

IN THE CIRCUIT COURT OF THE
FIFTEENTH JUDICIAL CIRCUIT IN
AND FOR PALM BEACH COUNTY,
FLORIDA

JEFFREY EPSTEIN,

Plaintiff/Counter-Defendant,

Case No. 50 2009 CA 040800XXXXMBAG

vs.

SCOTT ROTHSTEIN, individually,
BRADLEY J. EDWARDS, individually,

Defendant/Counter-Plaintiff.

NOTICE OF E-FILING EXHIBITS

Plaintiff/Counter-Defendant Jeffrey Epstein, by and through his undersigned counsel and pursuant to Rule 2.516 of the *Florida Rules of Judicial Administration*, hereby files his exhibits to Plaintiff/Counter-Defendant Jeffrey Epstein's Motion for Summary Judgment on Defendant/Counter-Plaintiff Bradley Edwards's Fourth Amended Counterclaim and Supporting Memorandum of Law ("Motion"), previously filed and accepted by the Palm Beach County, Florida Civil Division Filing # 5846906. The files accompanying this Notice of Filing Exhibits were previously filed on September 26, 2013 and again on October 2, 2013, but moved to Pending Queue due to procedural issues. This filing is an attempt to correct those procedural issues. The attachment hereto contains the exhibits to the above referenced Motion, which is not being re-filed contemporaneously herewith. However, the exhibits are being divided based upon the filing requirements of the rules of e-filing; each new exhibit begins when so marked on the is so marked on the bottom of the first page of said exhibit.

WE HEREBY CERTIFY that a true and correct copy of the foregoing was served, via electronic service (through the e-file portal), to all parties on the attached service list, this October 3, 2013.

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CASE NO. 502009CA040800XXXXMBAG

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has significant financial sophistication, including sophistication about the international transfer of financial instruments and other assets.

5. According to the *Vanity Fair* article, defendant Jeffrey Epstein's real mentor was not Leslie Wexner, but Steven Jude Hoffenberg, who was sent to federal prison for twenty years for bilking investors out of more than \$450 million in one of the largest Ponzi schemes in American history. Epstein assisted Hoffenberg with (failed) takeover bids of Pan American World Airways and Emery Air Freight.

6. According to the *Vanity Fair* article, before working with Wexner and Hoffenberg, defendant Jeffrey Epstein worked with Bearn Stearns. He left the firm very suddenly in 1981 after being questioned by S.E.C. investigators in an insider trading scandal involving several Italian and Swiss investors.

7. According to the *Vanity Fair* article, Epstein recently owned (and thus may still own) a Boeing 727 with a trading room.

8. Vicky Ward published a follow-up note to her earlier article in May 2008. It can be found at <http://www.vanityfair.com/online/daily/2008/05/vicky->

ward-you.html. According to this note, rumors were circulating (to celebrities such as Dustin Hoffman, Alec Baldwin, and filmmaker Michael Mailer) that Epstein was moving all of his considerable assets to Israel. The note also indicated that, having written the earlier detailed article about Epstein, Ward was now frequently viewed as an “expert” on Epstein.

9. According to reputable press reports, Jeffrey Epstein has travelled internationally with Donald Trump, former President Bill Clinton, and Prince Andrew. *See, e.g.*, The Daily Mail, *Prince Andrew's Billionaire Friend is Accused of Preying on Girl of 14*, Apr. 29, 2007, <http://www.dailymail.co.uk/news/article-451372/Prince-Andrews-billionaire-friend-accused-preying-girl-14.html> (“One of Prince Andrew’s closest friends [Jeffrey Epstein] is being investigated by the FBI for allegedly paying under-age girls for tawdry sexual encounters.”). It is therefore reasonable to infer that he has international contacts, including international financial contacts.

10. Approximately 25 civil suits have been filed in Florida state courts and Florida federal courts raising similar allegations against Jeffrey Epstein. These complaints seek damages comparable to those sought by Jane Doe in this case. Accordingly, Epstein has currently pending against him lawsuits seeking more than

\$1 billion in damages. Even given his great wealth, it appears that the lawsuits against him could well lead to his financial ruin, unless he is able to conceal his assets so that the plaintiffs in these cases are unable to reach them.

11. Since his guilty plea in state court, he has been incarcerated in the Palm Beach County Detention facility. I have been advised, however, that he has currently been allowed out on a "work release" program, where he works at managing his financial interests.

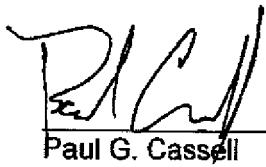
12. Because of his overseas contacts, other plaintiff attorneys and I have been greatly concerned that Epstein might attempt to transfer many of his assets overseas with the intent to defeat any judgment that might be entered against him. I have also received reports, that I am attempting to substantiate, that Epstein is transferring his assets out of the country at this time with the intent to make it impossible for Jane Doe and other plaintiffs to satisfy any significant judgment that they might obtain against him. In light of these reports, other attorneys and I have propounded the requests for admission regarding fraudulent asset transfers discussed in the pending motion.

13. In this case, Epstein has blocked all discovery regarding the current location of his assets and recent fraudulent transfers of his assets, by asserting a Fifth Amendment privilege against self-incrimination. With other attorneys working on this case (and related cases), I have wanted to obtain direct, first hand information regarding Epstein's financial dealings, but have been blocked for doing so by Epstein. Therefore, I have been forced to rely on reputable press reports for information about these dealings.

14. In the similar sexual abuse lawsuits filed against Epstein, other plaintiffs' attorneys have advised that Epstein has likewise blocked all discovery regarding his finances with Fifth Amendment invocations or other interposed obstructions.

I swear the foregoing to be truthful under the penalty of perjury.

FURTHER THE AFFIANT SAYETH NAUGHT.



Paul G. Cassell

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO: 08-CV-80893-MARRA/JOHNSON

JANE DOE,

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

PLAINTIFF'S FIRST REQUEST FOR ADMISSIONS TO DEFENDANT

COMES NOW the Plaintiff, Jane Doe, by and through her undersigned counsel, and files this her First Request for Admissions to the Defendant, JEFFREY EPSTEIN, and requests said Defendant admit or deny the following facts, in accordance with Federal Rules of Civil Procedure:

DEFINITIONS

The term "you" means and refers to the Defendant, JEFFREY EPSTEIN.

ADMISSIONS

1. Your net worth is greater than \$10 million.
2. Your net worth is greater than \$50 million.
3. Your net worth is greater than \$100 million.
4. Your net worth is greater than \$500 million.



5. Your net worth is greater than \$1 billion.
6. Since being incarcerated you have, directly or indirectly (through the services or assistance of other persons), conveyed money or assets in an attempt to insulate or protect your money or assets from being captured in any civil lawsuits filed against you.
7. You own or control, directly or indirectly, real estate property in the Caribbean.
8. You own or control, directly or indirectly, real estate property in foreign countries.
9. In the last 2 years you have transferred assets and/or money and/or financial instruments to countries outside the United States.
10. You have provided financial support to the modeling agency MC2.
11. You committed sexual assault against Plaintiff, a minor.
12. You committed battery against Plaintiff.
13. You digitally penetrated Plaintiff when she was a minor.
14. You offered Plaintiff more money contingent upon her having sex with you or giving you oral sex.
15. You intended to harm Plaintiff when you committed these sexual acts against her.
16. You knew Plaintiff was under the age of 16 when you sexually touched and fondled her.
17. You intend to hire investigators to intimidate and harass Plaintiff during this litigation.
18. You were engaged in the act of trafficking minors across state or country borders for the purposes of sex or prostitution between 2000 and the present.
19. You coerced Plaintiff into being a prostitute and remaining in prostitution.

20. You are guilty of the following offenses against Jane Doe:

- A. Procuring a minor for the purpose of prostitution as defined in F.S. 796.03
- B. Battery as defined by Florida Statutes
- C. Sexual Battery

21. You are moving significant financial assets overseas, outside of the direct territorial reach of the U.S. and Florida Courts.

22. You are making asset transfers with the intent to defeat any judgment that might be entered against you in this or similar cases.

23. You currently have the ability to post a bond of \$15 million to satisfy a judgment in this case without financial or other difficulty.

CERTIFICATE OF SERVICE

WE HEREBY CERTIFY that a true and correct copy of the above and foregoing has been provided via United States mail to the following addressees, this 23 day of March, 2009.

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Respectfully Submitted,

THE LAW OFFICE OF BRAD EDWARDS &
ASSOCIATES, LLC

By:


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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO.: 08-CIV- 80893 – MARRA/JOHNSON

JANE DOE,

Plaintiff,

v.

JEFFREY EPSTEIN,

Defendant.

**DEFENDANT EPSTEIN'S RESPONSE TO PLAINTIFF JANE DOE'S
FIRST REQUEST FOR ADMISSIONS (dated 03/23/09)**

Defendant, JEFFREY EPSTEIN, ("EPSTEIN"), by and through his undersigned attorneys, serves his response to Plaintiff's First Request for Admission, dated March 23, 2009.

1. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

2. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my



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3. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

4. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

5. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to

Jane Doe v. Epstein, et al.
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6. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

7. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

8. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States

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Page 4

Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

9. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

10. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

11. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would

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Page 5

unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

12. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

13. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

14. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

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15. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

16. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

17. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

18. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my

Jane Doe v. Epstein, et al.
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attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

19. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

20. In response to 20 A, B, and C, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

21. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to

Jane Doe v. Epstein, et al.
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22. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

23. In response, Defendant asserts his U.S. constitutional privileges as specified herein. I intend to respond to all relevant discovery regarding this lawsuit, however, my attorneys have counseled me that I cannot provide answers to any discovery relevant to this lawsuit and I must accept this advice or risk losing my Sixth Amendment right to effective representation. Accordingly, I assert my federal constitutional rights under the Fifth, Sixth, and Fourteenth Amendments as guaranteed by the United States Constitution. Drawing an adverse inference under these circumstances would unconstitutionally burden my exercise of my constitutional rights, would be unreasonable, and would therefore violate the Constitution.

Certificate of Service

WE HEREBY CERTIFY that a true copy of the foregoing has been sent via U.S. Mail and facsimile to the following addressees this 18th day of May, 2009.

Jane Doe v. Epstein, et al.
Page 9

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Respectfully submitted,

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(Counsel for Defendant Jeffrey Epstein)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

JANE DOE NO. 2,

CASE NO: 08-CV-80119- MARRA/JOHNSON

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

JANE DOE NO. 3,

CASE NO: 08-CV-80232-MARRA/JOHNSON

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

JANE DOE NO. 4,

CASE NO: 08-CV-80380-MARRA/JOHNSON

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

CASE NO: 08-CV-80119-MARRA/JOHNSON

JANE DOE NO. 5,

CASE NO: 08-CV-80381-MARRA/JOHNSON

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

JANE DOE NO. 6.

CASE NO: 08-CV-80994-MARRA/JOHNSON

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

JANE DOE NO. 7.

CASE NO: 08-CV-80993-MARRA/JOHNSON

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

CASE NO: 08-CV-80119-MARRA/JOHNSON

CASE NO: 08-CV-80811-MARRA/JOHNSON

C.M.A.,

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

JANE DOE,

CASE NO. 8-CV-80893-MARRA/JOHNSON

Plaintiff,

Vs.

JEFFREY EPSTEIN, et al.

Defendant.

DOE II,

CASE NO: 09-CV-80469-MARRA/JOHNSON

Plaintiff

vs.

JEFFREY EPSTEIN, et al.

Defendants.

CASE NO: 08-CV-80119-MARRA/JOHNSON

JANE DOE NO. 101,

CASE NO: 09-CV-80591-MARRA/JOHNSON

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

JANE DOE NO. 102,

CASE NO: 09-CV-80656-MARRA/JOHNSON

Plaintiff

vs.

JEFFREY EPSTEIN,

Defendant

ORDER APPOINTING RECEIVER AND DIRECTING RECEIVER TO SECURE ASSETS FOR POSTING OF A BOND

For the reasons provided in Jane Doe's Memorandum in Support of Motion for Appointment of a Receiver to Take Charge Property of Epstein, and for Posting of a \$15 Million Bond to Secure Potential Judgment, it is adjudged:

1. The defendant, Jeffrey Epstein, is hereby ordered not to make any further transfers of assets that are fraudulent, as defined in the Florida Uniform Fraudulent Transfer Act, Fla. Stat. Ann. § 726.101 *et seq.* Epstein also shall not transfer any of his assets outside the fifty states of the United States or the District of Columbia without first seeking leave of court, after providing notice and an opportunity to be heard by plaintiff Jane Doe.

CASE NO: 08-CV-80119-MARRA/JOHNSON

2. _____ is appointed as receiver of all the real property, good, chattels, moneys, financial instruments, stocks, or other assets of any type of defendant Jeffrey Epstein, and all the rents, income, interest, and profits from them, all called the "property" in this order, and the receiver is directed to immediately enter upon, receive and take complete possession of all of the property and the rents, income and profits.

3. Defendant Jeffrey Epstein, and his servants, agents and employees are ordered to deliver immediately to the receiver all of the property and they, and each of them, are enjoined from interfering in any way with the receiver or with any of the property until the further order of this court.

4. Defendant Jeffrey Epstein and his servants, agents and employees are further ordered to deliver to the receiver or his representative, all keys or combinations to locks required to open or gain access to any of the property and all money deposited in any bank to the credit of the defendant, and any other money, financial instruments, or things of value of the defendant wherever they may be.

5. The receiver is granted all the usual, necessary and incidental powers for the purpose of managing and maintain the property, including the power to appoint such agents as the receiver considers necessary to enable the receiver to perform the receiver's duties.

6. The receiver shall, within 60 days of this order, if sufficient assets are available, post a \$15 million bond on behalf of Jeffrey Epstein with the Clerk of the Court to secure any potential judgment the plaintiff might obtain. The

CASE NO: 08-CV-80119-MARRA/JOHNSON

also by that time file an accounting of all significant assets of
n with the Court. The receiver shall be entitled to reasonable
and coverage of expenses, as approved by the Court.

receiver shall
Jeffrey Epste
compensation

AND ORDERED in Chambers at West Palm Beach, Palm Beach
a, this _____ day of _____, 2009.

DONE

County, Floric

KENNETH A. MARRA
United States District Judge

Copies furnish
All counsel of

ed to:
record

IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT
IN AND FOR PALM BEACH COUNTY, FLORIDA
CASE No. 502009CA040800XXXXMBAG

JEFFREY EPSTEIN,

Plaintiff,

-vs-

SCOTT ROTHSTEIN, individually,
BRADLEY J. EDWARDS, individually, and
L.M., individually,

Defendants.

VIDEOTAPED DEPOSITION OF JEFFREY EPSTEIN

Wednesday, March 17, 2010
10:17 a.m. - 1:27 p.m.

303 Banyan Boulevard
Suite 400
West Palm Beach, Florida 33401

Reported By:

Sandra W. Townsend, FPR
Notary Public, State of Florida
West Palm Beach Office Job #1358

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1 APPEARANCES:
2 On behalf of the Plaintiff:
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EXHIBITS

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1 PROCEEDINGS
2
3 Deposition taken before Sandra W. Townsend, Court
4 Reporter and Notary Public in and for the State of
5 Florida at Large, in the above cause.
6
7

8 VIDEOGRAPHER: We are now on video record.
9 This is media number one in the videotaped
10 deposition of Jeffrey Epstein in the matter of
11 Jeffrey Epstein versus Scott Rothstein, Bradley
12 Edwards and L.M.

13 Today is Wednesday, March 17, 2010 at
14 10:17 a.m.

15 We are at the law offices of Burman,
16 Critton -- Banyan -- of Burman, Critton on Banyan
17 Boulevard, Suite 400, West Palm Beach, Florida.

18 My name is Joe Kozak. I'm the videographer.
19 The court reporter is Sandra Townsend from Prose
20 Court Reporting Agency.

21 Would Counsel please introduce yourselves and
22 then the court reporter will swear in the witness.

23 MR. SCAROLA: My name is Jack Scarola. I am
24 Counsel on behalf of Brad Edwards in his capacity,
25 both as Defendant and Counter-Plaintiff in this
action. Mr. Edwards is present with me.

1 MR. PIKE: Michael Pike, on behalf of the
2 Plaintiff, Jeffrey Epstein.

3 MR. EDWARDS: Brad Edwards, on behalf of the
4 Defendant, L.M.

5 Also present, Steve Jaffe, on behalf of the
6 Defendant, L.M., as well.

7 THEREUPON,

8 JEFFREY EPSTEIN,
9 having been first duly sworn or affirmed, was examined
10 and testified as follows:

11 THE WITNESS: Yes, I do. Thank you.

12 MR. PIKE: Before we get started, Jack, I just
13 wanted to get on the record, I just want to make
14 sure that you received this letter that I sent to
15 your office yesterday of March 16, 2010.

16 MR. SCAROLA: I did receive the letter.

17 MR. PIKE: Okay. And we're still on for
18 Mr. Edwards' deposition, as we sit here today?

19 MR. SCAROLA: That's correct.

20 MR. PIKE: Okay. Thank you.

21 DIRECT EXAMINATION

22 BY MR. SCAROLA:

23 Q. Please state your full name and your current
24 residence address.

25 A. My name is Jeffrey Epstein. I'm currently

1 residing at 358 El Brillo in Palm Beach.

2 Q. How long have you resided at that location,
3 Mr. Epstein?

4 A. I'm sorry. On advice of Counsel today, I'm
5 going to take the Fifth, Sixth and 14th Amendment with
6 respect to that question, Mr. Scarola.

7 Q. Have you maintained any other residences over
8 the course of the last five years?

9 A. Though I'd like to answer each and every one
10 of your questions here today, with respect to that
11 question I'm going to have to assert my Constitutional
12 Rights as provided by the Sixth, 14th and Sixth –
13 Fifth – sorry – Fifth, Sixth and 14th Amendment.

14 Q. Does anyone reside with you at the El Brillo
15 address?

16 A. Again, Mr. Scarola, though I'd like to answer
17 each and every one of your questions here today, at
18 least with respect to that question, I'm going to have
19 to assert my rights as under the Sixth, Fifth and 14th
20 Amendment.

21 And I've been advised by Counsel, though I'd
22 like to answer these questions, if I do so, I risk
23 losing their representation.

24 Q. What did your lawyer tell you in that regard?

25 MR. PIKE: I'm going to instruct you not to

1 your questions here today. However, on advice of
2 Counsel, I'm going to have to assert my Fifth, Sixth and
3 14th Amendment Right.

4 Q. Are you a Plaintiff in a lawsuit against Scott
5 Rothstein, Bradley J. Edwards and an individual
6 identified by the initials L.M.?

7 A. Yes, sir, I am.

8 Q. Who is the individual identified as L.M.?

9 A. I believe from depositions that I've read, her
10 full name is L.M.

11 Q. When and under what circumstances did you
12 first meet the individual referenced by the initials
13 L.M.?

14 A. Mr. Scarola, I think you are aware these
15 questions are simply designed to have me invoke my Fifth
16 Amendment, Sixth Amendment and 14th Amendment Right in
17 relation to other questions and other cases filed.

18 But in response to your question, I'm going to
19 have to invoke my right not to testify.

20 Q. Do you know the individual named L.M.,
21 identified by the initials L.M.?

22 A. Mr. Scarola, at least today – I would like to
23 answer that question; however, today, on advice of
24 Counsel, I'm going to have to refuse to answer that
25 question.

1 answer that question. Attorney/client.

2 BY MR. SCAROLA:

3 Q. Well, didn't you just tell me that your lawyer
4 advised you that if you answered questions he wouldn't
5 represent you anymore?

6 MR. PIKE: That's exactly what he said,
7 Mr. Scarola, and I'm instructing him not to answer
8 the question.

9 BY MR. SCAROLA:

10 Q. Okay. So I want to know then -- I want to
11 know what your lawyer told you about that.

12 MR. PIKE: I'm going to instruct you not to
13 answer that question. Attorney/client.

14 MR. SCAROLA: And it is our contention,
15 obviously, that by making the statement that he has
16 made, Mr. Epstein has waived any attorney/client
17 privilege with regard to that matter.

18 MR. PIKE: Your contention, definitely not
19 mine.

20 BY MR. SCAROLA:

21 Q. Mr. Epstein, who else has shared that
22 residence with you at any time over the course of the
23 last five years?

24 A. Again, Mr. Scarola, I'd like to answer that
25 question, as I'd like to answer each and every one of

1 Q. Have you ever acknowledged in the presence of
2 any other person knowing the individual identified by
3 the initials L.M.?

4 MR. PIKE: Form.

5 THE WITNESS: Again? Sorry. Can you repeat
6 the question, sir?

7 BY MR. SCAROLA:

8 Q. Yes, sir. Have you ever acknowledged in the
9 presence of any other person knowing the individual
10 identified by the initials L.M.?

11 MR. PIKE: Form. Also could invade
12 attorney/client.

13 THE WITNESS: Again, I would like to answer
14 that question, but today I'm going to have to
15 invoke my Fifth Amendment, Sixth Amendment and 14th
16 Amendment Right.

17 BY MR. SCAROLA:

18 Q. Have you ever acknowledged in the presence of
19 any person, other than your own lawyer, having known the
20 individual identified by the initials L.M.?

21 MR. PIKE: Form.

22 THE WITNESS: Again, I'd like to answer each
23 and every one of your questions here today,
24 Mr. Scarola; however, on advice of Counsel, at
25 least today, I'm going to have to refuse to answer

1 that question.
 2

3 BY MR. SCAROLA:

4 Q. Have you ever acknowledged to --
 5 A. Excuse me.
 6 Q. -- Bradley --
 7 A. Sir, may I suggest that if I say I refuse to
 8 answer, that it means the Fifth, Sixth and 14th or would
 9 you prefer that I recite it each time?

10 Q. I would prefer that you answer the questions,
 11 that's my preference. But if you're going to assert a
 12 privilege, I will assume that if you simply say that you
 13 are refusing to answer, your refusal to answer will be
 14 on the basis of various Constitutional privileges
 15 against self-incrimination without the necessity of
 specifying.

16 If your refusal to answer is on the basis of
 17 any other privilege, it will be necessary for you to
 18 identify that privilege.

19 A. Thank you.

20 MR. PIKE: And I'm going to instruct you, too,
 21 when you do invoke, invoke the Fifth, Sixth and the
 22 14th.

23 THE WITNESS: Yes.

24 BY MR. SCAROLA:

25 Q. Have you ever acknowledged in the presence of

1 invoke my Fifth, Sixth and 14th Amendment Right.
 2

3 Q. Have you ever acknowledged in the presence of
 4 Terri Becker, a court reporter present at a deposition
 5 taken by Brad Edwards in a -- in a case in which the
 6 individual identified by the initials L.M. was a
 Plaintiff that you knew and/or liked --

7 MR. PIKE: Form.

8 THE WITNESS: Again, --

9 BY MR. SCAROLA:

10 Q. -- L.M.?

11 MR. PIKE: Same objection.

12 THE WITNESS: Again, I'm going to have to
 13 assert my Fifth, Sixth and 14th Amendment Right.

14 BY MR. SCAROLA:

15 Q. Have you ever acknowledged in the presence of
 16 Steve Jaffe that you knew and/or liked L.M.?

17 A. Again, Mr. Scarola, though I'd like to answer
 18 each and every one of your questions today, I'm going to
 19 have to, at the advice of Counsel, invoke my Fifth,
 20 Sixth and 14th Amendment Right.

