

REVISED AND RESTATED DECLARATION OF DEMETRIOS ANIFANTIS

I, Demetrios Anifantis, declare under penalty of perjury, in accordance with 28 U.S.C. Section 1746, that the following is true and correct, and further that this declaration is made on my personal knowledge and that I am competent to testify as to the matters stated therein:

1. I am over the age of 21, and I reside in Arizona.
2. In or around December 1999, I received a Master's Degree in Economics from Fordham University.
3. From on or around February 1999 until June 2003, I worked for Thompson Financial as a research and marketing specialist.
4. On or around November 2003, I began working for Camelback Research Alliance, Inc. ("Camelback") now known as Gradient Analytics, Inc. I worked for Camelback as a customer representative, performing services for Camelback's subscribers. I worked for Camelback for approximately a year and left on November 17, 2004.
5. I worked most closely with Donn Vickrey ("Vickrey"). Vickrey was in charge of the analyst group was also had close contact with the sales and client services group. Vickrey's key function was to oversee the research and writing that went into the reports covering publicly traded companies. Vickrey and James Carr Bettis were the individuals who founded Camelback and had control of Camelback's operations.
6. Vickrey worked with James Carr Bettis ("Bettis") and Jeff Mindlin ("Mindlin") who were also supervisors at Camelback. Bettis's primary responsibilities were management of the company. Mindlin's primary responsibilities were engineering as well as managing models. I have attached a copy of the backgrounds of these individuals which were included as part of Camelback's promotional package as **Exhibit "1."**
7. There were approximately 18 to 20 analysts that worked for Camelback and these analysts had responsibility to research and write reports on publicly traded companies. Uniformly, the analysts were all recent graduates of universities with four-

year degrees in business-related disciplines. However when subscribers asked Camelback sales and service employees answered that the analyst team was comprised of "CFAs" or "CPAs" when the corresponding analysts, except top management, had not achieved the designation as a Certified Financial Analyst or a Certified Public Accountant. See **Exhibit "1"**. Camelback's practice was to rotate each analyst frequently so that no particular analyst would work on the same company for any period of time.

8. Camelback advertised analytical reporting services on companies whose securities were publicly traded on various exchanges including the Over the Counter Bulletin Board ("OTCBB"), National Association of Securities Dealers Automated Quotation System ("NASDAQ"), New York Stock Exchange ("NYSE") and others.

9. At the time I worked for Camelback, Camelback's customers consisted almost exclusively of large Hedge Funds and Mutual funds. A list of these customers is attached to this declaration as **Exhibit "2."**

10. My responsibilities were to work with the customers to see that their requests were being met with a view towards keeping them satisfied so that they would retain their subscription to Camelback's publications.

11. The price for Camelback's subscription varied, but commonly there was an annual base subscription fee of approximately \$25,000 to \$30,000 per year. For this fee, the customer would receive access to all of Camelback's newly published reports and access to all historic reports on publicly traded companies.

12. Camelback published all of its reports on one or more websites Camelback owned and operated by Camelback including www.camelbackra.com, www.camelbackresearch.com, www.gradientanalytics.com, www.earningsquality.com and others.

13. Camelback's customers could and did access published reports through the Camelbackra.com website. Camelback would also notify existing customers of its subscription service of new reports by e-mail and fax.

14. Camelback's promotional material and its actual sales practices included selling a yearly "Base Subscription" service to its research reports. Included in the "base" package, Camelback offered to provide subscribers with at least two "custom" reports that could be ordered by a customer on a specific company at any time. In addition to the "base" subscription, subscribers could pay for additional custom reports. See **Exhibit "3."**

15. Typically, Camelback's subscribers would call Camelback and request these custom reports either through myself, Vickrey, or other customer service or sales representatives; however, all report requests would be drafted by an analyst and turned over to Vickrey who supervised the analysts' writing of the reports, and had final editorial oversight of the finished reports.

16. These reports were represented to be qualitative analysis and were essentially more subjective in their coverage than quantitative, or technical analysis. In Camelback's qualitative reports, the company covered would receive an alpha score from "A" to "F," "A" being the highest possible score and "F" being the lowest.

17. Frequently the subscriber requesting the custom report would supply Camelback with information on the companies that were the subject of the request. The information the subscriber provided was information the subscriber wanted Camelback to consider and include in the custom report. Usually, the customer would instruct Vickrey and the other Camelback personnel involved in the intake of the request and the research and writing of the report to generate either a positive or negative report on the company that was the subject of the request.

18. I personally was present on many telephone conversations between customers requesting special reports and Vickrey. During these frequent calls, the customer would suggest Camelback focus on negative information the customer supplied to Camelback for inclusion in the report. Often, there was no doubt that the customer was asking Camelback to research and draft a negative report on the subject company, and Vickrey commonly altered the report to meet the customer's request and expectation. In these advance publication calls, Vickrey and the customer would discuss in detail the report content. Many times the customer would request and the covered company would receive an even lower grading than the grade received in the initial version. Customers rarely wanted a neutral alpha or numeric score and would feed Vickrey information and lead him towards a more negative score.

