"In accordance with all applicable regulations, on January 14, 2009, the US Air Force issued a \$3M sole source contract to BLXWARE LLC, for the purchase of Video Data inventory for \$2.5M and temporary software license and technical support for an additional \$500K. The period of performance of the contract was 90 days to carry out a brief assessment of technology that the company represented to be innovative and transformational concerning video and content compression to include noise filtering and reduction. The contractor provided all Video Data contracted for and was paid \$2.5M. The contract was extended, at no additional cost to the government, for an additional 45 days to allow the contractor an opportunity to perform in accordance with the statement of work. When the contractor did not perform in accordance with the terms of the contract, the additional \$500K was not invoiced by the contractor and accordingly the government did not pay for what it did not receive. The period of performance of the contract expired in May 2009.

The contract with Blxware did not provide for any support to the Air Force

other than what is listed above.

Any data that may or may not have represented potential threat information was passed to the appropriate authorities.

The Air Force was aware of ongoing civil litigation between Mr. Montgomery and his former employer eTreppid. This contract was with BLXWARE (Mr. Montgomery's employer at the time). Mr. Liberatore is still employed with the government but is not available for comment."