21 Q. Why are you suing L.M.?

22 MR. PIKE: Form.

23 MR. SCAROLA: Let me state for the record that
 24 I don't consider a form objection to be a proper
 25 objection, unless you specify the defect in the

1 Bradley J. Edwards that you knew the individual
 2 identified by the initials L.M.?

3 A. I'm going to have to refuse to answer that
 4 question.

5 Q. Have you ever acknowledged in the presence of
 6 Bradley J. Edwards that you knew L.M.?

7 MR. PIKE: Again, for purposes of the record,
 8 I'm instructing you to invoke the Fifth, Sixth and
 9 14th, rather than just simply say --

10 THE WITNESS: Okay.

11 MR. PIKE: -- I refuse to answer. I want it
 12 to be clear for the Court that you have invoked
 13 your Fifth, Sixth and 14th.

14 THE WITNESS: Fine.

15 Then on advice of Counsel, I'm going to have
 16 to invoke my Fifth, Sixth and 14th Amendment Right.

17 BY MR. SCAROLA:

18 Q. Have you ever acknowledged in Brad Edwards'
 19 presence that you liked the individual identified by the
 20 initials L.M.?

21 A. Again, I'm going to have to invoke my Fifth,
 22 Sixth and 14th Amendment Right, Mr. Scarola.

23 Q. Have you ever acknowledged in Bradley Edwards'
 24 presence that you liked L.M.?

25 A. Again, Mr. Scarola, I'm going to have to

1 form and provide me with an opportunity to correct
 2 the defect.

3 MR. PIKE: That's fine. I believe the rules
 4 provide otherwise. But, nonetheless, I stand on my
 5 objection to form.

6 THE WITNESS: I'm sorry. You have to repeat
 7 the question.

8 BY MR. SCAROLA:

9 Q. Why are you suing L.M.?

10 MR. PIKE: Form.

11 THE WITNESS: L.M. is part of a conspiracy
 12 with Scott Rothstein, Bradley Edwards, creating --
 13 excuse me -- creating fraudulent cases of a
 14 sexually charged nature in which the U.S. Attorney
 15 has already charged the firm of Rothstein, a firm
 16 of which Bradley Edwards is a partner, was a
 17 partner, with creating, fabricating malicious cases
 18 of a sexual nature, including cases with respect to
 19 me, specifically, in order to fleece unsuspecting
 20 investors in South Florida out of millions of
 21 dollars.

22 BY MR. SCAROLA:

23 Q. What role do you contend L.M. played in that
 24 conspiracy to create fraudulent cases?

25 A. L.M.'s testimony before she met Mr. Edwards

1 was dramatically -- sworn testimony to the FBI was
 2 dramatically different after she came in contact with
 3 Mr. Bradley Edwards, where her testimony then changed to
 4 sort of a hostile and had claims of -- claims never made
 5 before, never made to anyone before, and allegations
 6 that I've read in her Complaint that that had been
 7 dramatically different from the ones she had spoken to
 8 the FBI about, sir.

9 Q. Is it your contention that L.M.'s statement to
 10 the FBI was true?

11 MR. PIKE: Form.

12 THE WITNESS: Mr. Scarola, unfortunately,
 13 today with respect to that question, I'm going to
 14 have to assert my Fifth, Sixth and 14th Amendment
 15 Right. Though I know -- I believe you know the
 16 answer to that question, I can't answer the
 17 question under advice of Counsel. And he's told me
 18 if I chose to do so, I risk losing his
 19 representation.

20 BY MR. SCAROLA:

21 Q. What is the basis of your belief that I know
 22 the answer to the question?

23 MR. PIKE: Form.

24 THE WITNESS: You -- I believe you have seen
 25 this, because you're supposed to be a decent

1 lawyer, you've read the testimony. I would guess
 2 you've read the difference in her testimony to the
 3 FBI versus her testimony after she's met your
 4 client and his partners, who are currently in jail.

5 BY MR. SCAROLA:

6 Q. How does that respond to my question as to
 7 whether you contend that her testimony to the FBI was
 8 true or false?

9 MR. PIKE: Form.

10 THE WITNESS: I don't believe that was your
 11 question. Will you repeat?

12 BY MR. SCAROLA:

13 Q. Okay. Well, let's -- let me rephrase the
 14 question then.

15 Is it your contention that L.M.'s statement to
 16 the FBI was true?

17 A. Sir, on advice of Counsel, at least today, I'm
 18 going to have to assert my Fifth, Sixth and 14th
 19 Amendment Right.

20 Q. Was L.M.'s statement to the FBI false in any
 21 respect?

22 A. Sir, at least, again, today, on advice of
 23 Counsel, I'm going to have to assert my Fifth, Sixth and
 24 14th Amendment Right.

25 Q. Was L.M.'s subsequent testimony after,

1 according to you, she met Mr. Edwards and changed her
 2 testimony, true?

3 A. Did she change her testimony? Is that -- yes,
 4 her testimony was changed.

5 Q. My question to you is: Was her testimony
 6 which you contend was changed true testimony?

7 A. Your question is not a good question. Is it
 8 her testimony before or after?

9 Q. Was the subsequent testimony given by L.M.
 10 after she met Mr. Edwards which you contend was
 11 different from her testimony before the FBI, was the
 12 subsequent testimony true or false?

13 MR. PIKE: Form.

14 THE WITNESS: Sir, I'm going, at least today,
 15 I'm going to have to assert my Fifth, Sixth and
 16 14th Amendment Right.

17 BY MR. SCAROLA:

18 Q. Did you ever engage in any sexual conduct with
 19 L.M.?

20 A. I would like to answer that question, but --

21 Q. You don't need to tell me what you'd like to
 22 do, Mr. Epstein. You just need to do it, please.

23 THE WITNESS: Please --

24 MR. PIKE: Mr. Scarola, please let the witness
 25 finish his response.

1 MR. SCAROLA: That's not a response to my
 2 question.

3 MR. PIKE: In your mind it may not be a
 4 response. In a Judge's mind, it may be. We may
 5 have to certify it to the Court. If such a
 6 procedure even exists, we can take it up with the
 7 Court. But please let the witness finish his
 8 response.

9 THE WITNESS: Again, please?

10 BY MR. SCAROLA:

11 Q. Did you engage -- ever engage in any sexual
 12 conduct with L.M.?

13 A. I would like to answer that question; however,
 14 today I'm going to have to assert my rights as provided
 15 by the Fifth, Sixth and 14th Amendment to that question,
 16 sir.

17 Q. Have you ever exchanged anything of value with
 18 L.M.?

19 MR. PIKE: Form.

20 THE WITNESS: At least today, I'm going to
 21 have to assert my Fifth, Sixth and 14th Amendment
 22 Right, sir.

23 BY MR. SCAROLA:

24 Q. Did you ever direct anyone to deliver anything
 25 of value to L.M.?

1 MR. PIKE: Form.
 2 THE WITNESS: At least today, I'm going to
 3 have to refuse to answer that question based on the
 4 Fifth, Sixth and 14th Amendment.
 5 BY MR. SCAROLA:
 6 Q. Do you know Carolyn Andriano?
 7 A. At least today, sir, I'm going to have to
 8 refuse to testify about that question. Based on advice
 9 of Counsel, I'm going to have to assert my Fifth, Sixth
 10 and 14th Amendment Right.
 11 Q. Did Carolyn Andriano introduce you to L.M.?
 12 A. Sir, respectfully, I'd like to answer that
 13 question today. As I said, I'd like to answer each and
 14 every one of your questions. However, on advice of my
 15 Counsel today, I'm going to have to assert my Fifth,
 16 Sixth and 14th Amendment Right.
 17 Q. Did L.M. suffer any damage as a consequence of
 18 any interaction between you and L.M.?
 19 MR. PIKE: Form.
 20 THE WITNESS: Could you repeat the question,
 21 please?
 22 BY MR. SCAROLA:
 23 Q. Did L.M. suffer any damage as a consequence of
 24 any interaction between you and L.M.?
 25 MR. PIKE: Form.

1 THE WITNESS: I'd like to answer each and
 2 every one of your questions here today,
 3 Mr. Scarola; however, on advice of Counsel, today,
 4 I'm going to have to assert my Fifth, Sixth and
 5 14th Amendment Right.
 6 BY MR. SCAROLA:
 7 Q. Your Complaint in this action alleges that
 8 L.M. made claims for damages out of proportion to her
 9 alleged damages. What does that mean?
 10 A. It means what it says.
 11 Q. I don't understand it. Explain it to me.
 12 MR. PIKE: To the extent you can answer that
 13 question without disclosing my conversations with
 14 you or Mr. Critton's conversations with you, as
 15 well as my work product, you can answer the
 16 question.
 17 THE WITNESS: I believe that as part of the
 18 scheme to defraud investors in South Florida out of
 19 millions of dollars, claims of outrageous sums of
 20 money were made on behalf of alleged victims across
 21 the board. And the only way -- in fact, Scott
 22 Rothstein sits in jail. And what I've read in the
 23 paper, claims that I've settled cases for
 24 \$200-million, which is totally not true.
 25 She has made claims of serious sum of money,

1 which is outrageous.
 2 BY MR. SCAROLA:
 3 Q. How much have you settled claims for?
 4 MR. PIKE: I'm going to instruct you not to
 5 answer that question.
 6 MR. SCAROLA: And the basis of that
 7 instruction is?
 8 MR. PIKE: Confidential settlement agreements,
 9 to the extent that they exist. And the terms would
 10 be confidential.
 11 BY MR. SCAROLA:
 12 Q. Have you settled claims?
 13 A. Yes, I have.
 14 Q. What is the nature of the claims you settled?
 15 MR. PIKE: I'm going to instruct you not to
 16 answer that question.
 17 BY MR. SCAROLA:
 18 Q. How many claims have you settled?
 19 MR. PIKE: I'm going to instruct you not to
 20 answer that question as well.
 21 MR. SCAROLA: What is the basis for those
 22 instructions?
 23 MR. PIKE: Confidential, as well as there is a
 24 Victim's Right Statute that may -- you may be
 25 tiptoeing into the identity of --

1 MR. SCAROLA: I'm not tiptoeing anywhere.
 2 MR. PIKE: Let me finish my objection,
 3 Mr. Scarola.
 4 You may be tiptoeing into the identity of
 5 various alleged victims underneath the Victims
 6 Right Statute, as well as ongoing investigations or
 7 past investigations that have remained open with
 8 the State, as well as the Federal Government.
 9 So in that regard, we would have to put the
 10 State Attorney, as well as the Federal Government
 11 on notice that you were seeking to potentially back
 12 door certain identities at this deposition.
 13 BY MR. SCAROLA:
 14 Q. Other than having allegedly given different
 15 testimony before she met Mr. Edwards then given after
 16 she met Mr. Edwards, did L.M. do anything else that
 17 forms the basis for your claim against her?
 18 MR. PIKE: Form. Asked and answered.
 19 THE WITNESS: I'd like to answer that
 20 question, as well as every one of your questions
 21 with respect to L.M. here today; however, on advice
 22 of Counsel, at least today, Mr. Scarola, I'm going
 23 to have to assert my Sixth Amendment, Fifth
 24 Amendment and 14th Amendment Right.
 25 BY MR. SCAROLA:

1 Q. Did L.M. fail to do anything that she had an
 2 obligation, duty or responsibility to do --

3 MR. PIKE: Form.

4 BY MR. SCAROLA:

5 Q. -- that forms the basis for your claim against
 6 her?

7 MR. PIKE: I apologize. Form.

8 THE WITNESS: Again? I'm sorry. Has she
 9 failed to do? Can you repeat?

10 BY MR. SCAROLA:

11 Q. Yes, sir. Lawsuits are generally based, civil
 12 lawsuits are generally based on a claim that someone has
 13 done something that they shouldn't have done or failed
 14 to do something that they should have done.

15 I asked you whether L.M. did anything that she
 16 shouldn't have done and you asserted a Fifth Amendment
 17 privilege in refusing to answer that question.

18 I'm now attempting to find out whether L.M.
 19 failed to do something that she should have done that
 20 forms the basis of your claims against her.

21 Did L.M. do anything that she should have done
 22 that forms the basis of your claims against her?

23 MR. PIKE: Form.

24 THE WITNESS: On advice of Counsel, at least
 25 today, Mr. Scarola, I'm going to have to refuse to

1 MR. PIKE: Mr. Scarola, that's the second time
 2 that I'm going to ask you not to interrupt the
 3 witness when he's giving a response. He is giving
 4 a response. When he finishes his response, you can
 5 go on with your next question or you can -- you can
 6 elicit any sort of information you intend to elicit
 7 from the witness.

8 MR. SCAROLA: He's being unresponsive.

9 MR. PIKE: No, that's your contention.

10 MR. SCAROLA: No, that's a fact.

11 MR. PIKE: And you can take it up with a
 12 Judge. And if we want to continue going back and
 13 forth and bantering, not allowing the witness to
 14 answer the question -- we're here for you today,
 15 for you to ask the questions and for you to get
 16 answers. But if you continue to banter with the
 17 witness and interrupt the witness, I will adjourn
 18 the deposition. This is not proper and we
 19 certainly can take it up with the Judge. So that's
 20 the second warning, Mr. Scarola. Please --

21 MR. SCAROLA: How many do I get?

22 MR. PIKE: I'm not sure yet today.

23 MR. SCAROLA: Okay.

24 MR. PIKE: Okay?

25 MR. SCAROLA: Good. Then let's move on.

1 answer that question based on my Fifth Amendment,
 2 Sixth Amendment and 14th Amendment Right.

3 BY MR. SCAROLA:

4 Q. Did Brad Edwards do anything that he shouldn't
 5 have done that forms the basis of your lawsuit against
 6 him?

7 MR. PIKE: Form.

8 THE WITNESS: Yes, many things.

9 BY MR. SCAROLA:

10 Q. List them for me, please.

11 A. He has -- he has gone to the media out of, I
 12 believe, in an attempt to gin up these allegations. He
 13 has contacted the media. He has used the media for his
 14 own purposes. He has brought discovery -- he has
 15 engaged in discovery proceedings that bear no
 16 relationship to any case filed against me by any of his
 17 clients.

18 His firm, which he's the partner of, has been
 19 accused of forging a Federal Judge's signature.

20 Q. I want to know what Mr. Edwards --

21 MR. PIKE: One second.

22 THE WITNESS: Excuse me. I'm answering.

23 BY MR. SCAROLA:

24 Q. I want to know what Mr. Edwards did. I'm not
 25 asking you about allegations concerning his law firm.

1 MR. PIKE: But I can tell you one thing: On a
 2 professional nature, just because you are
 3 interrupting the witness and bantering with me, I
 4 will adjourn the deposition.

5 BY MR. SCAROLA:

6 Q. Besides having gone to the media in an attempt
 7 to, quote, gin up, unquote, these allegations and
 8 engaged in what you contend to be irrelevant discovery
 9 proceedings, what else did Mr. Edwards, personally, do
 10 that forms the basis for this lawsuit?

11 A. Mr. Edwards, personally, engaged with his
 12 partners, Scott Rothstein, who sits in a Federal jail
 13 cell, potentially for the rest of his life, he shared
 14 information, what I've been told and -- excuse me --
 15 what I've read in the newspapers, 13 boxes of
 16 information that had my name on it, with other attorneys
 17 at his firm.

18 He counseled his clients to maintain a
 19 position alleging multi-million dollar damages in order
 20 for them to scam local investors out of millions of
 21 dollars.

22 He and his -- many of his other partners
 23 already under investigation by the FBI and the U.S.
 24 Attorney have been accused by the U.S. Attorney of
 25 running a criminal enterprise.

1 Q. Anything else?

2 MR. PIKE: Form.

3 THE WITNESS: Not I can think of at the
4 moment.

5 BY MR. SCAROLA:

6 Q. Okay. What media did Mr. Edwards go to?

7 A. I am aware of at least the Daily News in New
8 York City.

9 I have been told by other people that there
10 were other media, local media.

11 I've been told that the -- his investigator
12 was sent to California to harass people representing
13 his -- Brad Edwards' investigator -- representing
14 fictitiously, fraudulently that he was a FBI agent to
15 try to gather information for Mr. Edwards' claims.

16 Q. Does that have something to do with going to
17 the media?

18 MR. PIKE: Form.

19 THE WITNESS: I've answered your question.

20 BY MR. SCAROLA:

21 Q. Does the investigator going to California to
22 do something have something to do with the media?

23 A. I believe I've also told that you that he's
24 gone to the Daily News, sir; is that correct?

25 MR. PIKE: Form. Mischaracterizes the

1 Q. Do you understand the question you're supposed
2 to be answering, Mr. Epstein?

3 MR. PIKE: And I'm going to instruct you not
4 to answer that question right now because as your
5 Counsel I cannot let you answer that question until
6 I understand what question is on the table.

7 There's been a lot of bantering back and
8 forth, so, Mr. Scarola, if you would respectfully
9 repeat the question and then you may be able to ask
10 him whether or not he understands the question.
11 But I cannot allow him to answer a question that I
12 don't understand is on the table.

13 BY MR. SCAROLA:

14 Q. What does an investigator going to California
15 have to do with Mr. Edwards allegedly going to the media
16 in an attempt to, quote, gin up, unquote, these
17 allegations?

18 MR. PIKE: Please answer the question.

19 THE WITNESS: Good. It's part of Mr. Edwards'
20 scheme to involve people who have nothing to do
21 with any of his cases in order to, in fact, go back
22 to the media and gin up his stories and make false
23 allegations of people that have sexually charged
24 nature cases in order to attempt to fleece
25 investors, local investors out of millions of

1 witness' testimony as well.

2 BY MR. SCAROLA:

3 Q. Do you understand the question that you're
4 supposed to be answering?

5 MR. PIKE: Well, let's go ahead and repeat it.

6 MR. SCAROLA: No, let's get an -- let's get an
7 answer to that question.

8 BY MR. SCAROLA:

9 Q. Do you understand the question you're supposed
10 to be answering?

11 A. When --

12 MR. PIKE: I'm confused. Wait one second.

13 THE WITNESS: Sorry.

14 MR. PIKE: I'm confused as to what question is
15 on the table.

16 MR. SCAROLA: And when your deposition is
17 being taken, your confusion is relevant and
18 material.

19 MR. PIKE: Right. And it's --

20 MR. SCAROLA: When Mr. Edwards' -- excuse
21 me -- when Mr. Epstein's deposition is being taken,
22 I'm concerned with whether he understands the
23 question being asked.

24 MR. PIKE: Right. So...

25 BY MR. SCAROLA:

1 dollars.

2 His firm has been accused by the U.S. Attorney
3 of manipulating the media, by hiring investigators,
4 by illegal wire taps, by illegal methods of
5 eavesdropping in order to go to the media and
6 generate cases.

7 BY MR. SCAROLA:

8 Q. When did Mr. Edwards go to the Daily News?

9 A. I don't know.

10 Q. How did he go to the Daily News?

11 A. I don't know.

12 Q. What did he say to the Daily News?

13 A. I believe Mr. Edwards knows that. I don't
14 know exactly what he said.

15 Q. What is the source of your information that he
16 went to the Daily News at all, ever?

17 MR. PIKE: To the extent you can answer that
18 question without violating any attorney/client
19 privileges, you can answer the questions.

20 THE WITNESS: It's attorney/client.

21 BY MR. SCAROLA:

22 Q. You said you were told by other people that he
23 went to other media representatives?

24 A. Yes, sir.

25 Q. Who are the other people that told you that?

1 A. I don't recall at the moment.
 2 Q. What did these other people who you don't
 3 remember tell you Mr. Edwards did with respect to other
 4 media representatives besides the Daily News?
 5 A. Again, the question again?
 6 Q. What did these other people tell you
 7 Mr. Edwards did with respect to going to other media?
 8 MR. PIKE: Form.
 9 THE WITNESS: Mr. Edwards went to the media to
 10 gin up his cases in order that the Rothstein firm
 11 could generate profits, falsely taking in
 12 investors, creating false stories to the local
 13 medias and making statements to local press
 14 regarding false claims made by his clients in order
 15 that Scott Rothstein, who currently sits in jail,
 16 could defraud, along with his other partners of his
 17 firm, local Florida investors, Mr. Scarola, out of
 18 millions of dollars.
 19 BY MR. SCAROLA:
 20 Q. When did these other people whose identity you
 21 can't remember tell you these things that Brad Edwards
 22 did?
 23 A. Sometime in the past year.
 24 Q. How many other people were there who told you
 25 these things about Mr. Edwards?

1 A. I don't recall with specificity.
 2 Q. Well, do you recall in any degree how many
 3 there were?
 4 A. I would say, probably five to ten.
 5 Q. Where were you when these conversations took
 6 place that you can't -- the identity of whose
 7 participants you can't remember?
 8 MR. PIKE: So we're clear, within the last
 9 year -- correct? -- timewise?
 10 MR. SCAROLA: Well, that's what your client
 11 said. I don't believe a word he says, but that's
 12 what he said.
 13 MR. PIKE: Form. Objection. Overbroad.
 14 THE WITNESS: Again, sir?
 15 BY MR. SCAROLA:
 16 Q. Yes, sir. Where did these conversations with
 17 these five to ten people take place whose identity you
 18 can't remember?
 19 MR. PIKE: Form.
 20 THE WITNESS: On the telephone.
 21 BY MR. SCAROLA:
 22 Q. Who initiated the phone calls?
 23 A. Sir, these questions, I have no -- I don't
 24 have any recollection.
 25 Q. Did the people who were on the phone identify

1 themselves or were these anonymous callers?
 2 MR. PIKE: Form.
 3 THE WITNESS: Sitting here today, Mr. Scarola,
 4 I don't recall with specificity.
 5 BY MR. SCAROLA:
 6 Q. What specifically did Mr. Edwards allegedly
 7 communicate to the Daily News to, quote, gin up these
 8 allegations, unquote?
 9 A. The newspapers have quoted Mr. Edwards -- not
 10 quoted Mr. -- newspapers have made allegations referred
 11 to as Mr. Edwards' statements.
 12 MR. SCAROLA: Would you read the question
 13 back, please, Sandy?
 14 (Pending question was read.)
 15 MR. PIKE: Did he answer your question?
 16 MR. SCAROLA: No.
 17 MR. PIKE: Are you asking him again?
 18 THE WITNESS: So you're asking the question
 19 again?
 20 BY MR. SCAROLA:
 21 Q. Yes.
 22 THE WITNESS: Sorry. Could you repeat the
 23 question again?
 24 (Pending question was read.)
 25 THE WITNESS: He alleged that third parties

1 had already been involved in some allegations to do
 2 with sexual misconduct.
 3 BY MR. SCAROLA:
 4 Q. Which third parties?
 5 A. I don't recall sitting here today.
 6 Q. Involved how?
 7 MR. PIKE: Form.
 8 THE WITNESS: If I recall with specificity, if
 9 I had the articles in front of me, I would be able
 10 to recall. Maybe next time.
 11 BY MR. SCAROLA:
 12 Q. What does "gin up these allegations" mean?
 13 MR. PIKE: Form.
 14 THE WITNESS: It means craft allegations of
 15 multi-million dollar cases; in fact, alleging in
 16 L.M.'s case damages of \$50-million, settlements in
 17 order for Scott Rothstein and the rest of
 18 Mr. Edwards' partners to fleece unsuspecting
 19 investors out of millions and millions of dollars
 20 based on cases that didn't exist or alleged cases
 21 that I had settled.
 22 Can I take a break?
 23 VIDEOGRAPHER: Going off video record, 10:50.
 24 (Brief recess.)
 25 VIDEOGRAPHER: We're now on video record at

1 10:57 a.m.
 2 BY MR. SCAROLA:

3 Q. Was your reference to, quote, gin up these
 4 allegations, unquote, a reference to allegations made
 5 against you?

6 MR. PIKE: Form.

7 THE WITNESS: As part of the vast conspiracy
 8 of the Rothstein firm and Mr. Edwards'
 9 participation in it, it has been alleged that many
 10 cases were fraudulently brought -- alleged that
 11 have been brought; ginned up, meaning, crafted,
 12 multi-million dollar numbers put on cases in order
 13 to fleece investors, where his partner, Scott
 14 Rothstein, currently sits in jail for just those
 15 purposes, Mr. Scarola.