19. Though Vickrey retained final editing decisions over the reports Camelback published, based on my observations, there was no doubt that these reports were not the product of an unbiased, objective view of the subject companies, but rather that the customer was paying for a report that would heavily favor the requesting customer's negative view of the company.

20. Camelback routinely published all custom reports to all clients without any disclosure to their clients that the report was ordered by a subscriber, that a subscriber had an advance copy prior to publication or that a subscriber had any influence over the content of these custom reports, including over the negative assessment of the company. Camelback's principals also understood Camelback's subscribers intended to republish the custom reports to third parties who had positions in the stock of the companies and to government regulatory agencies. See Exhibit "4." It was also common knowledge that Vickrey would allow financial journalists to review these reports, all of whom Camelback principals anticipated would give wider public circulation to the content of these custom reports.

21. I have attached as Exhibit "5" copies of all Camelback reports relating to Overstock that were available to me. I recall discussions over the telephone on which I was present in which David Rucker ("Rucker"), Marc Cohodes ("Cohodes") or other representatives of a hedge fund called Rucker Partners, L.P. requested that the special report contain more negative information, or that the report emphasize a specific negative fact and that the report downplay any positive facts, or make other editorial requests.

22. The Overstock reports attached as Exhibit "5" contain language that was not included in the original version but after Rucker requested Vickrey to include it, it ended up in the final disseminated versions. This specific language is contained within brackets on each individual report within Exhibit "5." I saw this happen on many occasions because I was responsible for proof reading the final copy of each report for grammatical, spelling and typographical errors.

23. It was common knowledge at Camelback that customers who wanted negative reports written on subject companies and who supplied negative information or guidance to Camelback in connection with a custom report on the subject companies either had short positions in the securities of these companies or intended to take short positions before publication of the reports.

24. In fact, two people from Rucker Partners repeatedly called in to Camelback and requested the entire portfolio of Camelback reports covering Overstock. One of these individuals was Marc Cohodes.

25. The negative reports from Camelback on the subject companies were a key component in their efforts to profit from the anticipated depression of the trading price of these companies' stocks. In fact, customers, including Rucker, would ask that Camelback not disseminate the report to the public for a specific period of time so the customer could "get their own" position in the stock before the public got the information.

26. In the writing of these negative research reports, it was the common business practice of Camelback to discuss in advance of publications, drafts of these custom reports with the requesting customer. As part of my job, I personally was on many telephone calls listening while Vickrey gave customers advance copies of reports to be published. Vickrey was a participant in nearly all such calls and there were also analysts who had research and report-writing responsibilities, supervised by Vickrey, who were frequent participants.

27. Some customers paid more fees for additional reports and several requested many reports on companies in a particular market segment. These customers requesting more reports were known to be large hedge funds with net short positions in the companies they were requesting reports on. Some of these were very aggressive and straightforward in their suggestion of what the negative content of the report should include.

28. In 2003 and 2004, Rocker Partners L.P. was a prominent hedge fund requesting reports from Camelback on Overstock.com, Inc., a publicly traded company listed on the NASDAQ.

29. David Rocker, the fund's principal, was frequently in direct contact by telephone with Vickrey concerning Rocker's requests for negative reports on Overstock.

29. Camelback, at Rocker's request wrote several reports on Overstock that graded the company either "D" or "F."

30. I was involved in the process of publication concerning at least three of these reports and was a party in calls between Camelback and Rocker Partners in which the subject matter of the reports was discussed between Vickrey and Rocker in advance of publication.

31. In these calls, I heard Rocker frequently suggest more negative treatment of Overstock than was reflected in the report or suggested augmentation or strengthening of some negative aspect of the report. I had no way to determine whether any of the information Rocker provided was inaccurate.

32. Vickrey sent Rocker drafts of these Overstock reports in advance of publication and Rocker suggested text changes to be included underscoring negative aspects of the report, and sometimes adding additional negative facts or suggesting a perspective on the facts that made them appear more negative than they actually were in the original draft.

33. It was very apparent to me that Rocker Partners either had a short position in the shares of Overstock or that he intended to be short in the stock prior to the Camelback reports' publication. E-mail from Vickrey demonstrates that he knew that Rocker was a "devoted short." See **Exhibit "6."**

34. On several occasions, Rucker requested Vickrey hold off on publication of the final report for a certain period of time so he could take a position in the stock. It is my belief that the delay was requested to allow Rucker Partners time to position its portfolio to benefit from publication. I heard many hedge funds request that Vickrey delay the public release of reports from 3 to 7 days to allow them to take a position in the stock.

