



Advanced Programs, Inc.

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December 2, 2002

To our customers, suppliers, resellers and other business associates:

I am pleased to announce the completion of a management buyout of DRS Advanced Programs, Inc. The transaction was completed on November 21, 2002 and, effective on that date, our name has changed to:

**Advanced Programs, Inc. (API)**

Our equity partner is an affiliate of Compass Advisers, LLP\*, a trans-Atlantic strategic advisory firm with offices in New York and London. Compass has industry expertise in Technology, Energy and Consumer Products among other industry sectors. Compass also owns a controlling stake in Plexient, LLC, a technology investment fund of which security and security solutions are a portfolio focus. A related entity, Compass Partners European Private Equity Fund, L.P. is a \$900M+ leveraged buyout fund that seeks to acquire subsidiaries of Western European conglomerates. Limited partners of the Fund include state pension funds, large industrial pension funds, university endowments and high net worth individuals.

Included as investors in the purchase of API are myself and other key members of the API management team. We are confident that this new corporate structure will allow us to more completely focus on the markets we serve. We look forward to continuing and building upon the many valuable relationships we have developed in our 33 years of operation.

Thank you for your continued support.

Sincerely,

Steven S. Rice  
President & CEO

\* (a/b/a Compass Advisers LLC)