16 BY MR. SCAROLA:

17 Q. My question to you is: Did the reference to,
 18 quote, gin up these allegations refer to allegations
 19 against you?

20 A. Reported in the newspaper the answer is, yes.
 21 And others, but specifically me, yes, by the newspaper
 22 reports.

23 Q. Specifically what are the allegations against
 24 you which you contend Mr. Edwards ginned up?

25 A. I would like to answer that question. A, many

1 Q. I want to know whether when you use the phrase
 2 "gin up" and the word "crafted," which you have told us
 3 is synonymous with gin up, --

4 A. Yes.

5 Q. -- you mean fabricated?

6 A. I'm sorry. On advice of Counsel, sir, and
 7 I've answered that question before, but if you didn't
 8 hear me the first time, I must assert my Fifth, Sixth
 9 and 14th Amendment Right.

10 Q. What specific discovery proceedings did
 11 Mr. Edwards engage in which you contend form the basis
 12 for your lawsuit?

13 A. The discovery proceedings of bringing my
 14 attorneys to various people that had nothing to do with
 15 any of his clients or these lawsuits.

16 Q. Which various people? Who?

17 MR. PIKE: Form.

18 THE WITNESS: For example, he tried to depose
 19 Bill Clinton, strictly as a means of getting
 20 publicity so that he and his firm could
 21 fraudulently steal, craft money from unsuspecting
 22 investors in South Florida out of millions of
 23 dollars.

24 BY MR. SCAROLA:

25 Q. Who else besides Bill Clinton is included in

1 of the files and documents that we've requested from
 2 Mr. Edwards and the Rothstein firm are still
 3 unavailable.

4 With respect to anything that I can point to
 5 today, I'm, unfortunately, going to have to take the
 6 Fifth Amendment on that, Sixth and 14th.

7 Q. You seemed to be defining ginned up as
 8 crafted; is that correct?

9 A. That's correct.

10 Q. Does ginned up or crafted mean fabricated?

11 MR. PIKE: Form.

12 THE WITNESS: I'm sorry, Mr. Scarola. I
 13 understand that you are trying to back door your
 14 way into a waiver of my Fifth Amendment. But
 15 respect to that question, I'm going to have assert
 16 my Fifth Amendment, Sixth Amendment and 14th
 17 Amendment Right.

18 BY MR. SCAROLA:

19 Q. So you are asserting your Fifth Amendment,
 20 Sixth Amendment and 14th Amendment Right to remain
 21 silent about what you mean when you use the words "gin
 22 up" and "crafted;" is that correct?

23 A. I don't believe that was your question.

24 Q. Yes, sir, that's exactly my question.

25 A. Would you repeat the question for me?

1 your reference to various people?

2 A. There are people in California. There are
 3 people in New York.

4 Q. Would you name them for us, please?

5 A. I'm sorry. Sitting here today, Mr. Scarola,
 6 I'm going to have to assert my Fifth Amendment, Sixth
 7 Amendment and 14th Amendment Right.

8 Q. Let's then talk about Bill Clinton, by whom I
 9 assume you mean former President Clinton; is that
 10 correct?

11 A. That's correct.

12 Q. All right. Do you know former President
 13 Clinton personally?

14 A. I'm sorry. As I sit here today, though I'd
 15 like to answer that question, on advice of my Counsel,
 16 at least today, I'm going to have to take the Fifth,
 17 Sixth and 14th Amendment.

18 Q. You said something about Mr. Edwards sharing
 19 13 boxes of information with somebody --

20 A. Yes.

21 Q. -- as forming part of the basis for your
 22 lawsuit against Mr. Edwards, correct?

23 A. Correct.

24 Q. All right. With whom did Mr. Edwards share
 25 these 13 boxes of information?

in the Scherer Complaint
with the partners of his firm
led by the U.S. Attorney,
prise.
for purposes --

y question?
e shared it with?

rm, sir.

basis of your lawsuit is
members of his own law firm to
is that correct?

. My claim is that the
were shown to investors by
boxes that we've been told by
uses, fraudulently -- and if
ed in order to fleece

13 boxes were shared with
Edwards' partners and some
nder indictment, the others

er whether ginned up and
l you asserted your Fifth

us that there were claims
cated by Mr. Edwards?
assert my Fifth, Sixth and
r.

the newspapers are very
bricated.

said which case was

, said most of the cases were
lection.

aint alleged many fabricated

Edwards' cases do you

sted most of the --
ruptcy trustee. We've been
not given us the total file,
al, I would have -- at the
assert my Fifth, Sixth and 14th

wer questions about whether
was fabricated; is that

y answered that, but, if

y Fifth, Sixth and 14th

Amendment Right, sir.

Q. Your Complaint also makes reference to a claim
on behalf of Jane Doe, referred to as Jane Doe versus
Epstein, case number 08-CIV-80893, a case pending in the
United States District Court for the Southern District
of Florida.

Is it your contention that the claim on behalf
of Jane Doe is a fabricated claim?

A. Sir, though I'd like to answer that question,
as well as every one of your other questions here today,
today I'm going to have to assert my rights as under the
Constitution of the Fifth, Sixth and 14th Amendment.

Q. Do you know the real name of the person
referred to as Jane Doe in that case?

A. I don't know which -- I'm sorry, sir. I do
not, sitting here today.

Q. Did you ever have personal contact with the
person referred to by the name Jane Doe in that lawsuit?

A. I'm sorry, sir. Sitting here today, I'm going
to have to assert my Fifth, Sixth and 14th Amendment
Right.

Q. When did you first meet the person referred to
as Jane Doe?

A. Sir, though I'd like to answer each and every
one of your questions here today, at least with respect

1 A. It has been reported
2 that he shared those boxes w
3 that was then formally accus
4 sir, of being a criminal enter
5

6 MR. PIKE: And just
BY MR. SCAROLA:

7 Q. Do you remember my
8 A. You asked me who he
9 Q. Yes.

10 A. The partners of his fir
11 Q. Okay. So part of the
12 that Mr. Edwards allowed me
13 see 13 boxes of information;

14 A. No, that's not correct
15 13 boxes of information that
16 Mr. Edwards' partners, 13 b
17 the press contain multiple ca
18 you like the word -- fabricat
19 investors out of money. The
20 investors, Mr. Edwards, Mr.
21 of those partners currently u
22 already sitting in jail.

23 Q. I had asked you earli
24 crafted meant fabricated and
25 Amendment privilege.

1 to that question, I'm going to have to assert my rights
2 under the Sixth Amendment, 14th Amendment and Fifth
3 Amendment.

4 Q. Where did you first meet the person referred
5 to as Jane Doe?

6 A. Sir, though I'd like to answer that question
7 here today, at least today on advice of Counsel, I'm
8 going to have to assert my Fifth Amendment, Sixth
9 Amendment and 14th Amendment Right.

10 Q. How many times have you been in the physical
11 presence of the person referred to as Jane Doe?

12 A. The person referred to as Jane Doe?

13 Q. Yeah. How many times have you been in her
14 physical presence?

15 MR. PIKE: Form.

16 THE WITNESS: At least -- at least sitting
17 here today, Mr. Scarola, I'm going to have to
18 assert my Fifth Amendment, Sixth Amendment and 14th
19 Amendment Right.

20 BY MR. SCAROLA:

21 Q. Did you ever have any physical contact with
22 Jane Doe?

23 MR. PIKE: Form.

24 THE WITNESS: Now, for this purposes, you're
25 assuming this Jane Doe is somebody I know? I don't

1 Are you now telling
2 against you that were fabri
3

4 A. I'm going to again assert
14th Amendment Right, sir.

5 I would respond that
6 clear that the cases were fab
7

8 Q. Which newspaper s
9 fabricated?

10 A. Bob Norman's blog
11 fabricated, to my best recor
12 The Scherer Compla
13 cases, sir.

14 Q. Well, which of Mr.
15 contend were fabricated?

16 A. Again, we've requested
17 information from the bank
18 unable -- Mr. Edwards has
19 but respect to any individu
20 moment I would have to assert
21 Amendment claim, sir.

22 Q. So you will not ans
23 the claim on behalf of L.M.
24 correct?

25 A. I believe I've already
26 again, I'll have to assert my

1 think so, since this question makes no sense to me.
 2 BY MR. SCAROLA:

3 Q. You have alleged in your Complaint that there
 4 is a claim on behalf of Jane Doe versus Epstein pending
 5 in the Federal District Court of the Southern District
 6 of Florida.

7 I would like to know whether you ever had any
 8 physical contact with the person referred to as Jane Doe
 9 in that Complaint?

10 A. Ah, that Jane Doe. I'm sorry. But sitting
 11 here today, Mr. Scarola, I'm going to have to refuse to
 12 answer that question based on the Fifth Amendment, Sixth
 13 Amendment and 14th Amendment.

14 Q. Did you ever exchange any money or gifts with
 15 Jane Doe?

16 A. Again, Mr. Scarola, sitting here today, I'm
 17 going to have to on advice of Counsel assert my Sixth
 18 Amendment, Fifth Amendment and 14th Amendment Right.

19 Q. Your Complaint makes reference to a case
 20 styled, E.W. versus Epstein, case number
 21 502008CA028058XXXXMBAB, a case pending in the Circuit
 22 Court of Palm Beach County, Florida.

23 Do you know who E.W. is?

24 A. Sitting here today, Mr. Scarola, I'm going to
 25 have to assert my rights as under the Fifth, Sixth and

1 to as E.W.?

2 A. I believe it is E.W.

3 Q. How long have you known E.W.?

4 A. Well, with respect to that question,

5 Mr. Scarola, I'm going to have to assert my Fifth, Sixth
 6 and 14th Amendment Rights, though I'd like to answer
 7 every, single question you have about E.W.

8 Q. How many times have you been in the physical
 9 presence of E.W.?

10 A. I'd like to answer every question about E.W.
 11 that you have today, Mr. Scarola; however, on advice of
 12 Counsel, I'm going to have to assert my Fifth, Sixth and
 13 14th Amendment Right.

14 Q. How old is E.W.?

15 A. I don't know.

16 Q. How old was she when you met her?

17 A. Mr. Scarola, I'm going to have to assert my
 18 rights under the Fifth, Sixth and 14th Amendment on
 19 advice of Counsel, though I would like to answer every
 20 one of these questions.

21 Q. Did you ever have any physical contact with
 22 E.W.?

23 A. Mr. Scarola, once again, I would like to
 24 answer each one of your questions here today, but on
 25 advice of Counsel I'm going to have to assert my Fifth,

1 14th Amendment.

2 Q. Have you ever learned the real name of E.W.?

3 A. Yes, sir.

4 Q. Did that person whose real name you learned
 5 ever spend any time in your physical presence?

6 A. Sir, at least sitting here today, I would like
 7 to answer each and every one of your questions regarding
 8 your E.W. and -- are we not allowed to use the names of
 9 these people, sir?

10 MR. PIKE: In the past -- in the past cases
 11 the names of these individuals have been utilized
 12 for deposition purposes.

13 Brad Edwards, sitting here today, knows that
 14 we have used, however, any documents that are filed
 15 with the Court will redact those names.

16 So the answer to the question is, yes, for
 17 purposes of this deposition, to the extent you know
 18 the names of individuals, you can utilize them with
 19 agreement of Mr. Edwards.

20 MR. EDWARDS: I have no problem with that.

21 THE WITNESS: I think to avoid confusion, so
 22 there's not -- I know who you're talking about.

23 That's all.

24 BY MR. SCAROLA:

25 Q. What is the real name of the person referred

1 Sixth and 14th Amendment Right.

2 Q. Did you ever exchange any money or gifts with
 3 E.W.?

4 A. Sir, I'd like to answer every question you
 5 have about E.W.; however, today, on advice of Counsel
 6 I'm going to have to assert my Fifth, sixth and 14th
 7 Amendment Right.

8 Q. Did you ever cause any money or gifts to be
 9 delivered to E.W.?

10 A. Mr. Scarola, as I've answered most of your
 11 questions here today regarding E.W., I would like to
 12 answer every question regarding E.W.; however, today, on
 13 advice of Counsel, I'm going to have to assert my Fifth,
 14 Sixth and 14th Amendment Right because though I would
 15 choose to do so, I've been told that if I do so, I risk
 16 losing my Counsel's representation.

17 Q. What is the actual value that you contend the
 18 claim of E.W. against you has?

19 MR. PIKE: Form. Relevance.

20 THE WITNESS: Sir, though I'd like to answer
 21 every question about E.W. and her claims and the
 22 claims of your other people, on advice of Counsel
 23 here today, I cannot do so. I must assert my
 24 rights under the Sixth, Fifth and 14th Amendment.

25 BY MR. SCAROLA:

1 Q. Would your answer be the same with regard to
 2 L.M. and to Jane Doe?

3 MR. PIKE: I'm going to instruct you if your
 4 answer is the same, to invoke in full.

5 THE WITNESS: With respect to, I believe, Jane
 6 Doe -- and who is the other person? I'm sorry.

7 BY MR. SCAROLA:

8 Q. L.M.

9 A. L.M. Though I'd like to answer your claims
 10 with respect to all three of Mr. Edwards' clients, on
 11 advice of Counsel, at least today, I'm going to have to
 12 invoke my Fifth, Sixth and 14th Amendment Rights.
 13 Though I'd prefer to answer the question, I've been told
 14 that if I choose to do so, I risk losing their
 15 representation.

16 Q. Among those items listed by you as wrongdoing
 17 on the part of Mr. Edwards forming the basis for this
 18 lawsuit is that he, quote, counseled his clients to make
 19 multi-million dollar claims against you; is that
 20 correct?

21 MR. PIKE: Form. Document speaks for itself.

22 THE WITNESS: Document speaks for itself.

23 BY MR. SCAROLA:

24 Q. I'm not asking about a document. I'm asking
 25 you about the list of wrongdoing that you gave us during

1 the course of this deposition, which you allege form the
 2 basis for your claim against Mr. Edwards.

3 Is it your contention that among those things
 4 Mr. Edwards did that form the basis for your lawsuit is
 5 to have counseled his clients to make multi-million
 6 dollar claims against you?

7 MR. PIKE: Form.

8 THE WITNESS: What the newspapers have said is
 9 that the claims purported to have been made by the
 10 Rothstein firm and its partners allege
 11 multi-million dollar claims where no claims exist.

12 However, respect specifically to my claim
 13 today, I'm going to have assert my Fifth, Sixth and
 14 14th Amendment Right.

15 MR. PIKE: Also, the question mischaracterizes
 16 the witness' testimony.

17 BY MR. SCAROLA:

18 Q. By whom was Bradley Edwards employed when he
 19 initiated litigation against you?

20 A. I would like to know the answer to that
 21 question.

22 Q. So the answer to that question is, I don't
 23 know?

24 A. I would like --

25 Q. Correct?

1 A. No. I answered that question, which is, I'd
 2 like to know.

3 Q. Yes. But that isn't an answer to my question.

4 My question is: By whom was Mr. Edwards
 5 employed at the time that he initiated litigation
 6 against you? Do you know the answer to that question?

7 A. I'd have no way of knowing the answer to that
 8 question, sir.

9 Q. Among the allegations of wrongdoing against
 10 Mr. Edwards which you contend form the basis of this
 11 lawsuit is something having to do with sending an
 12 investigator to California.

13 Would you tell me, please, more specifically
 14 what it is that Mr. Edwards did with regard to sending
 15 an investigator to California which you contend
 16 justifies a legal claim against Mr. Edwards.

17 MR. PIKE: Form. And also mischaracterizes
 18 the witness' testimony.

19 THE WITNESS: Reported widely in the
 20 newspapers is the use of illegal activities, wire
 21 taps, and methods by the Rothstein firm while
 22 Mr. Edwards had basically been bringing these
 23 cases.

24 The investigator, Mr. Fisten, who's mentioned
 25 in the Complaint, represented himself as an FBI

1 agent, falsely represented himself as an FBI agent.

2 BY MR. SCAROLA:

3 Q. Do you have any personal knowledge of anything
 4 that Mr. Fisten did while Mr. Fisten was in California?

5 MR. PIKE: To the extent that you can answer
 6 that question without disclosing my conversation or
 7 my firm's conversation or any of your attorneys'
 8 conversations with you, you can answer the
 9 question.

10 THE WITNESS: I'm sorry. Based on
 11 attorney/client privilege, I can't answer.

12 BY MR. SCAROLA:

13 Q. Is it your contention that Mr. Edwards was
 14 involved in an illegal wire tap?

15 A. It was widely reported in the newspaper --

16 Q. I'm not asking it was reported --

17 A. Excuse me.

18 Q. -- in the newspaper.

19 A. Excuse me.

20 Q. I want to know whether your contention is that
 21 Mr. Edwards was involved in an illegal wire tap.

22 MR. PIKE: Try once again to answer that
 23 question.

24 THE WITNESS: It's been widely reported in the
 25 newspaper that his firm and his partners were

1 involved in illegal wire taps, eavesdropping, hired
 2 former FBI and law enforcement officials in order
 3 to fabricate cases of a sexually charged nature
 4 against me and others.

5 BY MR. SCAROLA:

6 Q. Do you have any personal knowledge of
 7 Mr. Edwards ever having engaged in any illegal wire tap?

8 A. I have no personal knowledge; however, what I
 9 read in the newspapers and is widely reported is that
 10 his firm, and I believe Mr. Sakowitz went to the FBI
 11 after he was told that the firm was engaged in illegal
 12 wire taps and his partners were engaged in illegal wire
 13 taps.

14 The FBI, the U.S. Attorney has accused his
 15 firm of RICO, being the largest criminal fraud
 16 enterprise in South Florida's history and engaged in
 17 illegal wire taps. But the answer specifically to your
 18 question about personal knowledge, sir, no.

19 Q. Do you have any personal knowledge of
 20 Mr. Edwards ever having been involved in any illegal or
 21 improper eavesdropping?

22 A. It's been widely reported in the newspapers in
 23 South Florida that Mr. Edwards' firm, his partners were
 24 involved in illegal wire taps, illegal fact gathering,
 25 using what the newspapers quoted as sophisticated

1 Jeffrey Epstein, separate and apart from the
 2 allegations of fraud by his partners, I cannot
 3 answer that question because of attorney/client
 4 privilege.

5 BY MR. SCAROLA:

6 Q. Do you have any personal knowledge that
 7 Bradley Edwards was involved in any egregious civil
 8 litigation abuses?

9 MR. PIKE: Form. Confusing.

10 THE WITNESS: It's widely reported in the
 11 newspaper that Mr. Edwards' firm engaged in wild
 12 discovery processes, illegal activities, illegal
 13 eavesdropping in order to fleece unsuspecting
 14 investors in South Florida out of millions in
 15 dollars by crafting, fabricating malicious cases of
 16 a sexually charged nature in order to perpetrate a
 17 fraud.

18 BY MR. SCAROLA:

19 Q. Do you have any personal knowledge that
 20 Bradley Edwards ever forged Federal Court Orders and/or
 21 Opinions?

22 A. It's attorney/client privilege.

23 Q. Do you have any personal knowledge that
 24 Bradley Edwards was ever involved in the marketing of
 25 non-existing Epstein settlements?

1 methods. Mr. Sakowitz, who was approached as an
 2 investor, and Mr. Scherer, who's filed a Complaint,
 3 alleges similar activities. But personal knowledge
 4 myself, sir, no.

5 Q. Do you have any personal knowledge that
 6 Bradley Edwards was ever involved in obstructions of
 7 justice?

8 MR. PIKE: To the extent that you can answer
 9 that question without disclosing any
 10 attorney/client communications with any of your
 11 attorneys, you can answer that question.

12 THE WITNESS: It's attorney/client privilege,
 13 I'm afraid.

14 BY MR. SCAROLA:

15 Q. Do you have any personal knowledge that
 16 Bradley Edwards was ever involved in any actionable
 17 frauds?

18 MR. PIKE: Same -- same instruction, with any
 19 of your lawyers.

20 THE WITNESS: Yes. Outside of the newspapers,
 21 which have accused his firm of a monstrous fraud,
 22 purported to be the largest fraud in South
 23 Florida's history, accused by the U.S. Attorney
 24 where his partner sits in jail -- excuse me --
 25 reported in the newspapers of boxes of material on

1 MR. PIKE: Same instruction.

2 THE WITNESS: I'm sorry. I would like to
 3 answer that question, but on attorney/client
 4 privilege I cannot today.

5 BY MR. SCAROLA:

6 Q. It is alleged in your Complaint that you were
 7 subject to, quote, abusive investigatory tactics.

8 Other than those matters previously referred
 9 to in earlier questions, is it your contention that
 10 Bradley Edwards had any personal involvement in any
 11 other, quote, abusive investigatory tactics?

12 MR. PIKE: Form.

13 THE WITNESS: It's been widely reported in the
 14 newspapers that Mr. Edwards' firm was engaged in
 15 widely -- wildly abusive practices throughout the
 16 State of Florida in order to fleece unsuspecting
 17 investors out of millions of dollars.

18 The U.S. Attorney's Complaint alleges his firm
 19 engaged in a corrupt criminal enterprise.

20 Mr. Scherer's Complaint alleges monstrous
 21 amounts of fraud and discovery abuse.

22 I have no personal knowledge, separate from
 23 the attorney/client privileged information,
 24 regarding Mr. Edwards.

25 BY MR. SCAROLA:

ersonal knowledge that legal papers that were going to object to form. I can answer that question attorney/client of your attorneys, I'm answer that question. I'm afraid it's attorney/client

ersonal knowledge that I lived in any conduct that, are values of both State and South Florida?

you just ask -- can you mean by "personal

see, hear, smell, taste, or communicated to you directly and not third person or newspaper personally involved in issues of both State and Federal

orida?

h regard to

s. Are you suggesting that specifically or things that I specifically relate to him, is asking me for?

ly right.

or something, that's not

om somebody else. ear it from, besides

directly yourself.

only person, sir? on, that's correct.

person, separate from cannot answer that.

akes reference to a purpose in "vindicate the

yers and their clients who

were adversely affected by the misconduct that is the subject of this Complaint," unquote.

Who are those hardworking and honest lawyers that you are seeking to vindicate?

MR. PIKE: Form.

Give me a minute. What page of the Complaint are you referring to?

MR. SCAROLA: Page 2.

MR. PIKE: Give me one second.

THE WITNESS: Can we go off the record just for a second?

MR. PIKE: If it's okay with Mr. --

THE WITNESS: It's a bathroom break.

MR. PIKE: There's a question pending and usually --

THE WITNESS: Sorry.

MR. PIKE: Just give me a second.

Okay.

THE WITNESS: Where is it?

MR. PIKE: It's page 2 of the Complaint, which has my notes on it down here, the last sentence.

And to the extent that you have knowledge and can answer that question, you can do so.

THE WITNESS: Could you repeat the question for me, sir?

BY MR. SCAROLA:

Q. Yes, sir. Your Complaint makes reference to a purpose in filing this lawsuit --

A. Yes.

Q. -- to vindicate the hardworking and honest lawyers and their clients who were adversely affected by the misconduct that is the subject of this Complaint.

A. Yes, sir.

Q. Who are those hardworking and honest lawyers on whose behalf you are bringing this Complaint?

MR. PIKE: Okay. Form. Mischaracterizes the Complaint itself.

To the extent you understand that question, you can attempt to answer, if you recall.

THE WITNESS: Yes.