35. While I was employed at Camelback, I was given the task to track the stock performance of the companies that were the subject of Camelback's reports. Camelback formulated a "Top Ten" list that consisted of those stocks that performed in terms of stock price according to the rankings given by Camelback in its reports.

36. The purpose of the Top Ten list was to provide to potential and existing customers the tracking results to demonstrate to customers the ability of Camelback to not only predict, but affect, stock performance. It was common knowledge at Camelback that the management of Camelback and Vickrey in particular wished to see the stock performance of the companies track the negative or positive rankings Camelback published in its reports. Vickrey emphasized that this was a means of promoting the sales of the subscriber services of the company.

37. Camelback also tracked what it called "Blow ups by Grade." Camelback defined "Blow ups" as reported on companies which suffered a one-day stock price decline of -20% or better, or better than -25% over the course of a week within 12 months of the publication date of a Camelback report. See Exhibit "7." Camelback tracked blow-ups within the following intervals after report publication: 1 month, 3 months, 6 months and 12 months. The "Blow up" report was a successful part of Camelback's promotional materials in selling its subscription services to short-selling hedge fund clients.

38. When Camelback published a negative report on a company, by means of supplemental bulletins concerning recent news, Camelback sought to continue to support its original negative ranking and that this practice was favored by short sellers like Rucker. See Exhibits "4-7."

39. In the case of Overstock, Camelback published several supplemental bulletins with negative information and Vickrey discussed with Rucker the content of these bulletins before publication in telephone calls.

40. I was not party to every call between Vickrey and Rucker, but it was common knowledge at Camelback that Rucker wanted Camelback to publish frequent and negative information on Overstock and that he spoke frequently on that topic to Vickrey. It appeared to me that Vickrey accommodated Rucker's request for Camelback to publish negative information on Camelback for the purpose of negatively influencing the price of Overstock shares so that Rucker could profit from its existing or intended short positions in Overstock shares and Vickrey and Camelback could gain favor with Rucker.

41. Vickrey instructed all Camelback employees to make the subscription available to the media at no cost. I saw that Herb Greenburg ("Greenburg") and others from the financial information website www.thestreet.com frequently accessed the website. I also heard Greenburg call multiple times to discuss many different reports with Vickrey, including Overstock. In particular, it appeared to me that Rucker, Vickrey, and Greenburg were coordinating their attacks on Overstock, and Vickrey and Greenburg were coordinating the content and timing of their various reports on Overstock to please Rucker.

42. At one point, Brian Harris was retained by Camelback to draft research reports on particular companies. Brian Harris ("Harris") is directly affiliated with www.thestreet.com and Herb Greenburg. Camelback did not disclose that Harris had prepared these reports. Harris is listed on www.thestreet.com as the associate editor of a column called Street Insight.

43. In the fall of 2004, while I worked at Camelback, it came to the attention of a fellow employee, and subsequently, to my attention that Bettis and Vickrey were portfolio managers for Pinnacle Investment Advisors, LLC, a hedge fund advisor, while at the same time they were principals at Camelback.

44. This management of a hedge fund by Bettis and Vickrey was directly contrary to my understanding and contrary to specific statements by Vickrey telling the staff to be careful to always instruct customers that Camelback did not manage money. Camelback management, including Vickrey, told its employees working with customers that if ever a customer asked whether Camelback invested or managed money, we were to reply with a definitive, "No."

45. I initially received the information on Pinnacle from a website Camelback marketing employees used to obtain leads on new hedge fund customers called www.bigdough.com ("BigDough"). BigDough is a firm specializing in tracking hedge funds and hedge fund managers. Camelback sales personnel used information from BigDough's databases to obtain leads for potential customers. The Pinnacle information was contained in one of the BigDough databases. In fact, Jeff Mindlin, an employee at Camelback answered one phone on his desk, "Camelback," and another phone on his desk, "Pinnacle Investments." A copy of the information is attached as **Exhibit "8,"**

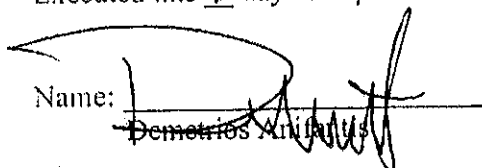
46. The BigDough information on Pinnacle specified that Pinnacle managed the Helios Equity Fund, the Pinnacle Insider Perspectives hedge funds and the Hallmark Informed Investors Growth mutual fund.

47. I became aware that there was a link on Camelback's website that provided access to a website with information on Pinnacle.

48. A Camelback sales associate, Robert Ballash, showed the link and subsequent pages, including the Helios portfolio information to Jeff Mindlin ("Mindlin"), a quantitative research director and financial engineer at Camelback. Mindlin seemed very concerned. A week or two later and the Pinnacle link disappeared.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 1 day of September 2005, in Scottsdale, Arizona.

Name:  Date: 9/1/05
~~Demetrios Arifidis~~