History of the recent management change at USCL
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June 25, 2002

Effective June 24, 2002, Mr. Jack L. Mador is no longer president and COO of USCL Corporation. On July 19, 2002, a USCL Corporation Board of Directors meeting was held wherein it was resolved by unanimous vote with the abstention of Mr. Mador, that Tom Tamarkin reassume the position of President of USCL Corporation.

A brief history of relevant circumstances follow:

On May 5, 2001, USCL engaged Jim Taylor of Woodland Hills to raise One Million Dollars for USCL through the sale of equity under the terms and conditions of USCL's Private Placement Offering Memorandum. USCL learned of Mr. Taylor through Bob Block, a director of USCL. Mr. Block had been contacted previously by Mr. Taylor when he was raising funds for another start-up technology based firm in Southern California.

Mr. Taylor made numerous warrants and reps to USCL that he had investors willing to invest in USCL. Week after week, day after day, Mr. Taylor indicated "one more day", however no funds were raised as of September 11, 2001 and of course with the events of that day, the investment climate changed dramatically.

In late August, one of USCL's directors indicated they would make a $75,000 bridge loan to the company upon the return from an international business trip. The September 11, 2001 event occurred while he was out of the country and when he returned he changed his mind. The company was actively developing its EMS-2020 at the time and began its initial work on the SUM meter. This was being paid for from proceeds of ongoing production of a manufacturing contract the company had at the time with ASAP Automation Inc. The company went into a very bad negative cash flow situation with heavy trade debt and an inability to service the debt.

As the firm was in desperate need of cash, Tom and Emily Tamarkin sold 250,000 shares of their 750,000 shares to Mr. Jack L. Mador for $25,000, a fraction of its $1.00 per share price, and put the $25,000 into the company. As part of that transaction Mr. Mador required an iron clad employment contract with USCL making him President and COO. The contract had a three-year term.

Over the course of the next several months it became apparent to the company, Tom Tamarkin and the Board of Directors that Mr. Mador was not effectively discharging his duties due to limited time devoted to the enterprise and a significant difference in his vision for the company and that of Mr. Tamarkin and the Board of Directors. Mr. Mador had not been involved in technology based businesses in his past and did not have an appreciation for the managerial needs of the operation and the required skill set.

In January 2002 the company engaged Mr. Barry Stigers as a management consultant to work with all parties and help shape the team. In April it became apparent to the firm and the Tamarkin's that the situation was not going to work out and further various "hidden agendas" became manifest. The company made the decision to terminate Mr. Mador's employment at that time, however the nature of Mr. Mador's employment contract was such that could not be easily done. The Board, Mr. Tamarkin and Mr. Stigers wrestled with the problem to no avail and the Board made a final decision to terminate Mr. Mador by what ever means possible in early June 2002. The company engaged its legal counsel of Weintraub, Genshlea, et al, to explore alternatives. On June 14, 2001 a meeting was held with counsel, Mr. Tamarkin, Stigers and Mador to work out the details. A tentative solution was agreed to in which Mr. Mador would sell the 250,000 shares back to the Tamarkin's for $25,000 and the company would buy out his contract at a discounted value over a year's time frame. Two days later Mr. Mador changed his mind and filled an action against the company and Tom Tamarkin for a mediation hearing with the stipulation that the resolution reached through mediation would be binding.

On June 24, 2002 the mediation hearing was held with the full attendance of the USCL Board of Directors, all in person, with the exception of David Glenwinkel who participated by telephone. The Board of Directors voted unanimously, with the abstention of Mr. Mador, for the termination of Mr. Mador as President and COO of USCL Corporation. After 10 hours of mediation a settlement was reached with the following terms:

1.0 Mador kept his 250,000 shares of stock acquired from the Tamarkin's.

2.0 Mador would receive $3,500 per month for three months and then $1,750 per month through December 1, 2004; the first $3,500 payment was made to Mador on June 25, 2002.

3.0 Mador would be paid $17,000 owed to him for consulting services through December 2001 and various moneys advanced to the company by Mador and to be paid as follows: $4,000 paid on June 25, 2002 and monthly payments of $2,500 for five months, the final payment being $3,000.

4.0 Mador will continue as a director of USCL through December 2004.

5.0 Mador will provide the company with up to 15 hours of "professional services" per month through December 2004 at the direction of the USCL Board of Directors.

6.0 Mador received the exclusive option to purchase 19% of the options the Tamarkin's have to purchase shares from the Hexom's, Presgrave's and David Glenwinkel as stated in the Private Placement Offering memorandum.

A copy of the finalized settlement agreement is provided herewith.

USCL incurred approximately $26,000 in legal fees with Weintraub, Genshlea, Chediak, and Sproul, corporate Counsel and the Mediation service and approximately $8,000 in expenses with its management consultant, Mr. Barry Stigers.