The U.S. Attorney, sir, has accused the Rothstein firm of misusing the entire legal system, a level of abuse never seen before in the United States history, of forging documents, an affront to any decent lawyer, signing Judge's Orders, sending false statements to other lawyers. The people who have been -- excuse me -- the Complaint by the U.S. Attorney, in fact, describes the behavior of the law firm, as well as Mr. -- my Complaint says, Mr. Edwards being a part of that.

Q. Do you have any personal knowledge that Bradley Edwards ever filed unsupportable?

MR. PIKE: I'm going to

And to the extent you without disclosing any a communications with an going to allow you to an

THE WITNESS: I'm privilege.

BY MR. SCAROLA:

Q. Do you have any personal knowledge that Mr. Edwards was ever involved in quote, compromised the core Federal justice systems in South Florida?

MR. PIKE: Form.

THE WITNESS: Can you define for me what you know about knowledge, sir?

BY MR. SCAROLA:

Q. Yes. Did you ever touch anything that communicated through the report of some that Bradley Edwards was possibly compromising the core values

justice systems in South Florida?

MR. PIKE: Form.

Same instruction with attorney/client.

THE WITNESS: Yes, anyone who told me specifically might have read that specifically not what you've been asking.

BY MR. SCAROLA:

Q. Yes, sir, that's exactly. A. You told me if I had personal knowledge.

Q. Not if you hear it from somebody else, sir?

Q. Well, if you heard it from who?

Q. Maybe Mr. Edwards.

A. Uh-huh. Is that the only person?

Q. That's the only person.

A. Well, if it's the only attorney/client privilege, I don't know.

Q. Your Complaint makes reference to filing this lawsuit to, quote, vindicate the hardworking and honest lawyers

1 BY MR. SCAROLA:

2 Q. Now, before you answered that question, you
3 reviewed a document, right?

4 A. The Complaint, sir.

5 Q. I'd like to see it, please.

6 MR. PIKE: Definitely not, Mr. Scarola.

7 My notes are on that and that's
8 attorney/client. I allowed the witness to take a
9 look at the document and he did not write anything
10 on the document. He looked at the document.
11 That's my client. And you will certainly not be
12 looking at my notes, which are all over this
13 document.

14 MR. SCAROLA: He didn't look at everything.
15 He looked at one page. I would like that one page,
16 please.

17 MR. PIKE: Absolutely not, Mr. Scarola.

18 MR. SCAROLA: I would like that page marked as
19 an Exhibit to this deposition.

20 MR. PIKE: Absolutely not, Mr. Scarola.

21 MR. SCAROLA: I would state for the record
22 that it is my intention, since that page with
23 handwritten notations on it was reviewed by the
24 witness during the course of this deposition while
25 a question was pending, I want that page preserved

1 We have asked for Scott Rothstein's
2 deposition. We hopefully will get it. Maybe he
3 will give us some insight on how other lawyers have,
4 been handled and the abuses they've undergone, i
5 forging a Federal Judge's signature, sir.

6 Q. Now, was it your intention in this sentence
7 to say that you were trying to vindicate the hardw
8 and honest lawyers and their clients?

9 A. It's attorney/client. I'm sorry.

10 Q. Your intention is attorney/client privilege

11 MR. PIKE: Form. I'm not quite --

12 BY MR. SCAROLA:

13 Q. Is that what you're telling us?

14 MR. PIKE: Wait a second. I'm not quite s
15 I understand the question.

16 THE WITNESS: What's the question?

17 BY MR. SCAROLA:

18 Q. Were you attempting to communicate in t
19 Complaint a desire on your part to vindicate hard
20 and honest lawyers and their clients?

21 MR. PIKE: Form.

22 THE WITNESS: In this Complaint, I inter
23 get to the truth of Mr. Edwards' behavior and
24 Rothstein firm, sir.

25 BY MR. SCAROLA:

1 so that the Court can make a determination as to
2 whether I am entitled to see it.

3 MR. PIKE: I would object based upon
4 attorney/client and work product in that regard.

5 THE WITNESS: Now can we take a bathroom
6 break?

7 MR. SCAROLA: No, sir, because you still
8 haven't answered my question.

9 THE WITNESS: Okay.

10 BY MR. SCAROLA:

11 Q. I want to know who the, quote, "hardworking
12 and honest lawyers" are that are referred to in that
13 section of your Complaint.

14 A. My attorneys, at least, are honest.

15 Q. Which ones?

16 A. All of them.

17 Q. And you say that you want to vindicate the
18 hardworking and honest lawyers and their clients?

19 A. That's correct.

20 Q. Which clients?

21 A. Me, some of the other clients, in fact, abused
22 by the Rothstein firm. I don't know the full extent.
23 Hopefully when we get to trial, we're going to find out
24 the extent of the people, the lawyers, the clients that
25 were abused by Mr. Edwards and the Rothstein firm.

1 Q. Well, what this sentence says is, quote, --
2 A. Yes.
3 Q. -- "the Rothstein racketeering enterprise
4 endeavored to compromise the core values of bo
5 and Federal systems in South Florida and to vind
6 the hardworking and honest lawyers and their cli
7 were adversely affected by the misconduct that is
8 subject of this Complaint."

9 Is that what you meant to communicate?

10 A. It says what it says, sir.

11 Q. Well, I know it says what it says. I'm try
12 to find out if that's what you meant to say; that is
13 that the Rothstein racketeering enterprise endeav
14 vindicate the hardworking and honest lawyers an
15 clients who were adversely affected by the misco
16 that is the subject of this Complaint.

17 MR. PIKE: Form. Mischaracterizes the
18 language of the document.

19 THE WITNESS: Yeah, I think you've mis
20 that again. You want to -- I certainly didn't as
21 for the Rothstein firm to vindicate the lawyers
22 what you've just --

23 BY MR. SCAROLA:

24 Q. Well, that's what I'm trying to find out,
25 whether you meant to say what you said in this

Complaint.

Did you read the Complaint before it was filed?

MR. PIKE: Form. Move to strike.

THE WITNESS: Thank you, sir.

BY MR. SCAROLA:

Q. Did you read the Complaint before it was filed?

A. It was a while ago, yes, sir.

Q. And did you approve the Complaint prior to its filing?

A. Yes, sir.

Q. And did you mean to say what this sentence says, "the Rothstein racketeering enterprise endeavored to vindicate the hardworking and honest lawyers and their clients, who were adversely affected by the misconduct that is the subject of this Complaint?"

MR. PIKE: Okay. I'm going to move to strike.

Mischaracterizes the language of the document.

The document reads as follows, for purposes of the record: "The Rothstein racketeering enterprise endeavored to compromise the core values of both State and Federal justice systems in South Florida and to vindicate the hardworking and honest lawyers and their clients who were adversely affected by

the misconduct that is the subject of this Complaint."

BY MR. SCAROLA:

Q. Is that what you meant to say?

A. What I meant to say, it is -- seems to me somewhat unclear -- is that the Rothstein firm, along with Mr. Edwards, is part of a criminal enterprise, the largest -- excuse me -- the largest criminal enterprise in South Florida's history, forging Judges' signatures, engaging in illegal wire taps, illegal behaviors. And part of this lawsuit should vindicate, which means, I believe should set right.

And if it's not clear, the Rothstein firm compromised the core values of our legal justice system. It abused every -- many of the precepts, the most basic values of the American justice system.

And, in fact, I believe this lawsuit, part of the reason for filing this lawsuit, it will disclose the various techniques of attorney/client privilege, abuse of technique, abuse of discovery, illegal wire taps, forging signatures engaged in by both Mr. Edwards and his firm.

Q. So it is your contention that Mr. Edwards was part of a criminal enterprise?

A. Yes, it is.

Q. Knowingly part of a criminal enterprise?

MR. PIKE: Form.

THE WITNESS: Attorney/client privilege.

MR. SCAROLA: You wanted to take a break and before I move on to another subject, we'll do that. But I want -- I want to observe for the record that the last break was less than an hour ago. While I want to try to make reasonable accommodations to witnesses so as not to impose unnecessarily upon their physical comfort, I will object to breaks occurring at less than one-hour intervals during the course of this deposition.

VIDEOGRAPHER: We're now off video record. It is 11:34 a.m.

(Brief recess.)

VIDEOGRAPHER: We are now back on video record. It is 11:45 a.m. and we are on media number two.

BY MR. SCAROLA:

Q. What knowledge do you have of Brad Edwards ever having personally engaged in mail fraud?

A. It's been widely reported in the press --

Q. I'm going to withdraw my question.

What personal knowledge do you have of Bradley Edwards ever having been engaged in any mail fraud?

A. Will you describe what you mean by "personal knowledge," sir?

Q. I mean direct observation through your senses on your part.

A. So are you asking me whether or not I've witnessed him sending something directly, putting physically in the mail, sir?

Q. I'm asking whether you have ever personally witnessed Bradley Edwards ever having engaged in mail fraud.

A. I'm not sure how that's possible for anybody to witness a mail fraud, so would you inform me how it's done?

Q. So the answer to my question is, you don't know; is that correct?

A. My answer to your question is --

MR. PIKE: Form. Mischaracterizes the witness' testimony.

THE WITNESS: I've asked for a clarification.

BY MR. SCAROLA:

Q. Have you ever personally witnessed Bradley Edwards engaging in mail fraud?

MR. PIKE: Form.

THE WITNESS: No, sir.

BY MR. SCAROLA:

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ionally witnessed Bradley
in wire fraud?
m not sure how anyone would
owledge, witness someone
ess they were simply sitting
at their bank accounts. So,
to say, no, sir.

ionally witnessed Bradley
laundering?

ain, sir, the U.S. Attorney's
ein firm alleges money
mail fraud, RICO claims of
nd his firm, calling the
enterprise in South
d of fabricating malicious
charged nature in order
outh Floridians out of

nd out, Mr. Epstein,
ence whatsover that
y participated in any of that
question, to the extent you

olating attorney/client and
nswer the question.
I afraid it will be
, sir.

idence -- knowledge of any
Mr. Edwards ever participated
kind of investment in

m attorney/client

edge of any evidence
ds was ever a participant in
ich were sold purported
f a structured payout

d blogs have widely reported
ted -- would you repeat the
I'm sorry.

know whether you have any
t Bradley Edwards personally
g a plan through which were
assignments of a structured

1 payout settlement?

2 MR. PIKE: Form.

3 THE WITNESS: I'd like to answer that question
4 by saying that the newspapers have reported that
5 his firm was engaged in fraudulent structured
6 settlements in order to fleece unsuspecting Florida
7 investors.

8 With respect to my personal knowledge, I'm
9 unfortunately going to, today, but I look forward
10 to at some point being able to disclose it, today
11 I'm going to have to assert the attorney/client
12 privilege.

13 BY MR. SCAROLA:

14 Q. Your Complaint alleges that Rothstein and
15 others in RRA were using RRA to market investments.

16 Who are the others referred to in the
17 Complaint?

18 A. From my understanding of the U.S. Attorney's
19 Complaint, from Mr. Scherer's Complaint, it is the
20 partners and people who held themselves out to be
21 partners of the Roth -- Scott Rothstein, including
22 Mr. Berger, Mr. Adler, Mr. Edwards and other people
23 associated with the firm like Mr. Fisten, Diane
24 Villegas, if that's how you pronounce her name, Russell
25 Adler, and many of the other partners of his firm

1 currently under investigation by either the Florida Bar
2 or the U.S. Attorney or FBI or all of the above, sir.

3 Q. Which -- which source of information
4 referenced in that answer specifically made reference to
5 Mr. Edwards?

6 A. I don't recall, sir.

7 Q. But you do have a recollection that one or
8 more of them did; is that correct?

9 A. I don't recall, sir.

10 Q. So you want to withdraw the earlier response
11 that you made and your real answer is, I don't know, is
12 that correct?

13 MR. PIKE: Mischaracterizes the witness'
14 testimony. Move to strike.

15 BY MR. SCAROLA:

16 Q. Your response, sir?

17 A. My answer stays the same, sir.

18 Q. Is it your contention that one or more
19 lawsuits was fabricated against you?

20 A. It's been widely reported in the newspapers --

21 Q. That's not my question.

22 A. Excuse me. I was answering.

23 MR. PIKE: Please let the witness answer the
24 question, Mr. Scarola.

25 BY MR. SCAROLA:

1 Q. Have you ever perso
2 Edward -- Edwards engaged

3 A. How would one -- I
4 personal -- have personal kn
5 engaging in wire fraud, unl
6 over their computer looking
7 unfortunately, I would have

8 Q. Have you ever perso
9 Edwards engaged in money

10 MR. PIKE: Form.

11 THE WITNESS: Ag
12 Complaint of the Rothste
13 laundering, wire fraud, m
14 Mr. Edwards' partners ar
15 firm the largest criminal
16 Florida's history, accused
17 cases, sir, of a sexually c
18 to fleece unsuspecting S
19 millions of dollars.

20 BY MR. SCAROLA:

21 Q. And I'm trying to fin
22 whether you have any evid
23 Mr. Edwards ever personall
24 wrongdoing?

25 MR. PIKE: To that q

1 can answer it without vi
2 work product, you can a

3 THE WITNESS: I'm
4 attorney/client privilege

5 BY MR. SCAROLA:

6 Q. Do you have any ev
7 evidence whatsoever that M
8 in any effort to market any
9 anything?

10 A. I would have to cla
11 privilege on that, sir.

12 MR. PIKE: Form.

13 BY MR. SCAROLA:

14 Q. Do you have knowl
15 whatsoever that Mr. Edward
16 devising a plan through wh
17 confidential assignments o
18 settlement?

19 A. The newspapers and
20 that Mr. Edwards' firm cra
21 question for me, again, sir?

22 Q. Yes, sir. I want to k
23 knowledge of evidence that
24 ever participated in devisin
25 sold purported confidential

ering my question.
y said three words, so you
answering your question or

didn't ask him anything about
n about his contention. I
vering my question.

ad, Mr. Epstein, and you can
more time.
g to move to strike.
ou want to repeat the question?

ke to know whether it is
more lawsuits have been

is that the firm of
othstein, fabricated many
s and the U.S. Attorney,
d others of a sexually charged
vestors of South Florida out

spect to my individual
filed in these three cases,
d only today at least, on

to have to assert my Fifth,
sir.

limiting my question to
n your Complaint. I want to
that any claim against you has

verbroad and confusing and
e question makes no sense to
do better.

claim against you which

n going to have to
h, Sixth and 14th Amendment
o.

that Bradley Edwards was
nanufacturing false and/or
r Orders?
lege.

es reference to someone
fendant's garbage looking
e with investors to show how

potential defendants could be, in essence, blackmailed.

MR. PIKE: Would you identify for me,
Mr. Scarola, what page?

MR. SCAROLA: Page 8, paragraph 19.

BY MR. SCAROLA:

Q. Did anyone ever sift through your garbage
looking for damaging evidence?

MR. PIKE: One second.

In light of clarity, Mr. Scarola, would you
please read the entire paragraph so Mr. Epstein
understands the tenor of the paragraph?

MR. SCAROLA: No. I want to know whether
anyone ever sifted through Mr. Edwards' garbage --
through Mr. Epstein's garbage. That's the pending
question.

MR. PIKE: To the extent you understand the
question, you can answer.

THE WITNESS: I think the question is poorly
phrased. Did anyone ever sift through my garbage?
What does that mean?

BY MR. SCAROLA:

Q. You don't know what sifting through garbage
means?

A. Does that mean the garbage man? Does that
include the garbage man? I'm sure he sifted through my

Q. No, you're not ans
MR. PIKE: He's on
don't know whether he's
not.

MR. SCAROLA: I
newspapers. I asked him
don't know he's not ans

BY MR. SCAROLA:

Q. But you can go ahe
make your silly speech one

MR. PIKE: I'm goin
THE WITNESS: Yo

BY MR. SCAROLA:

Q. Yes, sir. I would li
your contention that one or
fabricated against you.

A. My contention, sir,
Edwards' partners, Scott Re
cases, reported by the press
amongst people like me and
nature in order to fleece inv
of millions of dollars.

Do I have a -- with re
cases that Mr. Edwards has
I'm unfortunately today, and

garbage.

Q. Which garbage man sifted through your garbage?

A. I'm sure people who go through garbage sift
through the garbage. I have no idea.

Q. Did anyone ever sift through your garbage
looking for damaging evidence?

A. It's been widely reported in the newspapers,
sir, that the Rothstein firm engaged in sifting through
many people's garbage in order -- in an attempt to
blackmail them.

Q. Yes. But I didn't ask you what some newspaper
is alleged to have reported.

What I did ask you is whether anyone ever
sifted through your garbage looking for damaging
evidence.

And the answer to that question, I think, can
be either yes, no, or I don't know.

MR. PIKE: Move to strike.

BY MR. SCAROLA:

Q. Or you could refuse to answer it on the
grounds that it may tend to incriminate you.

A. I think you might --

MR. PIKE: Move to strike.

THE WITNESS: I would like to answer my own
questions. If you'd like to answer all my

advice of Counsel I'm going
Sixth and 14th Amendment,

Q. Okay. Well, I'm not
the three cases referenced in
know whether you contend
been fabricated?

MR. PIKE: Form. O
it's compound.

THE WITNESS: The
me. I'm sure you could do

BY MR. SCAROLA:

Q. Is there any pending
you contend is fabricated?

A. At least today, sir, I
respond by asserting my Fifth
Right.

MR. PIKE: Form, als

BY MR. SCAROLA:

Q. Is it your contention
ever personally involved in

fraudulent Court Opinions o

A. Attorney/client privi

Q. Your Complaint mak
sifting through a potential de

for damaging evidence to us

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1 questions, Mr. Scarola, I'm more than happy to sit
2 here and answer them. Would you like to continue?
3

BY MR. SCAROLA:

4 Q. Yes. I'd like to know what the answer to that
5 question is. Did anyone ever sift through your garbage
6 looking for damaging evidence?

7 MR. PIKE: Form.

8 THE WITNESS: I don't know.

9 BY MR. SCAROLA:

10 Q. Did you ever have damaging evidence in your
11 garbage?

12 A. What's damaging evidence, sir?

13 Q. Evidence tending to implicate you in criminal
14 conduct.

15 MR. PIKE: Form.

16 THE WITNESS: At least today, Mr. Scarola,
17 with these -- with your questions and your claims
18 and your defense of Mr. Edwards and his firm, the
19 Rothstein firm, while his partner sits in jail,
20 today I'm going to have to assert my Fifth, Sixth
21 and 14th Amendment Right, sir.

22 BY MR. SCAROLA:

23 Q. Did you ever have any evidence in your garbage
24 that would subject you to blackmail?

25 MR. PIKE: Form. Same -- same objection.

1 You've been interchanging knowledge with
2 knowledge. And many of the objections to
3 am asserting an attorney/client and work pr
4 privilege are based upon your malphrased q
5 and use of personal knowledge and knowled
6 interchangeably with those questions.

7 So if you want to rephrase your question
8 attempt to elicit a response -- let me finish --
9 then I have no objection to that. However, I
10 going to sit here and allow my client to waive
11 attorney/client and work product.

12 Now, to the extent you're saying I'm coac
13 the witness, I object to that because I am
14 certainly not. The witness is here to answer
15 questions and I believe has been answering
16 questions today to the best of his ability.

17 MR. SCAROLA: I am saying you're coac
18 witness.

19 BY MR. SCAROLA:

20 Q. Could you answer the question?

21 MR. PIKE: Same objection.

22 THE WITNESS: You'll have to repeat it.

23 BY MR. SCAROLA:

24 Q. Do you have any information indicating
25 Bradley Edwards ever had any knowledge of an

1 THE WITNESS: Again, I'll respectfully answer
2 the question by asserting my Fifth, Sixth and 14th
3 Amendment Right.

4 BY MR. SCAROLA:

5 Q. Your Complaint in paragraph 21, page 9, says
6 that: "Upon information and belief, Rothstein, David
7 Boden, Debbie Villegas, Andrew Barnett, Michael Fisten
8 and Kenneth Jenne, all employees of RRA, through brokers
9 or middle men would stage regular meetings during which
10 false statements were made about the number of
11 cases/clients that existed or RRA had against Epstein
12 and the value thereof."

13 Do you have any knowledge that Mr. Edwards
14 ever knew about such meetings being conducted?

15 MR. PIKE: Form.

16 To the extent you understand the question and
17 it will not violate any attorney/client or work
18 product privilege information, you can answer that
19 question.

20 MR. SCAROLA: Mr. Pike, it has become evident
21 that that speaking instruction to your witness is
22 an instruction for him to assert an attorney/client
23 privilege, regardless of whether it is or is not
24 valid and I object to it.

25 MR. PIKE: Let me make the record clear.

1 associated with the Rothstein firm holding meetin
2 during which, quote, "false statements were mad
3 the number of cases/clients that existed or RRA
4 against Epstein and the value thereof," unquote?

5 MR. PIKE: Form. Same objection.

6 THE WITNESS: My best recollection is t
7 Attorney has accused the Rothstein firm of ju
8 those types of meetings where the partners go
9 together, schemed to defraud local investors o
10 millions of dollars by fabricating cases of a
11 sexually charged nature. And whether Mr. E
12 personally participated, I'm going to at least
13 today, sir, have to assert the attorney/client
14 privilege, but look forward to one day disclos
15 it.

16 MR. SCAROLA: Move to strike all unres
17 portions of the answer.

18 BY MR. SCAROLA:

19 Q. Paragraph 23 of your Complaint says that
20 "RRA, Rothstein and Edwards, claiming the nee
21 anonymity with regard to existing or fabricated c
22 they were able to effectively use initials," et cetera.

23 Do you have any knowledge that Bradley E
24 fabricated a client to bring a claim against you?

25 MR. PIKE: Form.

1 THE WITNESS: I believe Mr. Scherer's
 2 Complaint --
 3 BY MR. SCAROLA:
 4 Q. I'm not asking about Mr. Scherer's Complaint.
 5 I'm asking about any evidence that you have.
 6 MR. PIKE: The witness is basically been five
 7 words into his sentence and you're not allowing him
 8 to finish, once again.
 9 So if you recall the question, then please
 10 respond.
 11 THE WITNESS: Please repeat it back, please?
 12 MR. PIKE: Madame Court Reporter, if you
 13 would.
 14 (Pending question was read.)
 15 MR. PIKE: Form.
 16 THE WITNESS: The pleadings of Mr. Scherer and
 17 his claim against the Rothstein firm for a massive
 18 fraud, as well as Mr. Sakowitz's claims to -- at
 19 least in the -- described in the public press,
 20 because he went to the FBI, for fabricating cases
 21 that included initials.
 22 With respect to anything specific with
 23 Mr. Edwards, I'm going to have to claim the
 24 attorney/client privilege today, sir.
 25 BY MR. SCAROLA:

Page 79

1 Q. Do you have any -- do you have knowledge of
 2 the existence of any evidence that Bradley Edwards knew
 3 that Rothstein was utilizing RRA as a front for a Ponzi
 4 scheme?
 5 MR. PIKE: Form.
 6 THE WITNESS: That's attorney/client
 7 privilege.
 8 BY MR. SCAROLA:
 9 Q. Do you have knowledge of any evidence that
 10 would indicate Bradley Edwards should have known that
 11 Rothstein was utilizing RRA as a front for a Ponzi
 12 scheme?
 13 MR. PIKE: Form.
 14 THE WITNESS: At least today --
 15 MR. PIKE: Wait.
 16 THE WITNESS: Sorry.
 17 MR. PIKE: Form. Same objections. Same
 18 attorney/client, work product as to the last
 19 question. Same objections here, attorney/client
 20 work product.
 21 THE WITNESS: And today I'm going to have to
 22 assert the attorney/client privilege.
 23 MR. PIKE: To the extent you can answer that
 24 question --
 25 THE WITNESS: I understand.

