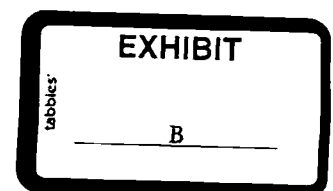


IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

UNITED STATES OF AMERICA)	Case No.: 1:06CR394
)	
Plaintiff,)	JUDGE ANN ALDRICH
)	
v.)	
)	
JOSEPH H. SMITH, <i>et al.</i> ,)	AFFIDAVIT OF STEPHEN G. SOZIO
)	
Defendants.)	
)	
)	
)	

I. STEPHEN G. SOZIO, being first duly sworn, depose and say:

1. This Affidavit is based upon matters within my personal knowledge.
2. I am a partner with the law firm of Jones Day and had primary responsibility at Jones Day for the internal investigation that the Catholic Diocese of Cleveland ("Diocese") undertook beginning in January 2004 after receipt of anonymous packages of material that, among other



things, alleged that Joseph H. Smith had engaged in wrongful conduct regarding certain payments he had received from Zgoznic Entities.

3. The Diocese Finance Council initiated an internal investigation into the allegations soon after the receipt of the packages.

4. The Diocese, through the Finance Council, retained Jones Day to conduct the investigation and advise the Diocese, through reports to Bishop Pilla and the Council.

5. Jones Day enlisted the services of Ernst and Young because forensic accounting services were necessary to advise the client on the full scope of the issue.


6. At the time the investigation began, it seemed likely that litigation would ensue, especially in view of the manner in which the information was received.

7. The very nature of the anonymous allegations made litigation appear almost certain. This was so because the chief financial officer for the Diocese was accused of engaging in illegal activities.

8. The investigation was undertaken in anticipation of litigation. It also was undertaken in order to provide legal advice to the Diocese with respect to the allegations in the packages received in December 2003 and January 2004.

FURTHER AFFLIANT SAYETH NAUGHT.

March 19, 2007


Stephen G. Sozio

STATE OF OHIO)
)
COUNTY OF CUYAHOGA) SS.

Subscribed and sworn to before me this 19th day of March, 2007.

Patrice Carve
Notary Public

My Commission Expires: November 2, 2007

PATRICIA GARVER
NOTARY PUBLIC • STATE OF OHIO
My commission expires Nov. 2, 2007