21 (Pages 78 to 81)

1 team," unquote.

2 You then go on to say in paragraph 31 of your
3 Complaint at page 12 that: "Rothstein and the
4 litigation team" --

5 MR. PIKE: Wait a minute. Put that down for a
6 second. Hold on.

7 THE WITNESS: You can read it.

8 BY MR. SCAROLA:

9 Q. "Individually and in a concerted effort may
10 have unethically and illegally engaged in certain
11 specified conduct."

12 May we correctly conclude from that statement
13 that you don't have any knowledge as to whether the,
14 quote, "litigation team," including Mr. Edwards, engaged
15 in any unethical and illegal conduct?

16 MR. PIKE: For now, while I'm reviewing the
17 document itself, I'm just going to just tell you to
18 hold off --

19 THE WITNESS: Sure.

20 MR. PIKE: -- on answering that question.

21 You may want to go off the record, so we don't
22 have a lag in --

23 MR. SCAROLA: No, I'd like it on the record.
24 Thank you.

25 MR. PIKE: Mr. Scarola, did you bring an extra

1 Edwards, individually and personally, sold, allowed to
2 be sold and/or assisted with the sale of an interest in
3 non-settled personal injury lawsuits?

4 MR. PIKE: Before you answer that question,
5 Madame Court Reporter, will you please read that
6 question back to me?

7 (Pending question was read.)

8 MR. PIKE: To the extent you can answer that
9 question without divulging attorney/client or work
10 product information, you may answer that question.

11 MR. SCAROLA: Objection. Coaching.

12 THE WITNESS: You said, allowed to be sold.
13 I'm going to assert attorney/client privilege to
14 the answer, I'm afraid, but I'd like to answer that
15 question.

16 BY MR. SCAROLA:

17 Q. Do you have knowledge of any evidence
18 indicating that Bradley Edwards ever reached agreements
19 to share attorney's fees with non-lawyers?

20 MR. PIKE: I'm sorry. Mr. Scarola, can you
21 tell me what page of the Complaint you're referring
22 to, if you are?

23 MR. SCAROLA: I'm not referring to any page of
24 the Complaint, although I will tell you that that
25 precise allegation is made in the Complaint.

1 copy of the Complaint that you're questioning
2 Mr. Epstein on for Mr. Epstein to look at?

3 MR. SCAROLA: No.

4 MR. PIKE: Okay. I'm going to have to go get
5 him a copy so he can -- the paragraphs of this
6 Complaint are very long and the Complaint itself is
7 in excess of -- it was approximately 35 pages,
8 so...

9 MR. SCAROLA: I'll withdraw the question.

10 BY MR. SCAROLA:

11 Q. Do you have any evidence that Brad Edwards
12 sold, allowed to be sold and/or assisted with the sale
13 of an interest in non-settled personal injury lawsuits?

14 MR. PIKE: Form.

15 THE WITNESS: The newspapers have widely
16 reported that the Rothstein firm engaged in illegal
17 structured settlements of cases of a sexual nature,
18 including specifically, me. We have subpoenaed the
19 documents from Mr. Edwards and his firm and we have
20 not been able to get them as of yet.

21 I am confident that once we do, I will be able
22 to answer your questions with more specificity.

23 BY MR. SCAROLA:

24 Q. As you sit here today, do you have any
25 evidence whatsoever to support an assertion that Bradley

1 THE WITNESS: In fact, Mr. Scarola, we have
2 subpoenaed Mr. Edwards' documents and documents
3 from his firm that I believe will, in fact, give me
4 more specificity with the answers to that question.

5 I'm looking forward to getting the -- that
6 specific evidence. With respect to what we
7 currently know, sitting here today, I'm
8 unfortunately going to have to claim my
9 attorney/client privilege.

10 BY MR. SCAROLA:

11 Q. Do you today have any evidence to support an
12 assertion that Bradley Edwards ever used investor money
13 to pay L.M., E.W., and/or Jane Doe up-front money, such
14 that they would refuse to settle civil actions?

15 MR. PIKE: Same instruction.

16 THE WITNESS: You'll have to get -- I need to
17 hear the first part of the question. Do I have any
18 evidence? Do I have knowledge of evidence? I'm
19 sorry. What was the --

20 BY MR. SCAROLA:

21 Q. Do you have knowledge of any evidence to
22 support that assertion?

23 MR. PIKE: To the extent you can answer that
24 question without violating attorney/client, work
25 product, please do so.

1 MR. SCAROLA: Objection. Coaching.
 2

3 THE WITNESS: I'm going to have to assert the
 4 attorney/client privilege, I'm afraid, though I'd
 5 like to answer that question as well, sir.

6 BY MR. SCAROLA:

7 Q. Do you have any evidence to support the
 8 assertion that Bradley Edwards conducted searches, wire
 9 taps or intercepted conversations in violation of State
 10 or Federal laws and Bar rules?

11 A. Your question, once again, asked did Mr. --
 12 was Mr. Edwards personally involved in the
 13 eavesdropping? Did he walk to someone's house and sort
 14 of put a bug in their house? Did he, personally, stand
 15 outside?

16 The question is, did Mr. Edwards' firm engage
 17 in this behavior in an attempt to defraud local
 18 investors out of millions of dollars? The U.S. attorney
 19 has filed a Complaint saying that they did. The
 20 Complaints filed by Scherer saying that his firm did.

21 The Scherer Complaint says my name and the
 22 boxes of files that we've subpoenaed used my name, sir.

23 We have requested information, but up until
 24 today have not received any.

25 To give you a more specific answer, I'm afraid
 I cannot.

1 Q. Do you have knowledge of any evidence that
 2 Bradley Edwards ever conducted searches, wire taps or
 3 intercepted conversations in violation of State or
 4 Federal laws and Bar rules?

5 MR. PIKE: Same instruction.

6 THE WITNESS: The newspapers and the U.S.
 7 Attorney's Complaint widely reported that
 8 Mr. Edwards' firm and people hired by his firm,
 9 investigators hired by his firm fraudulently
 10 representing themselves as FBI agents engaged in
 11 just those activities, sir.

12 BY MR. SCAROLA:

13 Q. Do you have any knowledge of any evidence that
 14 Bradley Edwards was ever aware of any such activities?

15 A. I'm going to have to --

16 MR. PIKE: Same objection.

17 THE WITNESS: -- assert the attorney/client
 18 privilege to that, sir.

19 BY MR. SCAROLA:

20 Q. Do you have any knowledge that Bradley Edwards
 21 ever participated in or was aware of actions that
 22 utilized the judicial process, including, but not
 23 limited to, unreasonable and unnecessary discovery for
 24 the sole purpose of furthering a Ponzi scheme?

25 MR. PIKE: Same objection.

1 To the extent you can answer the question
 2 without disclosing attorney/client or work product
 3 information, do so.

4 THE WITNESS: The pleadings of Mr. Scherer
 5 with respect to the largest Ponzi scheme in South
 6 Florida's history engaged in by Mr. Edwards' firm
 7 and Scott Rothstein, who currently sits in jail,
 8 probably for the rest of his life for engaging in,
 9 not only illegal wire taps and eavesdropping, but
 10 an abuse of the entire legal system, I believe
 11 speaks for itself.

12 Unfortunately, with respect to Mr. Edwards
 13 today, I'm going to have to assert the
 14 attorney/client, work privilege, sir.

15 BY MR. SCAROLA:

16 Q. Is it your contention that Mr. Scherer's
 17 Complaint even contains the name Bradley Edwards?

18 A. I don't recall, sir.

19 Q. Did sexual assaults ever take place on a
 20 private airplane on which you were a passenger?

21 MR. PIKE: Form. Relevance.

22 THE WITNESS: At least -- I would like to
 23 answer each and every one of your questions here
 24 today, Mr. Scarola. But at least today, I'm going
 25 to have to assert my Fifth, Sixth and 14th

1 Amendment Rights as provided by the U.S.
 2 Constitution.

3 BY MR. SCAROLA:

4 Q. Does a flight log kept for a private jet used
 5 by you contain the names of celebrities, dignitaries or
 6 International figures?

7 A. At least today, sir, I'm going to have to
 8 respectfully decline to answer based on my Fifth, Sixth
 9 and 14th Amendment Right, though I'd like to answer that
 10 question.

11 Q. Have you ever had a personal relationship with
 12 Donald Trump?

13 A. What do you mean by "personal relationship,"
 14 sir?

15 Q. Have you socialized with him?

16 A. Yes, sir.

17 Q. Yes?

18 A. Yes, sir.

19 Q. Have you ever socialized with Donald Trump in
 20 the presence of females under the age of 18?

21 A. Though I'd like to answer that question, at
 22 least today I'm going to have to assert my Fifth, Sixth
 23 and 14th Amendment Right, sir.

24 Q. Have you socialized with Alan Dershowitz?

25 A. Yes, sir. He's my attorney, as well as a

1 friend.

2 Q. Have you ever socialized with Alan Dershowitz
3 in the presence of females under the age of 18?

4 MR. PIKE: Form.

5 THE WITNESS: Sir, at least here today, I'm
6 going to have to assert my Fifth Amendment, Sixth
7 Amendment and 14th Amendment Rights.

8 BY MR. SCAROLA:

9 Q. Have you ever socialized with Tommy Mottola?

10 A. This is the type of questions where people who
11 have nothing to do with this case whatsoever have been
12 brought into the case by Mr. Edwards in an attempt to
13 simply imperil my relationships with social friends and
14 serves as an example of why this case has been brought
15 against Mr. Edwards and his firm, sir.

16 MR. PIKE: Form as well.

17 BY MR. SCAROLA:

18 Q. Well, do you know who brought those persons'
19 names into this lawsuit?

20 MR. PIKE: Form.

21 And just to be clear, what Mr. Scarola, I
22 believe, talking about this lawsuit, Epstein versus
23 RRA?

24 BY MR. SCAROLA:

25 Q. Yes, sir, that's the lawsuit I'm talking

1 this -- just this type of behavior, the answer is,
2 today, at least, I must assert my Fifth, Sixth and
3 14th Amendment Right, though I'd like to answer
4 each and every one of your questions, Mr. Scarola.

5 BY MR. SCAROLA:

6 Q. Have you had a social relationship with David
7 Copperfield?

8 A. As a reaction to, once again, the abusive
9 discovery process of bringing in names of people that
10 have absolutely nothing to do with any of Mr. Edwards',
11 Mr. Rothstein's or their clients' claims, by bringing in
12 the names of friends of mine strictly in an attempt to
13 stress my relationships, imperil my business
14 relationships, I'm going to say, yes, I do know
15 Mr. Copperfield.

16 Q. Have you ever socialized with David
17 Copperfield?

18 A. Again, as --

19 MR. PIKE: Form.

20 THE WITNESS: Sorry.

21 It's a typical Edwards/Rothstein strategy of
22 trying to involve well-known people in maliciously
23 fabricated cases in order to fleece investors out
24 of millions of dollars. They brought up names in
25 attempts at abuse of discovery process to try and

1 about. The one in which your deposition is being taken
2 today.

3 Do you know who brought those persons' names
4 into this lawsuit?

5 A. As a reaction, and only as a reaction to total
6 misbehavior on Mr. Edwards' part, and the Complaint was
7 obviously written by my attorneys, sir.

8 Q. So you know that those names are in your
9 Complaint, right?

10 A. Yes, sir.

11 Q. Okay. So because those names are in your
12 Complaint, I'm asking you about the people you named.

13 Have you had a social relationship with Tommy
14 Mottola?

15 A. The names in my Complaint are strictly as a
16 reaction to the abusive discovery process by
17 Mr. Edwards, his partners, Scott Rothstein, who sits in
18 jail, in an attempt to imperil my friendships.

19 But, yes, I have socialized with Mr. Mottola.

20 Q. Have you ever socialized with Mr. Mottola in
21 the presence of females under the age of 18?

22 MR. PIKE: Form.

23 THE WITNESS: At least today, the typical to
24 the Edwards contention of bringing cases of a
25 malicious nature where his partner sits in jail for

1 take discovery of people who have nothing to do
2 with this case.

3 Did I socialize with David Copperfield? The
4 answer is, yes.

5 BY MR. SCAROLA:

6 Q. Did you ever socialize with David Copperfield
7 in the presence of females under the age of 18?

8 A. I'm sure, again, this question is a typical
9 question of Mr. Edwards/Rothstein scheme to defraud
10 investors, asking questions knowing it serves no purpose
11 or relationship relevance to their case whatsoever.

12 At least today, though I'd like to answer that
13 question, on advice of my Counsel, and only on advice of
14 my Counsel, I'm going to have to assert my Fifth, Sixth
15 and 14th Amendment Right.

16 MR. PIKE: Form as well.

17 BY MR. SCAROLA:

18 Q. Have you ever had a social relationship with
19 Bill Richardson, Governor of New Mexico and formerly
20 U.S. Representative and Ambassador to the United
21 Nations?

22 MR. PIKE: Form.

23 THE WITNESS: As is typical of the Edwards
24 scheme, along with his partner, Scott Rothstein,
25 who sits in jail, what they attempted to do was

my celebrity I might have known, own people, in an attempt to strictly relationships with these people where people have no bearing whatsoever on any of us or cases. I do have a social relationship.

AROLA: You ever socialized with Mr. Richardson in the presence of females under the age of 18?

PIKE: Form.

WITNESS: Again, typical of the Rothstein scheme of bringing in well-known asking them ridiculous questions, questions in an attempt strictly to relationships with these people where absolutely nothing to do with anything to Edwards, Rothstein or any of their alleged

the answer to your question is, yes, I socialized.

AROLA:

but that wasn't my question.

Question was: Have you ever socialized Edwards in the presence of females under the

KE: Form.

WITNESS: In response to your question, full answer was, typical of the Rothstein scheme to ask questions of a legal nature, crafted cases, the U.S. has called his firm the largest fraud in history, fleecing investors out of millions of engaging in just these types of

Though I would like to answer each and question about every one of these people, on my Counsel today, I must take -- assert Amendment, Sixth Amendment and 14th Right. Though I'd prefer to answer the was told that if I choose to do so, I their representation, sir.

AROLA:

You ever sexually abused children?

KE: Form.

WITNESS: On advice of Counsel, and only of Counsel, though I'd like to answer him, as well as every other one of your right by Mr. Edwards and his partner, who is in jail, sir, I would like to answer them. But today at least, I have to Sixth Amendment, 14th Amendment and Fifth Right. Though I'd prefer to answer the

1 question, I'm told by my Counsel that if I choose
2 to do so, which is my preference, I risk losing
3 their representation.

4 BY MR. SCAROLA:

5 Q. How many children have you sexually abused?

6 MR. PIKE: Form.

7 And I just want to be clear on the record.

8 These types of questions are argumentative and
9 harassing. And, moreover, it's my contention that
10 these types of questions are not related to this
11 lawsuit by any stretch of the imagination. In this
12 deposition, while I've been liberal in allowing
13 these questions, are being utilized in an attempt
14 to provoke a waiver of the Fifth Amendment Right.

15 There has been an Order entered by, I believe,
16 Judge Hafele regarding these types of questions.

17 So with that caution, Mr. Scarola, I would ask
18 you that you refrain from asking abusive and
19 harassing questions that are not relevant to this
20 case.

21 MR. SCAROLA: Well, it's very interesting that
22 you claim they're not relevant when they are
23 directly taken from the allegations in your
24 Complaint.

25 And I agree with you that they are not

1 relevant because there is no basis whatsoever for
2 this claim against Mr. Edwards. But since you've
3 made these baseless allegations, I am obliged to
4 pursue the allegations by asking these questions.

5 So we'll move on from there. And whenever you
6 think it's appropriate to terminate this deposition
7 because you believe that I've acted
8 inappropriately, be my guest.

9 MR. PIKE: I appreciate your invitation,
10 Mr. Scarola.

11 I'm going to move to strike.

12 The fact is, Mr. Scarola, is that, these types
13 of questions have already been ruled upon as being
14 argumentative and harassing.

15 If you want to direct some questions relevant
16 to your lawsuit, I invite you to do so. But
17 attempting to use this deposition process as a
18 mechanism to provoke a waiver of the Fifth
19 Amendment and to obtain information that is more or
20 potentially more relevant to Mr. Edwards' cases in
21 which he is lead Counsel on, I think is improper.

22 BY MR. SCAROLA:

23 Q. Did you have staff members that assisted you
24 in scheduling appointments with underage females; that
25 is, females under the age of 18?

1 bring in a
2 well-known
3 imperil me
4 these people
5 their claim

6 Yes, I

7 BY MR. SC/

8 Q. Have
9 in the presen
10 MR. P

11 THE V

12 Edwards/ people, as
13 ridiculous
14 imperil me
15 they have
16 do with Ed
17 victims, th
18 have soci

19 BY MR. SC/

20 Q. Yes, I
21 My que
22 with Mr. Rich
23 age of 18?

24 MR. PI

1 THE W
2 again, my f
3 Edwards/R
4 sexual char
5 Attorney ha
6 U.S. history
7 dollars by e
8 questions.
9 every quest
10 advice of m
11 my Fifth A
12 Amendment
13 question, I
14 risk losing t

15 BY MR. SC/

16 Q. Have y
17 MR. PI

18 THE W
19 upon advic
20 that questi
21 claims brou
22 currently si
23 those quest
24 assert my S
25 Amendmen

1 A. So along with many of the other claims that
 2 the Rothstein firm crafted with malicious claims against
 3 people like me and others of a sexually charged nature
 4 in order to simply fleece investors out of millions of
 5 dollars in South Florida, these types of questions,
 6 though I'd like to answer today, at least this specific
 7 question, I'm going to have to assert, unfortunately, my
 8 Fifth, Sixth and 14th Amendment Right, though I'd prefer
 9 to answer the question.

10 BY MR. SCAROLA:

11 Q. Who are the others referred to in that
 12 response?

13 A. Again, sir?

14 Q. You said you and others. Who are the others
 15 that you were referring to?

16 A. You'll have to read my answer back.

17 MR. PIKE: I'm sorry. Madame Court Reporter,
 18 would you please read the witness' answer back?

19 THE WITNESS: You'll have to -- I have to take
 20 a bathroom break.

21 MR. PIKE: Actually I don't -- one second.

22 For the record, we're going on 12:30 now. Is
 23 there -- do you have a time frame as to when you --

24 MR. SCAROLA: About a half hour.

25 MR. PIKE: You have a half hour left?

1 MR. SCAROLA: Uh-huh.

2 MR. PIKE: Okay. Do you have an objection to
 3 us taking a quick bathroom break and --

4 THE WITNESS: I'll just walk out and back in.

5 MR. SCAROLA: If Mr. Epstein needs to go to
 6 the bathroom, Mr. Epstein needs to go to the
 7 bathroom.

8 THE WITNESS: Thank you, sir.

9 MR. PIKE: Then we're off the record?

10 VIDEOGRAPHER: We're off the record.

11 (Brief recess.)

12 VIDEOGRAPHER: We are back on video record at
 13 12:43 p.m.

14 BY MR. SCAROLA:

15 Q. I think when we went off the record you had
 16 requested that the last answer that you gave and the
 17 question asked of you based on that answer be read back,
 18 so we'll start there.

19 MR. PIKE: Madame Court Reporter.

20 (Previous question and answer were read.)

21 THE WITNESS: Sounds like a complete answer to
 22 me.

23 BY MR. SCAROLA:

24 Q. No, sir. My question to you following that
 25 answer was: Who are the others to whom you made

1 reference in that response? You said, "me and others."
 2 Who are the others?

3 A. Can you repeat where it says me and others?
 4 I'm sorry.

5 MR. SCAROLA: Read it back again, please,
 6 Sandy.

7 (Answer was read.)

8 THE WITNESS: The others are people reported
 9 in the press to be many people in South Florida who
 10 were the victims of the Rothstein scam.

11 I'm glad -- I'm happy to answer the others.

12 I'd like to know the others. In fact, we've
 13 subpoenaed documents from the bankruptcy trustee of
 14 Brad Edwards' firm in an attempt to find out more
 15 details of the others that you've just asked about.

16 People -- I believe the Attorney Scherer has
 17 filed a Complaint for some of the others who have
 18 been defrauded, as well as some of the investors
 19 who were told about many others, sir.

20 BY MR. SCAROLA:

21 Q. So you don't know any names; is that correct?

22 MR. PIKE: Form. Move to strike.

23 Mischaracterizes the witness' testimony.

24 THE WITNESS: I'm sure that's an -- it's an
 25 easy way of saying that as a response to the

1 questions and subpoenas we've asked Mr. Edwards to
 2 produce so we can find out the specific names of
 3 the others who have been -- the U.S. Attorney has
 4 claimed have been blackmailed and victims of the
 5 Rothstein firm.

6 I'd be happy, and hopefully at the end of this
 7 trial everyone will know some of the names of the
 8 others, sir.

9 BY MR. SCAROLA:

10 Q. Do you know the names of any of the others?

11 A. No, sir, I do not. However, the U.S.

12 Attorney, we believe, is going to file more charges
 13 against Mr. Roth -- Mr. Edwards' partners. And
 14 Mr. Scherer and us have subpoenaed the bankruptcy
 15 trustee for the names of the others.

16 So sitting here today, I do not. Hopefully
 17 sometime before trial we will have names of the others,
 18 sir.

19 Q. Have you ever pled guilty to any criminal
 20 wrongdoing?

21 A. Yes, sir.

22 Q. What criminal wrongdoing did you plead guilty
 23 to?

24 A. A solicitation of prostitution and procuring a
 25 minor for prostitution, sir.

1 Q. On how many occasions did you solicit
2 prostitution?
3 A. Under -- excuse me? Again?
4 Q. On how many occasions did you solicit
5 prostitution?
6 A. At least sitting here today, I'm going to have
7 to, on advice of Counsel, assert my Fifth Amendment,
8 16th Amendment (sic) and Fourth (sic) Amendment Right.
9 Q. On how many occasions did you plead guilty to
10 soliciting prostitution?
11 A. Once, sir.
12 Q. How many acts of solicitation of prostitution
13 did you plead guilty to?
14 A. Three.
15 Q. What are the names of the individuals who you
16 pled guilty to soliciting as prostitutes?
17 A. I do not know.
18 Q. When did those acts occur?
19 A. I do not know.
20 Q. How many prostitutes have you solicited?
21 MR. PIKE: Form.
22 THE WITNESS: On advice of Counsel, at least
23 sitting here today, sir, I'd like to answer each
24 one of those questions. However, today I'm going
25 to have to assert my Fifth, Sixth and 14th

1 MR. PIKE: Form. And relevance.
2 BY MR. SCAROLA:
3 Q. How many minors have you procured for
4 prostitution?
5 MR. PIKE: Form.
6 THE WITNESS: On advice of Counsel, sir, I'm
7 going to have to assert my Fifth, Sixth and 14th
8 Amendment Right, though I pled guilty to procuring
9 a single minor.
10 BY MR. SCAROLA:
11 Q. Yes, but my question wasn't about what you
12 pled guilty to. I just want to know how many minors you
13 have procured for prostitution.
14 MR. PIKE: Asked and answered.
15 THE WITNESS: Again, at least with respect to
16 what I've pled guilty to, I pled guilty to
17 procuring a single minor.
18 With respect to the rest of your question, I'm
19 going to have to assert my Fifth, Sixth and 14th
20 Amendment Rights as provided by my Counsel.
21 BY MR. SCAROLA:
22 Q. When did you procure the minor for
23 prostitution as to which procurement you pled guilty?
24 MR. PIKE: Form.
25 THE WITNESS: I don't know.

1 Amendment Right.
2 BY MR. SCAROLA:
3 Q. Who are the minors who you solicited for
4 prostitution?
5 MR. PIKE: Form.
6 THE WITNESS: Who are the -- I pled guilty to
7 soliciting prostitution. There was no soliciting
8 minors charge, sir.
9 MR. SCAROLA: Could you read back the response
10 to the question about what Mr. Epstein pled guilty
11 to, please?
12 MR. PIKE: About four questions back.
13 (Previous question and answer were read.)
14 MR. PIKE: And his answer?
15 MR. SCAROLA: That was his answer.
16 BY MR. SCAROLA:
17 Q. Who are the minors who you procured for
18 prostitution?
19 MR. PIKE: Form.
20 THE WITNESS: I believe if you -- my answer
21 was procuring a minor, sir, not minors.
22 BY MR. SCAROLA:
23 Q. Who is the minor that you procured for
24 prostitution?
25 A. I do not know.

1 BY MR. SCAROLA:
2 Q. Was there a time before you entered your
3 guilty plea when you knew the identity of the
4 prostitutes that you solicited?
5 MR. PIKE: Form.
6 THE WITNESS: Again?
7 BY MR. SCAROLA:
8 Q. Was there a time before the entry of your
9 guilty plea when you knew the identity of the
10 prostitutes you solicited?
11 MR. PIKE: Form.
12 THE WITNESS: I don't recall.
13 BY MR. SCAROLA:
14 Q. Was there a time before the entry of your
15 guilty plea when you knew the identity of the minor that
16 you pled guilty to procuring for prostitution?
17 MR. PIKE: Form.
18 THE WITNESS: I don't know.
19 BY MR. SCAROLA:
20 Q. Did you plead guilty because you were, in
21 fact, guilty?
22 MR. PIKE: Form.
23 That's attorney/client, work product.
24 Attorney/client.
25 MR. SCAROLA: I haven't asked anything about

1 any communication.

2 MR. PIKE: It definitely could get into a
3 communication with Mr. Epstein's lawyers at the
4 time of the criminal proceeding.

5 MR. SCAROLA: No, sir, it can't.

6 BY MR. SCAROLA:

7 Q. I want to know whether you pled guilty because
8 you were, in fact, guilty.

9 A. I'm going to have to assert my Fifth, Sixth
10 and 14th Amendment, sir.

11 Q. Do you understand the term John to be a slang
12 reference to the customer of a prostitute?

13 MR. PIKE: Form.

14 THE WITNESS: Yes, sir.

15 BY MR. SCAROLA:

16 Q. How many times were you one of L.M.'s
17 customers?

18 MR. PIKE: Form.

19 THE WITNESS: L.M.'s customers.

20 You'll have to rephrase the question, sir.

21 BY MR. SCAROLA:

22 Q. Your Complaint says --

23 MR. PIKE: What page were you reading from?

24 MR. SCAROLA: Page 22.

25 MR. PIKE: Thank you.

1 BY MR. SCAROLA:

2 Q. Paragraph 46(a), last sentence: "Under the
3 circumstances, her claim for damages against Epstein,
4 one of L.M.'s many Johns during that same period," et
5 cetera.

6 You have identified yourself in this Complaint
7 as one of L.M.'s many Johns, which you acknowledge to be
8 a reference to a customer of a prostitute.

9 How many times were you one of L.M.'s
10 customers for purposes of prostitution?

11 A. Well, now that you've now put on the record
12 that L.M., I believe, in her deposition is an admitted
13 prostitute, I would like to answer that question, but on
14 advice of Counsel, sir, I'm going to have to
15 respectfully decline. But I am happy to hear you
16 finally admit it in your own questions that your L.M. is
17 an admitted prostitute.

18 MR. SCAROLA: Move to strike. Unresponsive.

19 BY MR. SCAROLA:

20 Q. Have you ever coerced, induced or enticed any
21 minor to engage in any sexual act with you?

22 MR. PIKE: Form.

23 THE WITNESS: A typical question from

24 Mr. Scarola representing Mr. Edwards and the firm
25 of Rothstein, who Scott Rothstein sits in jail for

1 crafting cases of a sexual nature against people in
2 South Florida, me and others, the others yet to be
3 determined. However, today, though I'd like to
4 answer every one of his questions, on advice of
5 Counsel, at least today, I'm going to have to
6 assert my Fifth, Sixth and 14th Amendment Right.

7 BY MR. SCAROLA:

8 Q. How many times have you engaged in fondling
9 underage females?

10 MR. PIKE: Form.

11 THE WITNESS: This is relevance here at some
12 point?

13 MR. PIKE: To the extent you can answer the
14 question.

15 THE WITNESS: Again, as another one of the
16 irrelevant questions asked of this lawsuit with
17 respect as a client how I was abused by the
18 Rothstein firm for his -- the practices, the abuse
19 of the legal system, the -- hopefully, the ladies
20 and gentlemen of the jury will be able to see
21 through some of these ridiculous questions with
22 respect to questions that today, at least, I must
23 take the Fifth, Sixth and 14th Amendment, but I
24 believe are obvious to the ladies and gentlemen of
25 the jury what you're trying to do here,

1 Mr. Scarola.

2 MR. SCAROLA: Move to strike. Unresponsive.

3 MR. PIKE: No. That's fine.

4 BY MR. SCAROLA:

5 Q. How many times have you engaged in illegal
6 sexual touching of minors?

7 MR. PIKE: Form. Relevance.

8 THE WITNESS: Again, an irrelevant question to
9 this lawsuit, strictly as a continued attempt to
10 bring in irrelevant facts to the fact of what the
11 Rothstein firm has done to both me and others in
12 South Florida, defrauding investors of millions of
13 dollars, knowing that at least today I'm going to
14 have to with respect to that particular question
15 assert my Fourth -- excuse me -- Fifth, Sixth and
16 14th Amendment Rights.

17 MR. SCAROLA: Move to strike as unresponsive.

18 MR. PIKE: Mr. Scarola, he's answering your
19 question. You're asking abusive and harassing
20 questions that are unrelated to this lawsuit.

21 If you can direct me to anywhere in the
22 Complaint that even remotely addresses your two
23 questions that you've just posed to Mr. Epstein,
24 I'd be happy to look at the section in the
25 Complaint. But moving to strike the witness'

1 answer when he's answering your abusive and
 2 harassing questions is improper.

3 BY MR. SCAROLA:

4 Q. How many times have you engaged in oral sex
 5 with females under the age of 18?

6 MR. PIKE: Objection. Relevance. Abusive and
 7 harassing. Not reasonably calculated to lead to
 8 discovery of admissible evidence in this case.

9 THE WITNESS: A typical question posed by
 10 Mr. Scarola in an attempt to divert the attention
 11 away from the wrongdoing of Bradley Edwards, his
 12 partner, Scott Rothstein, who sits in jail for
 13 defrauding investors of South Florida of millions
 14 of dollars, by crafting malicious cases of a sexual
 15 nature just in order to fleece investors, called by
 16 the U.S. Attorney one of the largest frauds in
 17 South Florida's history.

18 Mr. Scarola, as I would like to respond to the
 19 questions regarding of your underage girls, the
 20 fondling or the other questions you've asked me
 21 here today, unfortunately, I cannot on advice of
 22 Counsel answer those questions, so I must assert my
 23 Fifth, Sixth and 14th Amendment Rights, though
 24 these questions are totally irrelevant to this
 25 lawsuit.

1 MR. SCAROLA: Move to strike as unresponsive.

2 BY MR. SCAROLA:

3 Q. Do you have a personal sexual preference for
 4 children?

5 MR. PIKE: Form. Relevance. Abusive.
 6 Harassing. Not reasonably calculated to lead to
 7 the discovery of admissible evidence in this case.

8 THE WITNESS: Another totally irrelevant
 9 question to this lawsuit, Mr. Edwards' behavior, in
 10 an attempt to strictly divert attention from the
 11 wrongdoing of the Rothstein firm in this matter by
 12 asking sexually charged questions in a case where
 13 the Rothstein firm has been charged by the U.S.
 14 Attorney of fabricating claims of a malicious
 15 nature, hiding behind attorney/client privilege,
 16 forging documents -- excuse me -- but as with
 17 respect to these questions designed for nothing
 18 more than to harass me, Mr. Scarola, I'm going to
 19 have to, unfortunately, take the Fifth, Sixth and
 20 14th Amendment.

21 MR. SCAROLA: Move to strike as unresponsive.

22 BY MR. SCAROLA:

23 Q. Have you ever acted on a sexual preference for
 24 children?

25 MR. PIKE: Form. Irrelevant. Abusive.

1 Harassing. And not reasonably calculated to lead
 2 to admissible evidence in this case.

3 THE WITNESS: One more of Mr. Scarola's
 4 irrelevant questions designed nothing more to try
 5 to harass me, to divert attention from the fact
 6 that Mr. Edwards and his firm perpetrated one of
 7 the largest frauds in South Florida's history by
 8 using people like me and others in an attempt to
 9 fleece South Florida investors out of millions of
 10 dollars, where the U.S. Attorney has accused his
 11 firm of being the largest criminal enterprise in
 12 South Florida's history, where Mr. Edwards' partner
 13 sits in prison, potentially for the rest of his
 14 life.

15 I'd like to answer all of your questions here
 16 today, Mr. Scarola, even though they're irrelevant;
 17 however, on advice of Counsel, at least today, I'm
 18 going to have to assert my Fifth, Sixth and 14th
 19 Amendment Right.

20 MR. SCAROLA: Move to strike as unresponsive.

21 BY MR. SCAROLA:

22 Q. Your Complaint at page 27, paragraph 49, says
 23 that: "RRA and the litigation team took an emotionally
 24 driven set of facts involving alleged innocent,
 25 unsuspecting, underage females and a Palm Beach

1 billionaire, and sought to turn it into a gold mine,"
 2 end of quote.

3 Who is the Palm Beach billionaire referred to
 4 in that sentence?

5 A. On advice of Counsel today, Mr. Scarola,
 6 though I would like to answer each one of your
 7 questions, I'm going to have to assert my Fifth, Sixth
 8 and 14th Amendment Right.

9 Q. What is the emotionally driven set of facts to
 10 which you make reference in that sentence?

11 A. It's the same set of facts that were used by
 12 the Rothstein firm to fleece unsuspecting investors out
 13 of millions of dollars, crafting, fabricating malicious
 14 cases of a sexually charged nature with no fundamental
 15 basis whatsoever, reported wildly by the press. The
 16 U.S. Attorney has accused Mr. Edwards' partner of not --
 17 excuse me -- Mr. Edwards' partner sits currently in
 18 jail, pled guilty to some of these charges. There are
 19 other members of his firm under investigation for just
 20 these types of questions and fabrications.

21 But, however, today, though I'd like to answer
 22 every one of your questions with specificity, on advice
 23 of Counsel I'm not going to be able to, Mr. Scarola, and
 24 respectfully decline based on my Fifth, Sixth and 14th
 25 Amendment Right.

1 Q. What day are you prepared to answer all these
 2 questions?

3 MR. PIKE: Form. Attorney/client and work
 4 product.

5 THE WITNESS: That's attorney -- I wish I
 6 could answer that question as well, but it's
 7 attorney/client privilege, sir.

8 BY MR. SCAROLA:

9 Q. Your Complaint says that: "Rather than
 10 evaluating and resolving the cases based on the merits,"
 11 open parens, "i.e., facts," close parens, "which
 12 included knowledgeable, voluntary and consensual actions
 13 by each of the claimants," et cetera.

14 Who are the claimants that are referenced
 15 there?

16 A. It's -- I'm sorry. You have to repeat the
 17 question.

18 Q. Yes, sir. Your Complaint says, --

19 MR. PIKE: Page?

20 Q. -- "rather than evaluating" --

21 MR. PIKE: Can you give me a page, sir?

22 MR. SCAROLA: Page 27, paragraph 49, second
 23 sentence.

24 BY MR. SCAROLA:

25 Q. Quote, "rather than evaluating and resolving

1 and 14th Amendment.

2 Q. What are the voluntary and consensual actions
 3 by L.M. that you are referencing there?

4 A. Sir, though I'd like to answer each one of
 5 your questions here today, I'm going to have to
 6 respectfully decline based on advice of my Counsel, and
 7 have to assert my Fifth, Sixth and 14th Amendment Right.

8 Q. What are the damages that you claim to have
 9 suffered as a consequence of any wrongdoing on the part
 10 of Bradley Edwards?

11 MR. PIKE: Form.

12 THE WITNESS: The cost of ridiculous
 13 litigation, of having my attorneys prepare
 14 responses to wildly irrelevant discovery in various
 15 locations at a minimum, sir.

16 BY MR. SCAROLA:

17 Q. Which lawyers?

18 A. Burman Critton, Jack Goldberger, and a bunch
 19 of the others, sir.

20 Q. Which ones? Name them for me, please.

21 A. Specifically -- I have so many lawyers
 22 defending me here against Mr. Edwards, I can't sit
 23 here -- at the moment I can't recall it with
 24 specificity.

25 Q. You don't remember any of your lawyers' names?

1 the cases based on the merits, that is, facts which
 2 included knowledgeable, voluntary and consensual actions
 3 by each of the claimants."

4 A. Yes.

5 Q. Who are the claimants that you're referencing
 6 there?

7 A. They're the prostitutes you referred to in the
 8 past, sir.

9 Q. What are their names?

10 A. I think the prostitutes' names were -- the
 11 prostitute that you described before was L.M.

12 With respect to the others, I'm going to have
 13 to claim the Fifth, Sixth and 14th Amendment, sir.

14 Q. So one of the individuals that you're
 15 referencing there is L.M.; is that correct?

16 A. It's -- the individual I've referenced is a
 17 person who filed a claim against me.

18 Q. Is it L.M.?

19 A. It is L.M., as far as I know from the claim,
 20 sir.

21 Q. Okay. So one of the people that you're
 22 referring to is L.M., who you've identified as L.M.; is
 23 that correct?

24 A. With respect to that question, sir, on advice
 25 of Counsel, I'm going to have to assert my Fifth, Sixth

1 A. Oh, I do.

2 Q. Besides Mr. -- besides the Burman Critton firm
 3 and Mr. Goldberger?

4 A. Are you asking me for the firm, sir, or are
 5 you asking me for the names?

6 Q. I want as much information as you can give me
 7 about this element of damage which you claim; and, that
 8 is, the cost of legal services that you claim to be
 9 damages in this case.

10 A. Okay.

11 MR. PIKE: Form. And move to strike.

12 THE WITNESS: Mr. Roy Black.

13 BY MR. SCAROLA:

14 Q. Okay. Who else?

15 A. Mr. Marty Weinberger. Mr. Alan Dershowitz.
 16 Mr. Jay Lefkowitz. The firm of Burman Critton Luttier.
 17 That's it for the moment.

18 Q. How much have you paid the law firm of Burman
 19 Critton and Luttier which you claim is damages?

20 A. Hundreds of thousands of dollars, sir.

21 Q. How much?

22 A. I don't have that figure offhand.

23 Q. Can you give us any better figure than
 24 hundreds of thousands of dollars?

25 A. No, not sitting here today.

1 Q. Are you paying them on an hourly basis?
 2 A. Yes, sir.
 3 Q. What is the hourly rate at which you are
 4 compensating members of the law firm?
 5 A. They're ordinary rates.
 6 Q. What are they?
 7 A. I don't know.
 8 Q. How much have you paid Mr. Goldberger?
 9 A. I'm not aware total amount, sir.
 10 Q. What is the hourly rate at which you're paying
 11 Mr. Goldberger?
 12 A. His normal hourly rate.
 13 Q. How much is that?
 14 A. I don't know.
 15 Q. How much have you paid Mr. Black which you
 16 claim as damages in this case?
 17 A. Hundreds of thousands of dollars.
 18 Q. Are you paying him on an hourly basis?
 19 A. I believe so.
 20 Q. What is the hourly rate?
 21 A. I'm not -- I do not know, sir.
 22 Q. How much have you paid Marty Weinberger?
 23 A. I don't know the exact amount, sir.
 24 Q. What's your best estimate?
 25 A. More than a hundred thousand dollars.

1 A. I don't know.
 2 Q. Does someone do that on your behalf?
 3 A. I would guess so.
 4 Q. Who?
 5 A. I don't know.
 6 MR. PIKE: Form.
 7 BY MR. SCAROLA:
 8 Q. Who are the people who are authorized to make
 9 payment on your behalf?
 10 A. With respect to that question, I'm going to
 11 have to assert the Fifth, Sixth and 14th Amendment, sir.
 12 Q. Are there any other elements of damage, apart
 13 from the money paid to lawyers?
 14 A. Yes, sir.
 15 Q. What?
 16 A. The stress and emotional damage of imperiling
 17 my friendships and business relationships with no
 18 relevance whatsoever to these cases, brought by a firm
 19 that whose partner sits in a Federal prison, who engaged
 20 in discovery to harass my friends and social contacts
 21 with no consideration or relevance to this case
 22 whatsoever, in an attempt to simply fleece -- partly
 23 fleece investors in South Florida out of millions of
 24 dollars, sir.
 25 Q. What is the value of those losses?

1 Q. Are you paying him on an hourly basis?
 2 A. I believe so.
 3 Q. What's the hourly rate?
 4 A. I don't know, sir.
 5 Q. How much have you paid Alan Dershowitz?
 6 A. Hundreds of thousands of dollars.
 7 Q. Are you paying him on an hourly basis?
 8 A. I believe so.
 9 Q. At what hourly rate?
 10 A. I don't know, sir.
 11 Q. How much are you paying Jay -- how much have
 12 you paid Jay Lefkowitz?
 13 A. I'm not sure, sir.
 14 Q. Do you have any idea at all?
 15 A. More than a hundred thousand dollars.
 16 Q. Are you paying him on an hourly basis?
 17 A. Yes, sir.
 18 Q. What's the hourly rate?
 19 A. I don't know.
 20 Q. What is the form of payment to your lawyers?
 21 How do you transfer money to them?
 22 A. I don't know, sir.
 23 MR. PIKE: Form.
 24 BY MR. SCAROLA:
 25 Q. Pardon me?

1 MR. PIKE: Form.
 2 THE WITNESS: I'm not sure yet, sir.
 3 BY MR. SCAROLA:
 4 Q. Do you have any idea at all?
 5 A. Not sitting here today.
 6 Q. More or less than \$10?
 7 MR. PIKE: Form.
 8 THE WITNESS: I would guess it's more than
 9 \$10, sir.
 10 BY MR. SCAROLA:
 11 Q. More or less than a hundred?
 12 A. I would guess it's quite an amount of money.
 13 Q. Is it more or less than a hundred?
 14 A. Yes, sir.
 15 Q. More or less than a thousand?
 16 A. I would say it's more than 150,000.
 17 Q. More or less than a million?
 18 A. I don't know, sir.
 19 Q. So somewhere between 150,000 and a million?
 20 A. No, sir. It's not --
 21 MR. PIKE: Form. Mischaracterizes the
 22 witness' testimony.
 23 THE WITNESS: No, sir. That's not what I
 24 said. I said, I did not know.
 25 BY MR. SCAROLA:

1 BY MR. SCAROLA:

2 Q. Do you attribute all of the damages that you
3 have described to Mr. Edwards' conduct?

4 MR. PIKE: Form.

5 THE WITNESS: As a participant -- I don't know
6 how to proportion the conduct as opposed to
7 Mr. Edwards and his partner who sits in jail. I
8 guess the U.S. Attorney will also make a decision
9 to how much the conduct and proportion is relevant
10 to both damages and anything else he's done in this
11 case, sir.

12 BY MR. SCAROLA:

13 Q. But I'm not asking you about what the U.S.
14 Attorney's opinion is.

15 I want to know whether you hold Mr. Edwards
16 responsible for all of those elements of damage that you
17 have described to us.

18 A. It's a difficult question to answer,
19 Mr. Scarola.

20 Q. No, it's easy. Yes, no, or I don't know.

21 MR. PIKE: Mr. Scarola, you know as well as I
22 do, the witness is attempting to answer your
23 question.

24 MR. SCAROLA: I don't think so. I think he's
25 attempting to evade all of my questions.

1 MR. PIKE: And I understand your contention.
2 However, if you would, allow Mr. Epstein to finish
3 his response.

4 THE WITNESS: Could you repeat your question?

5 BY MR. SCAROLA:

6 Q. Do you hold Mr. Edwards responsible for all of
7 the damages that you have described?

8 MR. PIKE: Form.

9 THE WITNESS: It's difficult for me to
10 proportion the damages that I have described
11 between Mr. Edwards, his partner, who is currently
12 in jail, his -- the other people named in the
13 Complaint. Hopefully a jury will do that.

14 BY MR. SCAROLA:

15 Q. Do you hold L.M. responsible for all of the
16 damages you have described?

17 MR. PIKE: Form.

18 THE WITNESS: Again, these questions, these
19 ambiguous questions, as opposed to who
20 participated, I would let Mr. Edwards and his
21 clients and his partners decide whose proportionate
22 responsibility it is, sir.

23 BY MR. SCAROLA:

24 Q. So you defer to them?

25 MR. PIKE: Form.

1 Q. Maybe more than a million?

2 A. Maybe.

3 Q. More or less than a billion?

4 MR. PIKE: Form.

5 THE WITNESS: I don't know.

6 BY MR. SCAROLA:

7 Q. Maybe more than a billion?

8 A. Maybe more.

9 Q. How are you going to go about finding out what
10 the value of that loss is?

11 MR. PIKE: Attorney/client, work product.

12 To the extent you can answer without
13 disclosing our conversations or the conversations
14 with your other attorneys that you've delineated,
15 you can do so.

16 BY MR. SCAROLA:

17 Q. Or you can just take the signal and say, I
18 refuse to answer because it's attorney/client privilege.

19 A. I resent that.

20 MR. PIKE: Move to strike.

21 THE WITNESS: But it's okay. You can continue
22 to try to harass me, sir. It doesn't work. The
23 ladies and gentlemen of the jury, hopefully when
24 they see the deposition will recognize and see
25 these pile of tricks. The answer --

1 MR. SCAROLA: Hopefully they will.

2 THE WITNESS: Yes.

3 MR. PIKE: Move to strike.

4 THE WITNESS: I will respectfully decline to
5 answer that.

6 BY MR. SCAROLA:

7 Q. On what basis?

8 A. Attorney/client privilege.

9 MR. PIKE: And work product.

10 BY MR. SCAROLA:

11 Q. Any other elements of damage?

12 A. Not -- there might be, but sitting here today,
13 I can't think of them.

14 Q. Do you have written contracts with any of your
15 lawyers?

16 A. I don't know.

17 Q. Who does?

18 A. I don't know.

19 MR. SCAROLA: Let's take a short break. We
20 may be finished.

21 VIDEOGRAPHER: We are now off the record at
22 1:12 p.m.

23 (Brief recess.)

24 VIDEOGRAPHER: We are back on video record at
25 1:18 p.m.

1 THE WITNESS: As proportionate to the amount
 2 of damages, I think Mr. Edwards played a vital
 3 role. I believe his partners potentially played a
 4 role. I've only had any contact with Mr. Edwards,
 5 sir.

6 BY MR. SCAROLA:

7 Q. Which partners?

8 A. Beg your pardon?

9 Q. Which partners, besides Mr. Edwards and
 10 Mr. Rothstein, do you claim engaged in conduct that
 11 renders them liable to you?

12 A. I believe it's in the Complaint, sir. And I
 13 believe it's Mr. Adler, Mr. Berger. There's Mr. Jenne,
 14 Mr. Fisten, but those are not partners.

15 So Mr. Berger, Mr. Adler -- and I forgot the
 16 names of the others at the moment, sir, but it's in the
 17 Complaint.

18 Q. Why didn't you sue them?

19 MR. PIKE: Form.

20 THE WITNESS: Attorney/client privilege, sir.

21 MR. PIKE: Work product.

22 MR. SCAROLA: I have no further questions.

23 MR. EDWARDS: I have three or four questions.

24 That's it.

25 MR. PIKE: Okay. I just want to be clear for

1 contention on the record.

2 Okay.

3 CROSS EXAMINATION

4 BY MR. EDWARDS:

5 Q. Mr. Epstein, is your sole basis for your claim
 6 against L.M. that she changed her testimony from the
 7 time she testified to the FBI in 2007?

8 MR. PIKE: Form. To the extent you can answer
 9 that question without invading attorney/client,
 10 work product, you can do so.

11 THE WITNESS: Unfortunately, I'd like to
 12 answer that question, but I can't do so without
 13 invading attorney/client privilege.

14 BY MR. EDWARDS:

15 Q. Is there anything in L.M.'s Complaint that was
 16 filed against you in September of 2008 which you contend
 17 to be false?

18 MR. PIKE: Asked and answered.

19 THE WITNESS: I recognize, Mr. Edwards, again,
 20 the concept of attempting me to get to waive my
 21 Fifth Amendment privilege; however, in this lawsuit
 22 I've answered questions with respect to your
 23 lawsuit. And with regard to the question you just
 24 asked, I'm going to have to, unfortunately, assert
 25 my Fifth Amendment, Sixth Amendment and 14th

1 the record. Mr. Scarola represents Mr. Edwards in
 2 this case; is that correct, Mr. Scarola?

3 MR. EDWARDS: That's correct.

4 MR. SCAROLA: Yes.

5 MR. PIKE: And in this particular case,
 6 Epstein versus Rothstein, et al, Mr. Edwards, who
 7 do you specifically represent?

8 MR. EDWARDS: L.M.

9 MR. PIKE: Okay. I believe that if you follow
 10 through with questioning, you have an
 11 irreconcilable conflict with regard to the other
 12 case in which you represent L.M. and L.M.

13 I cannot stop you from asking any questions;
 14 however, if you do move forward with asking
 15 questions, I will take the appropriate action.

16 MR. SCAROLA: And on behalf -- on behalf of my
 17 client --

18 MR. PIKE: Yes, sir.

19 MR. SCAROLA: -- we do not accept your
 20 assessment of Mr. Edwards' ethical
 21 responsibilities.

22 MR. PIKE: That is absolutely fine for you to
 23 do that. I just wanted to put it on the record
 24 that I am, by no means, going to prevent you from
 25 questioning today. However, I wanted to put my

1 Amendment Right.

2 But I'm willing to listen to any other
 3 questions you may have.

4 MR. EDWARDS: Finished.

5 MR. PIKE: I have a couple questions.

6 CROSS EXAMINATION

7 BY MR. PIKE:

8 Q. Mr. Epstein, earlier in the deposition
 9 Mr. Scarola was reading from page 2 of the Complaint
 10 filed in the Epstein versus Rothstein, Rosenfeldt and
 11 Adler, et al. Do you recall that?

12 A. Yes, sir.

13 Q. And then I showed you page 2 of a Complaint
 14 that I had my notes on, correct?

15 A. Yes.

16 Q. Did you read the black type or did you read
 17 the handwritten notes in the corners of the Complaint,
 18 that particular page that I showed you?

19 A. Unfortunately, my eyesight is not good enough
 20 to read the notes. I only read the black letter.

21 Q. And it was that one sentence, correct?

22 A. It was two sentences, I believe, but, yes.

23 MR. PIKE: Thank you.

24 We'll read.

25 REDIRECT EXAMINATION

1 BY MR. SCAROLA:

2 Q. What is your eyesight?

3 A. Sorry?

4 Q. What is your eyesight?

5 A. My eyesight?

6 Q. Yes, sir. You said that your eyesight was not
7 good enough to be able to read the handwritten
8 notations. What is your eyesight?

9 A. Are we on the record or off?

10 Q. We're on the record.

11 MR. PIKE: We're on the record.

12 THE WITNESS: I need 3.5 glasses.

13 BY MR. SCAROLA:

14 Q. And you had those on when you were reading the
15 Complaint, didn't you?

16 A. But these aren't my 3.5s, sir.

17 Q. What are they?

18 A. I don't know.

19 Q. Let's hand them over, if you would. Let's
20 take a look at them.

21 A. Sure.

22 Do you see anything?

23 Q. No.

24 Q. Is it your contention that those glasses were
25 inadequate to enable you to read the handwritten

1 to read the handwritten notations; is that correct?

2 MR. PIKE: Form.

3 THE WITNESS: In this particular instance,
4 sir, these glasses did not. I'm not saying they
5 cannot, but did not allow me to read the notes,
6 that's correct.7 MR. SCAROLA: I would like those glasses
8 marked as an Exhibit to this deposition.

9 MR. PIKE: I don't think so.

10 MR. SCAROLA: You're refusing to allow that to
11 happen?12 MR. PIKE: I don't see how you can mark a set
13 of glasses as an Exhibit to a deposition.14 The witness has already said that he did not
15 read the handwritten notes in the corner or the
16 corners of page 2 of the Complaint.17 MR. SCAROLA: The witness is a liar. The
18 witness' testimony is totally incredible. The
19 witness made up a response and I want to be able to
20 demonstrate to the Court and jury that the witness
21 lied when he said that those glasses did not
22 correct his vision sufficiently to be able to read
23 the handwritten notes.

24 I want the glasses marked as an Exhibit.

25 If you refuse to mark them, I am placing you

1 notations on the Complaint?

2 MR. PIKE: Form. Mischaracterizes testimony.

3 THE WITNESS: My testimony was, I only read
4 the black letter and partially because I cannot see
5 thoroughly through these glasses, sir.

6 BY MR. SCAROLA:

7 Q. Is it your contention that those glasses did
8 not sufficiently correct your vision to be able to read
9 the handwritten notations on the papers that were handed
10 to you?

11 MR. PIKE: Form.

12 THE WITNESS: Again, we can play this game
13 back and forth. What I just said, and I think I
14 was very clear, that I did not read the notes. I
15 said --

16 BY MR. SCAROLA:

17 Q. What you said was, you couldn't read the
18 notes?

19 MR. PIKE: Allow the witness to finish.

20 THE WITNESS: Let me finish. And what I said
21 was, with these glasses it would be almost
22 impossible for me to read the notes on the page.

23 BY MR. SCAROLA:

24 Q. Yes, sir. So your contention is, that those
25 glasses do not adequately correct your vision to be able1 on notice that they are relevant and material to
2 issues involved in this lawsuit and need to be
3 preserved.4 MR. PIKE: All right. We'll mark the glasses.
5 We'll mark the glasses as an Exhibit. Okay? And I
6 will keep them here in my office.

7 MR. SCAROLA: Thank you.

8 MR. PIKE: That's fine.

9 VIDEOPHOTOGRAPHER: This concludes today's
10 videotaped deposition of Jeffrey Epstein. The time
11 is 1:27.12 (Exhibit number 1 was marked for
13 identification purposes and retained by Counsel for
14 Plaintiff.)

15 (Witness excused.)

16 (Deposition was concluded.)

1 CERTIFICATE OF OATH
 2 STATE OF FLORIDA
 3 COUNTY OF PALM BEACH

6 I, the undersigned authority, certify that
 7 JEFFREY EPSTEIN personally appeared before me and was
 8 duly sworn on the 17th day of March, 2010.

10 Dated this 26th day of March, 2010.

15 *Sandra Townsend*

16 Sandra W. Townsend, Court Reporter
 17 Notary Public - State of Florida
 18 My Commission Expires: 6/26/12
 19 My Commission No.: DD 793913
 20 Job #1358

1 DATE: March 26, 2010
 2 TO: JEFFREY EPSTEIN Job #1358
 3 c/o Michael Pike, Esquire
 4 303 Banyan Boulevard, Suite 400
 5 West Palm Beach, Florida 33401

6 IN RE: Epstein vs. Edwards, et al

7 CASE NO.: 502009CA040800XXXXMBAG

8 Please take notice that on Wednesday, the 17th
 9 of March, 2010, you gave your deposition in the
 10 above-referred matter. At that time, you did not waive
 11 signature. It is now necessary that you sign your
 12 deposition.

13 Please call our office at the below-listed
 14 number to schedule an appointment between the hours of
 15 9:00 a.m. and 4:30 p.m., Monday through Friday, at the
 16 Esquire office located nearest you.

17 If you do not read and sign the deposition
 18 within a reasonable time, the original, which has
 19 already been forwarded to the ordering attorney, may be
 20 filed with the Clerk of the Court. If you wish to waive
 21 your signature, sign your name in the blank at the
 22 bottom of this letter and return it to us.

23 Very truly yours,

24 Sandra W. Townsend, FPR
 25 PROSE COURT REPORTING AGENCY
 26 250 Australian Avenue, Suite 1500
 27 West Palm Beach, Florida 33401
 28 Phone: 561.832.7500

29 I do hereby waive my signature.

30 JEFFREY EPSTEIN

31 I do hereby waive my signature:
 32 cc: Via transcript: All Counsel of Record; file copy

1 CERTIFICATE
 2 STATE OF FLORIDA
 3 COUNTY OF PALM BEACH

4 I, Sandra W. Townsend, Court Reporter and
 5 Notary Public in and for the State of Florida at Large,
 6 do hereby certify that the aforementioned witness was by
 7 me first duly sworn to testify the whole truth; that I
 8 was authorized to and did report said deposition in
 9 stenotype; and that the foregoing pages numbered –
 10 to – inclusive, are a true and correct transcription of
 11 my shorthand notes of said deposition.

12 I further certify that said deposition was
 13 taken at the time and place hereinabove set forth and
 14 that the taking of said deposition was commenced and
 15 completed at hereinabove set out.

16 I further certify that I am not attorney or
 17 counsel of any of the parties, nor am I a relative or
 18 employee of any attorney or counsel of party connected
 19 with the action, nor am I financially interested in the
 20 action.

21 The foregoing certification of this transcript
 22 does not apply to any reproduction of the same by any
 23 means unless under the direct control and/or direction
 24 of the certifying reporter.

25 Dated this 26th day of March, 2010.

26 *Sandra Townsend*

27 Sandra W. Townsend, Court Reporter
 28 Job #1358

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1 CERTIFICATE
 2
 3 THE STATE OF FLORIDA
 4 COUNTY OF PALM BEACH

5 I hereby certify that I have read the
 6 foregoing deposition by me given, and that the
 7 statements contained herein are true and correct to the
 8 best of my knowledge and belief, with the exception of
 9 any corrections or notations made on the errata sheet,
 10 if one was executed.

11 Dated this _____ day of _____,
 12 2010.

13
 14 JEFFREY EPSTEIN
 15 Job #1358

1 ERRATA SHEET
2

3 IN RE: EPSTEIN VS. EDWARDS, ET AL CR. S. TOWNSEND
4 DEPOSITION OF: JEFFREY EPSTEIN
5 TAKEN: 3/17/10 JOB NO.: 1358

6 DO NOT WRITE ON TRANSCRIPT - ENTER CHANGES HERE
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Please forward the original signed errata sheet to this
19 office so that copies may be distributed to all parties.

20 Under penalty of perjury, I declare that I have read my
21 deposition and that it is true and correct subject to
22 any changes in form or substance entered here.

23 DATE: _____

24 SIGNATURE OF DEPONENT: _____

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36 (Page 138)

(561) 832-7500

PROSE COURT REPORTING AGENCY, INC.

(561) 832-7506

IN THE CIRCUIT COURT OF THE
17TH JUDICIAL CIRCUIT IN AND
FOR BROWARD COUNTY, FLORIDA

RAZORBACK FUNDING, LLC, D3
CAPITAL CLUB, LLC, BFMC
INVESTMENT, LLC, LINDA VON
ALLMEN, as Trustee of the VON
ALLMEN DYNASTY TRUST, D&L
PARTNERS, LP, DAVID VON
ALLMEN, as Trustee of the DAVID
VON ALLMEN LIVING TRUST, ANN
VON ALLMEN, as Trustee of the ANN
VON ALLMEN LIVING TRUST, and
DEAN KRETSCHMAR,

CASE NO.: 09-062943 (19)

Plaintiffs,

v.

SCOTT W. ROTHSTEIN, DAVID
BODEN, DEBRA VILLEGAS, ANDREW
BARNETT, IRENE STAY, TD BANK,
N.A., FRANK SPINOSA, JENNIFER
KERSTETTER, ROSANNE CARETSKY,
BANYON INCOME FUND, L.P.,
BANYON USVI, LLC, GEORGE G.
LEVIN, FRANK PREVE, MICHAEL
SZAFRANSKI, ONYX OPTIONS
CONSULTANTS CORPORATION, and
BERENFELD SPRITZER SHECHTER
SHEER, LLP,

Defendants.

AMENDED COMPLAINT

Plaintiffs, RAZORBACK FUNDING, LLC; D3 CAPITAL CLUB, LLC; BFMC
INVESTMENT, LLC; LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY
TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON
ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN
LIVING TRUST; and DEAN KRETSCHMAR (collectively referred to herein as "Plaintiffs")

hereby sue the Defendants, SCOTT W. ROTHSTEIN; DAVID BODEN; DEBRA VILLEGAS; ANDREW BARNETT; IRENE STAY; TD BANK, N.A.; FRANK SPINOSA; JENNIFER KERSTETTER; ROSANNE CARETSKY; BANYON INCOME FUND, L.P.; BANYON USVI, LLC; GEORGE G. LEVIN; FRANK PREVE; MICHAEL SZAFRANSKI; ONYX OPTIONS CONSULTANTS CORPORATION; and BERENFELD SPRITZER SHECHTER SHEER, LLP (collectively referred to herein as "Defendants"), and allege as follows:

Plaintiffs' Claims

1. The Plaintiffs sue the Defendants and seek the following:
 - a. Compensatory damages in excess of \$100,000,000.00, pre-judgment interest, and other amounts to be particularized at trial as a direct and proximate result of Defendants' commission of the following:
 - i. conversion;
 - ii. fraudulent misrepresentation;
 - iii. negligent misrepresentation;
 - iv. negligent supervision;
 - v. breach of fiduciary duty;
 - vi. civil conspiracy; and
 - vii. aiding and abetting fraud, conversion and breach of fiduciary duty;
 - b. punitive damages upon obtaining leave of court;
 - c. taxable costs and attorney's fees; and

d. any such further relief this court deems equitable and just under the circumstances.

Overview

2. This action arises out of a fraudulent scheme orchestrated by Scott W. Rothstein, who bilked investors out of hundreds of millions of dollars. Mr. Rothstein, through the use of his law firm Rothstein Rosenfeldt Adler, P.A. (collectively referred to herein as the "Principal Conspirators" and more fully described, *infra*), devised an elaborate plan to assign putative plaintiffs' confidential settlements with structured payments to investors at a lump sum discounted rate. In reality, while some of the cases used to induce investor funding were real, all of the confidential settlements were purely fabricated. Indeed, returns to earlier investors were not made *via* structured payments, but instead were made with the principal obtained from later investors--a classic Ponzi scheme.¹

3. However, the Principal Conspirators did not act alone. Defendant, TD BANK, N.A. (hereinafter, "TD Bank"), a subsidiary of Toronto Dominion Bank, was complicit in this scheme, serving as a critical lynchpin "legitimizing" the Principal Conspirators' plot and facilitating crucial inducements to investor action. Specifically, investors were duped by TD Bank employees conspiring with the Principal Conspirators to manipulate TD Bank's trust account statements and deceiving investors with false senses of security predicated on written assurances that settlement funds existed and would only be released directly to them. It is these bank

¹ A Ponzi scheme is generally recognized as a fraudulent investment operation that pays returns to separate investors from their own money or from monies paid by subsequent investors, rather than from any actual profit earned. The scheme is named after Charles Ponzi who became notorious for using the technique in early 1920.

declarations, tantamount to a guaranty, which gravely impacted investor risk-evaluation analysis and unduly influenced investors to close their deals.

4. Moreover, demonstrative of TD Bank's participation or alternatively, evidence of their gross negligence and wanton disregard, is the bank's reckless disregard of numerous "red flags." Irrefutably, TD Bank knew that Rothstein Rosendfeldt Adler, P.A. (hereinafter, "RRA") was moving hundreds of millions of dollars through its TD Bank trust accounts. In fact, in October 2009 alone, almost a half of a billion dollars moved in and out of RRA's Fort Lauderdale based trust accounts--more money than most bank branches would likely see in a decade. Yet, despite the massive amount of funds being moved by one client, TD Bank never sought independent verification of the source of monies, choosing instead to stand idly by. The Ponzi scheme simply could not have gained traction without TD Bank's involvement in sanctioning or, otherwise, willfully failing to authenticate the origin of the enormous amounts of money coming through its doors.

5. Unfortunately, this is not the only pending case which alleges a TD Bank affiliate as a complicit actor involved in a Ponzi scheme. On August 29, 2009, TD Bank's parent, Toronto Dominion Bank, was sued for "knowing assistance and/or dishonest assistance" in a Ponzi scheme based upon, *inter alia*, holding over \$20,000,000.00 in fraudulent proceeds and transferring hundreds of millions of dollars through the alleged perpetrator's accounts. *See* a copy of the *Dynasty Furniture Manufacturing, Ltd., et al., v. Toronto Dominion Bank, Statement of Claim* attached hereto for reference as **Exhibit "A."**

6. Based on the allegations set forth herein, Plaintiffs aver that, at all materials times, TD Bank had actual knowledge of its complicit involvement in a highly-organized Ponzi scheme

and/or was recklessly or willfully blind to its role in materially supporting the scheme. TD Bank's acts and/or omissions in assisting, facilitating, and actively participating in the Ponzi scheme, renders TD Bank as a direct and proximate cause of Plaintiffs' losses and, therefore, is liable for the damages Plaintiffs incurred.

7. Furthermore, as alleged in detail *infra*, the Principal Conspirators' inner-circle of facilitators (Villegas, Boden, Barnett, Stay and Berenfeld) and promoters (Levin, Preve, Banyon, Szafranski and Onyx) were essential to the perpetration of this systemic fraud and their actions equally as culpable. Indeed, Rothstein in a November 23, 2009 interview with the Sun-Sentinel stated that "karma has caught up with him, but it will catch up with others too . . . You're in a town full of thieves, and at the end of the day, everyone will see. I'll leave it at that."

The Plaintiffs

8. LINDA VON ALLMEN is Trustee of the VON ALLMEN DYNASTY TRUST (hereinafter, "Dynasty Trust"), an irrevocable trust with its principal place of administration in Broward County, Florida. In or around the summer of 2009, the Dynasty Trust invested \$2,000,000.00 into the Ponzi scheme through Banyon Income Fund.

9. Plaintiff, D&L PARTNERS, LP (hereinafter, "D&L Partners"), is a Missouri limited partnership with its principal place of business in Broward County, Florida. In or around the summer of 2009, D&L Partners invested approximately \$45,000,000.00 into the Ponzi scheme through Banyon Income Fund. Doug Von Allmen is the general partner of D&L Partners.

10. DAVID VON ALLMEN, is Trustee of the DAVID VON ALLMEN LIVING TRUST (hereinafter, "DVA Trust"), a revocable trust with its principal place of administration in

Saint Louis County, Missouri. On or about August 26, 2009, the DVA Trust invested \$275,000.00 into the Ponzi scheme through Banyon Income Fund.

11. ANN VON ALLMEN, is Trustee of the ANN VON ALLMEN LIVING TRUST (hereinafter, “AVA Trust”), a revocable trust with its principal place of administration in Saint Louis County, Missouri. On or about August 28, 2009, the AVA Trust invested \$275,000.00 into the Ponzi scheme through Banyon Income Fund.

12. Plaintiff, DEAN KRETSCHMAR (hereinafter, “Kretschmar”), is an individual residing in Broward County, Florida. On or about June 3, 2009, Kretschmar invested \$8,000,000.00 into the Ponzi scheme through Banyon Income Fund.

13. RAZORBACK FUNDING, LLC, (hereinafter, “Razorback”), is a Delaware limited liability company with its principal place of business in Broward County, Florida. Razorback invested \$32,000,000.00 into the Ponzi scheme through Banyon USVI, LLC. Dynasty Trust, D&L Partners and Kretschmar were also major investors in Razorback.

14. Plaintiff, D3 CAPITAL CLUB, LLC (hereinafter, “D3”), is a Delaware limited liability company with its principal place of business in Broward County, Florida. D3 invested \$13,500,000.00 into the Ponzi scheme. Dynasty Trust, D&L Partners and Kretschmar were major investors in D3 as well.

15. Plaintiff, BFMC INVESTMENT, LLC (hereinafter, “BFMC”), is a Florida limited liability company with its principal place of business in Broward County, Florida. On or about October 2009, BFMC invested \$2,400,000.00 into the Ponzi scheme.

The Defendants - Principal Conspirators

16. Scott W. Rothstein, Esq. (hereinafter, "Rothstein") is an individual residing in Broward County, Florida and, at all times relevant hereto, was one of Rothstein, Rosenfeldt Adler, P.A.'s founders, its managing partner and CEO. Rothstein is the principal organizer of the Ponzi scheme.

17. Non-party RRA is a Florida professional association with its principal place of business in Broward County, Florida. RRA was used as the front to this elaborate Ponzi scheme, serving as the purported law firm representing putative plaintiffs in connection with their pre-suit, confidential settlements. RRA's trust accounts were allegedly used to receive the putative defendants' settlement funds and used to receive investor payments. Rothstein and RRA are collectively referred to as the "Principal Conspirators".

The Defendants - Co-Conspirators

TD Bank Defendants

18. TD Bank is a foreign national banking association registered to do business in Florida. TD Bank maintains substantial contact with Florida through its multiple branches throughout the state. TD Bank was the financial epicenter of the Ponzi scheme. Among other things, TD Bank conspired, induced, and facilitated the Principal Conspirators' deceptive practices, allowing Principal Conspirators to divert hundreds of millions of investor dollars through TD Bank accounts.

19. FRANK SPINOSA (hereinafter, "Spinosa"), is an individual residing in Broward County, Florida and, at all times relevant hereto, was a senior vice-president of operations for TD Bank. Spinosa participated in the scheme by, among other things, meeting with investors, verifying

account statements and providing investors with purported irrevocable “lock letters” securing investor funds.

20. JENNIFER KERSTETTER (hereinafter, “Kerstetter”), is an individual residing in Broward County, Florida and, at all times relevant hereto, was an assistant manager for TD Bank. Kerstetter participated in the scheme by, among other things, meeting with investors, verifying account statements, and providing investors with purported irrevocable “lock letters” securing investor funds.

21. ROSEANNE CARETSKY (hereinafter, “Caretzky”), is an individual residing in Broward County, Florida, and, at all times relevant hereto, was an assistant vice president and branch manager for TD Bank. Caretsky participated in the scheme by, among other things, meeting with investors, verifying account statements, and providing investors with purported irrevocable “lock letters” securing investor funds.

RRA Defendants

22. DAVID BODEN (hereinafter, “Boden”), is an individual residing in Fort Lauderdale, Florida and, at all times relevant hereto, was a partner and general counsel for RRA. Boden was Rothstein’s “right-hand man” and an essential participant in the scheme by, among other things, recruiting and soliciting investors and drafting documents to induce investors into funding the settlement while having actual and/or constructive knowledge that the investments were part of a Ponzi scheme.

23. DEBRA E. VILLEGAS (hereinafter, “Villegas”), is an individual residing in Broward County, Florida and, at all times relevant hereto, was the chief operating officer at RRA. Villegas, Rothstein’s number two at RRA, participated in the scheme by, among other things,

furnishing false bank account statements and wire transfers to investors for the purpose of inducing investor funding despite having actual or constructive knowledge that the investments were a Ponzi scheme.

24. ANDREW BARNETT (hereinafter, "Barnett"), is an individual residing in Broward County, Florida and, at all times relevant hereto, was the Director of Corporate Development for RRA. Barnett, participated in the scheme by, among other things, recruiting, soliciting and inducing investor funding despite having actual or constructive knowledge that the investments were a Ponzi scheme.

25. IRENE STAY (hereinafter, "Stay"), is an individual residing in Broward County, Florida and, at all times relevant hereto, was the chief financial officer of RRA. Stay participated in the scheme by furnishing investors with falsified bank account statements and wire transfer confirmations used to induce investor funding despite having actual or constructive knowledge that the investments were a Ponzi scheme.

Banyon Defendants

26. GEORGE G. LEVIN (hereinafter, "Levin"), is an individual residing in Broward County, Florida and, at all times relevant hereto, was the chief executive officer of Banyon USVI, LLC and Banyon Income Fund. Levin who previously owned and operated GGL Industries, Inc. d/b/a Classic Motor Carriages, a company convicted of federal fraud charges, actively participated in the scheme by, among other things, recruiting, inducing and securing investor funding despite having actual or constructive knowledge that the investments were a Ponzi scheme.

27. FRANK J. PREVE (hereinafter, "Preve"), is an individual residing in Broward County, Florida and, at all times relevant hereto, was the chief operating officer or agent of Banyon

USVI, LLC and Banyon Income Fund who maintained an office at RRA. Preve, a convicted bank fraud and embezzlement felon² participated in the scheme by, among other things, recruiting, inducing and securing investor funding despite having actual or constructive knowledge that the investments were a Ponzi scheme.

28. BANYON INCOME FUND, L.P. (hereinafter, "BIF"), is a Delaware limited partnership which Levin and Preve operated as a putative investment entity to purchase the Ponzi scheme settlements with investor funds.

29. BANYON USVI, LLC (hereinafter, "Banyon USVI"), is a Delaware limited liability company which Levin and Preve operated as a putative investment entity to purchase the Ponzi scheme settlements with investor funds.

Onyx Defendants

30. MICHAEL SZAFRANSKI (hereinafter, "Szafranski"), is an individual residing in Miami-Dade County, Florida and, at all times relevant hereto, was the president of Onyx Options Consultants Corporation and who maintained an office inside RRA. Szafranski was hired as an "independent" third-party on behalf of BIF, Banyon USVI, Razorback and D3 tasked with verifying critical aspects of the purported investment deals. Specifically, Szafranski was the only person authorized to analyze unredacted settlement documents, to confirm the Principal Conspirators' finances through TD Bank and to offer an opinion as to the authenticity of the settlement deals. Szafranski participated in the scheme by, among other things, making material misrepresentations,

² Frank Preve plead guilty to bank embezzlement charges in 1985 and received ten (10) years probation and a \$10,000.00 fine for falsifying loan documents in connection with a scheme that resulted in losses exceeding \$2,300,000.00.

false verifications and actively inducing investor funding despite having actual or constructive knowledge that the investments were a Ponzi scheme.

31. ONYX OPTIONS CONSULTANTS CORPORATION d/b/a/ ONYX CAPITAL MANAGEMENT (hereinafter, "Onyx"), is a Florida limited liability company which Szafranski owns and operates as a third-party verifier and putative investment entity employed to facilitate and induce investor funding into the Ponzi scheme.

CPA Defendant

32. BERENFELD SPRITZER SHECHTER SHEER, CPA'S LLP (hereinafter, "Berenfeld"), is a Florida limited liability partnership who, at all times relevant hereto, served as the auditing firm for BIF and Banyon USVI and as the accounting firm for RRA. Berenfeld participated in the scheme by, among other things conspiring, inducing, and facilitating the Principal Conspirators' deceptive practices, by providing audited financial statements which purported to authenticate hundreds of millions of dollars of false receivables, allowing Principal Conspirators to perpetrate a fraud.

The Ponzi Scheme

The Rothstein Facade

33. From humble beginnings in 2003, Rothstein built RRA into one of the fastest growing Florida-based law firms. Under Rothstein's stewardship, RRA grew from seven attorneys to over seventy and amassed over two hundred and fifty in staff. Along with its dramatic growth in size, RRA rapidly emerged as a legal, political and philanthropic powerhouse.

34. Not surprisingly, Rothstein amassed an enormous portfolio of assets including more than sixteen real estate properties, twenty-five cars, an eighty-seven foot yacht, and various interests in a myriad of businesses ranging from watches to restaurants to vodka. See a list of Rothstein's assets seized by the federal government along with estimates of their value attached hereto as Exhibit "A-1."

35. Rothstein lived lavishly and spent prolifically--critical components necessary to set his scheme in motion.

36. With RRA's tireless marketing efforts and meteoric rise into prominence, Rothstein quickly made forays into preeminent social circles, rubbing elbows with high net-worth individuals and political luminaries, the perfect breeding grounds to lure wealthy investors. His plot was up and running.

The Plan

37. Rothstein seized upon his new found stature to entice investors into what would eventually become a Ponzi scheme using his budding employment and labor practice at RRA as his conduit.

38. The scheme was predicated on the Principal Conspirators self-professed pipeline of pre-suit, confidential settlement agreements as the “preeminent sexual harassment and labor employment law firm in the country.” Investors were told that the Principal Conspirators had an extensive in-house private investigative team, including former F.B.I. and C.I.A. agents, whose singular task was to obtain compromising evidence against high-profile putative defendants. Rothstein’s story was that the evidence and surveillance acquired, often supporting civil causes of action ranging from sexual harassment to mass tort cover-ups to whistle-blower claims, was presented to the putative defendant who was then offered an opportunity to avoid litigation and the negative publicity associated therewith by agreeing to resolve the matter voluntarily by and through a confidential settlement with the putative plaintiff.

39. Once the putative defendant agreed, the confidential settlement always included two main ingredients: (1) that structured payments to a putative plaintiff be made over time, generally a three to nine month time period; and (2) that the putative defendant would fund the entire settlement up front to be held in RRA’s TD Bank trust account and disbursed to the putative plaintiff in accordance with the terms of the confidential settlement agreement.

The Pitch

40. Rothstein informed investors that the putative plaintiffs did not want to wait for the structured monthly payouts and would agree to assign their rights to the structured payout for a lump-sum payment typically at a discount in the range of 20-40% of the settlements’ face-value. Rothstein always had a plethora of plausible explanations as to why a putative plaintiff wanted their money now and simply could not wait for the structured monthly payments.

in claimed to want nothing from the deal and was only presenting the putative plaintiff's benefit and to facilitate recovery of RRA's contingent fee. Rothstein would often boast that if not for his professional and legal conflicts he would be the one purchasing these assignments.

means to induce investor action, Rothstein would show investors the agreement in an attempt to substantiate the deal; however, because the suit and confidential, the names of the putative plaintiffs and putative defendants were redacted.

Finally, the Principal Conspirators would provide: (1) confirmation of balance at TD Bank evidencing the putative defendants fully funded (2) a "lock letter", drafted and executed by a TD Bank executive, stating that the respective settlement proceeds in RRA's trust account could only be invested in the investor's designated account which, in most cases, was an account at TD Bank; and (3) opportunities for an independent third-party verifier to authenticate the underlying and funding of settlement proceeds.

Rothstein was hyper-vigilant regarding access to RRA accounts under any guise. In fact, potential investors could only access TD Bank account in two ways. Either Rothstein would invite the investor to his office to view the account information provided by himself or Stay³ or, he would "authorize" TD Bank to provide account statements and wire transfers prepared and delivered by TD Bank executives

³ which is an October 6, 2009 on-line screen shot of RRA's TD Bank accounts under Irene Shannon which is Irene Stay's maiden name. ("Welcome, Irene Stay! You last logged in on Tuesday, October 06, 2009 4:37 PM.")

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RRA's trust account settlement proceeds; irrevocably confirming be paid directly to the Bank; and (3) opportunity settlement, assignment

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³ See Exhibit "W" *infra* accessed (logged in) by Shannon! You last logg

and Caretsky. On numerous occasions, TD Bank vice-president Spinoza, Kerstetter, and assistant vice president Caretsky, physically handed the trust Rothstein in the immediate presence of an investor.

final piece to persuade an investment, Rothstein would offer to personally sign. This personal guaranty, secured by the significant assets (as discussed, *supra*) component which tacitly lent credibility and security to the transaction.

an investor was interested, the Principal Conspirators, in conjunction with agreement for the assignment of the settlement agreement and proceeds.

Execution of the assignment, the investor would wire transfer to RRA's lump sum payment for immediate disbursement to the putative plaintiff. RRA was obligated to make payment from the funds previously verified and held in trust TD Bank directly to the investor's lock letter trust account at TD Bank in the terms of the purported settlement agreement.

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Ponzi Scheme In Action

Fabricated Settlements Premised on Real Cases

48. In certain instances, the purported settlements, *albeit* fraudulent, were based on actual cases being handled by RRA. For example, one of the settlements involved herein was based upon facts surrounding Jeffrey Epstein, the infamous billionaire financier. In fact, RRA did have inside information due to its representation of one of Epstein's alleged victims in a civil case styled *Jane Doe v. Jeffrey Epstein*, pending in the Southern District of Florida. Representatives of D3 were offered "the opportunity" to invest in a pre-suit \$30,000,000.00, court settlement against Epstein arising from the same set of operative facts as the *Jane Doe* case, but involving a different underage female plaintiff. *See* e-mail dated October 6, 2009 referencing Epstein which is attached hereto and incorporate herein as **Exhibit "B."** To augment his concocted story Rothstein invited D3 to his office to view the thirteen banker's boxes of actual case files in *Jane Doe* in order to demonstrate that the claims against Epstein were legitimate and that the evidence against Epstein was real. In particular, Rothstein claimed that his investigative team discovered that there were high-profile witnesses onboard Epstein's private jet where some of the alleged sexual assaults took place and showed D3 copies of a flight log purportedly containing names of celebrities, dignitaries and international figures. Because of these potentially explosive facts, putative defendant Epstein had allegedly offered \$200,000,000.00 for settlement of the claims held by various young women who were his victims. Adding fuel to the fire, the investigative team representative privately told a D3 representative that they found three additional claimants which Rothstein did not yet know about.

Further, Preve was present for this meeting, despite the fact that he was not involved as an investor or representative in the D3 deal.

49. Additionally, Rothstein used RRA's representation in the Epstein case to pursue issues and evidence unrelated to the underlying litigation but which was potentially beneficial to lure investors into the Ponzi scheme. For instance, RRA relentlessly pursued flight data and passenger manifests regarding flights Epstein took with other famous individuals knowing full well that no under age women were on board and no illicit activities took place. RRA also inappropriately attempted to take the depositions of these celebrities in a deliberate effort to bolster Rothstein's lies.

50. Conspicuously, and contrary to Banyon's allegations⁴, Preve and Szafranski shared an office at RRA one floor down from Rothstein providing them access to Rothstein to assist in the furtherance of the Ponzi scheme. This fact helps explain why Preve attended the aforementioned D3 meeting despite his lack of involvement as an investor or representative.

51. Another actual case which Rothstein attempted to use as a false predicate for his scheme was a mass tort case against Chiquita Brands International. In this instance, Rothstein claimed to be representing plaintiffs in 450 wrongful death cases on the verge of settling for \$2,000,000.00 each. Rothstein told investors to begin raising funds in order to purchase this settlement. See e-mail dated October 14, 2009 referencing Chiquita which is attached hereto and incorporated herein as **Exhibit "C."** While the cases against Chiquita are real, Rothstein did not represent any of the plaintiffs and the cases remain pending.

⁴ In a November 23, 2009, "Confidential Update From Banyon", Levin erroneously alleges that "The allegation that Mr. Preve had an office at the Rothstein law firm, or that he may have helped the Rothstein firm to mislead potential investors is a total lie. Period."

Investments:

Income Fund

BIF was formed in May 2009, and served as an original feeder fund for the conspirators settlement deals.

According to the offering materials provided by Levin and Preve, BIF's stated goal was to purchase:

discount settlements and related periodic revenue stream from individual plaintiffs who have settled their labor and employment related lawsuits or claims, and who would otherwise receive their settlement amounts over a period of time. The purchased settlements are secured by the full settlement amounts which will have been deposited in a trust account established by the plaintiff's attorney for the benefit of the plaintiff prior to purchase by Banyon Income Fund, LP. These settlements are released to Banyon Income Fund, LP over time to liquidate the purchased settlement.

Confidential Offering Memorandum dated April 30, 2009, a copy of which is attached hereto and incorporated herein as **Composite Exhibit "D."**

Not coincidentally, BIF's investment strategy is identical to the purported vehicle offered by the Principal Conspirators at the center of the Ponzi scheme.

In fact, the Confidential Offering Memorandum avers that "[o]nce a structure of implementation was put in place and a relationship established with Rothstein, the General [was] able to achieve a large ramp up in business volume . . . [which] have stabilized at only \$60,000,000 - \$75,000,000 in funded business per month," and that the "[f]unding [for] these activities has come from credit facilities with institutional hedge fund lenders as well as capital of Mr. Levin." *Id.*

Plaintiffs'

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56. Significantly, Banyon's Confidential Offering Memorandum relies heavily upon an audited financial statement prepared by Berenfeld which purportedly details Banyon's staggering growth and astounding returns verifying , *inter alia*, that:

- a. Levin, by and through Banyon affiliated companies, was doing as much as \$75,000,000.00 in business a month with Rothstein;
- b. Through March 2009, Banyon affiliated companies purchased over \$1.1 billion dollars worth of legal settlements from Rothstein for a cost of \$657,000,000.00;
- c. By the end of March 2009, the Banyon affiliated companies had realized over \$531,000,000.00 million in returns; and
- d. Banyon affiliated companies listed receivables in excess of \$559,000,000.00 from pending settlements investments.

See id.

57. BIF's Confidential Offering Memorandum provided investors a window into the Principal Conspirators' house of cards, as the hedge fund was just one of the investment consortiums feeding the Ponzi scheme's voracious appetite.

58. All or substantially all of BIF's assets were funneled into the Principal Conspirators' scheme which served as rocket fuel blasting the obscure investment vehicle to dizzying heights.

59. In the spring of 2009, Barry Bekkedam from Ballamor Capital Management, LLC (hereinafter, "Ballamor")⁵ and promoter of BIF, met Doug Von Allmen (D&L Partners) to discuss D&L Partners' participation in BIF.

60. During that discussion, Mr. Von Allmen learned that BIF was started by Levin, a professed mentor and confidant of Rothstein, and that the settlements BIF was purchasing were through an exclusive arrangement negotiated between Rothstein and Levin on behalf of BIF.

61. Mr. Von Allmen was told by Mr. Bekkedam that Levin was personally worth in excess of \$400,000,000.00 and would personally guarantee the settlements.

62. Additionally, Mr. Bekkedam told Mr. Von Allmen that the settlements were already fully-funded in the attorneys' trust accounts, that a "Big Four"⁶ auditing firm would verify them quarterly, and that Ballamor had continuous unfettered access to the trust account balances and would oversee Banyon's hiring of an independent verifier to monitor and confirm the settlement transaction.

63. Finally, Mr. Von Allmen was told by Mr. Bekkedam that it would take two signatures to move the money, one of which would be someone from BIF.

64. In reliance on these purported security and verification procedures, on or about May 4, 2009, Mr. Von Allmen (through D&L Partners) and his wife Linda Von Allmen (through Dynasty Trust) first wired BIF funds; approximately one month later, his son and daughter-in-law David and Ann Von Allmen (through the DVA Trust and AVA Trust) and his step-son, Dean

⁵ Ballamor Capital Management, LLC is an S.E.C. registered investment advisor specializing in managing investments on behalf of high and ultra-high net worth individuals

⁶ As it turns out, the "Big Four" accounting firm referenced was Berenfeld.

ly referred to herein as "Banyon Investors") also funded investments as
and Mr. Bekkedam.

o investing, each Banyon Investor received a "the aforementioned
Memorandum describing the terms and conditions of the investment structure
composite Exhibit "D."

antly, the Confidential Offering Memorandum provided that a receipt of the
re transfer of the full settlement proceeds into RRA's trust account would be
sent third party (see Szafranski, *infra*). *Id.*

Finally, the Banyon Investors were assured that in cooperation with TD Bank
led out to be Spinoza, Kerstetter and Caretsky), that BIF's third-party verifier
ss to banking records for each deposit account and admission into all records
settlements and settlement trust accounts. *Id.*

more, the Memorandum states that while "Ballamor will receive no
participation or investment recommendation . . . George Levin has an
with Ballamor and its principal, Barry R. Bekkedam, with respect to an
Ballamor by Mr. Levin and a loan to Mr. Bekkedam, the final terms of
etermined."⁷ *Id.*

ki, president of Onyx Capital Management, acted as an the designated
verifier for the Banyon Investors and BIF. Prior to and during the course of

Kretschmar (collective)
directed by Ballamor a

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Confidential Offering 1
in greater detail. *See C*

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independent, third-party

⁷ In fact we now know
involvement in this Pon
Bank, a Pennsylvania ba

hat Ballamor and Mr. Bekkedam received \$5,000,000.00 from Levin for their
scheme along with a \$18,000,000.00 investment through Ballamor into Nova
k.

his investigation, Szafranski obtained the following information demonstrative of TD Bank's involvement:

- a. October 29, 2008 letter signed by Caretsky, assistant branch manager with Commerce Bank⁸ enclosing three trust account statements for RRA: (1) account number [REDACTED] containing \$166,922,339.00; (2) account number [REDACTED] containing \$40,125,685.44; and (3) account number [REDACTED] containing \$348,229,463.21. All three trust account statements for RRA are attached hereto and incorporated herein as **Composite Exhibit "E."**
- b. March 20, 2009 letter signed by Kerstetter an assistant manager for TD Bank enclosing three trust account statement for RRA: (1) account number [REDACTED] showing a balance of \$104,211,711.22; (2) account number [REDACTED] showing a balance of \$368,333,133.20; and (3) account number [REDACTED] showing a balance of \$110,331,563.13. All three account statements referenced are attached hereto and incorporated herein as **Composite Exhibit "F."**
- c. April 17, 2009 letter signed by Caretsky as a TD Bank Assistant Vice President, enclosing RRA trust account statement for: (1) account number [REDACTED] showing a balance of \$61,117, [REDACTED] RRA trust account statement for account number [REDACTED] showing a balance of \$80,978,935.31; (3) RRA trust account statement for account number [REDACTED] showing a balance of \$136,122,322.87; (4) RRA trust account statement for account number [REDACTED] showing a balance of \$198,644,311.13; and (5) RRA trust account statement for account number [REDACTED] showing a balance of \$483,668,999.39. All five trust account

⁸ Commerce Bank was a predecessor in interest to TD Bank as a result of TD Bank's \$7 billion purchase of Commerce Bank in March 2008 purchase.

statements referenced are attached hereto and incorporated herein as **Composite Exhibit "G."**

- d. June 22, 2009 Commerce Bank wire transfer to RRA trust account ending x- █ in the amount of \$1,957,500.00 and purporting to be a funded settlement, a copy of which is attached hereto and incorporated herein as **Exhibit "H";**
- e. June 22, 2009 Commerce Bank wire transfer to RRA trust account ending x- █ in the amount of \$2,680,000.00 and purporting to be a funded settlement , a copy of which is attached hereto and incorporated herein as **Exhibit "I";**
- f. June 22, 2009 Commerce Bank wire transfer to RRA trust account ending x- █ in the amount of \$695,000.00 and purporting to be a funded settlement, a copy of which is attached hereto and incorporated herein as **Exhibit "J";**
- g. June 30, 2009 Commerce Bank wire transfer to RRA trust account ending x- █ in the amount of \$2,208,000.00 and purporting to be a funded settlement , a copy of which is attached hereto and incorporated herein as **Exhibit "K";**
- h. July 1, 2009 Commerce Bank wire transfer to RRA trust account ending x- █ in the amount of \$6,072,000.00 and purporting to be a funded settlement , a copy of which is attached hereto and incorporated herein as **Exhibit "L";**
- i. July 13, 2009 letter signed by Kerstetter from TD Bank enclosing RRA trust account statement for account number █ showing a balance of \$14,286,000.00, a copy of which is attached hereto and incorporated herein as **Composite Exhibit "M";** and
- j. July 17, 2009 TD Bank wire transfer to RRA trust account ending x- █ in the amount of \$22,348,221.00 and purporting to be a funded settlement, a copy of which is attached hereto and incorporated herein as **Exhibit "N";**

70. In reliance on the foregoing, as confirmed by Szafranski, the Banyon Investors collectively invested \$60,550,000.00 into BIF and into the Ponzi scheme.

2. *Razorback Funding, LLC*

71. Razorback was formed September 24, 2009 for purposes of investing in two RRA settlements: (1) a \$40,600,000.00 structured settlement, payable in four equal monthly installments, offered in exchange for a lump sum payment of \$23,200,000.00; and (2) a \$26,100,000.00 structured settlement, payable in three equal monthly installments, offered in exchange for a lump sum payment of \$17,400,000.00. *See Confidential Settlement Agreements and Releases* which are attached hereto and incorporated herein as **Composite Exhibit "O."**

72. In particular, the deal was structured so Razorback would fund \$32,000,000.00 towards the purchase of these settlements by means of a loan to Banyon USVI, LLC. Banyon USVI in turn would contribute \$8,600,000.00 to purchase the settlement proceeds from the Principal Conspirators. *See Acknowledgement of Assignment/Purchase of Settlement Proceeds and Sale and Transfer Agreements* which is attached hereto and incorporated herein as **Composite Exhibit "P."**

73. On or about September 18, 2009, as part of its due diligence, Razorback obtained a copy of a TD Bank "lock letter" signed by Spinosa used in a prior deal. *See September 18, 2009 lock letter from TD Bank* which is attached hereto and incorporated herein as **Exhibit "Q."** The lock letter indicates that TD Bank had been irrevocably instructed to pay the fund identified in a particular RRA trust account only to the investor's bank account.

74. On October 1, 2009, Szafranski, who was utilized as the independent reviewer for Razorback as well, met with Rothstein to review and verify all of the documents supporting the

Razorback deal. In that meeting, Szafranski purportedly witnessed Rothstein sign on to the TD Bank on-line banking website and verified that all of the wire transfers for the underlying Razorback settlement deals had been received by RRA and were held in RRA's trust account ending in x-■■■. A copy of the October 1, 2009 email from Szafranski verifying the above-referenced account is attached hereto and incorporated herein as **Exhibit "R."**

75. Szafranski also verified that a "lock letter" had been received by Spinosa as Regional Vice President of TD Bank dated October 1, 2009 stating the following:

Pursuant to your written instructions to us of September 30, 2009, please be advised that all funds contained in the above referenced account shall only be distributed upon your or Stuart Rosenfeldt's instruction and shall only be distributed to Banyon USVI (Del), LLV, c/o Razorback Funding, LLC, Debt & Equity Re-Payment Account: TD Bank, NA, 319 Glen Head Road, Old Brookville, NY, ABA: 026013673, Account # ■■■■■. Your letter is understood not to convey ownership of the account or access to the account to any other party, but rather is meant to irrevocably restrict conveyances as follows: conveyances shall only be made from the account referenced above to the Banyon USVI account.

See October 1, 2009 letter which is attached hereto and incorporated herein as **Exhibit "S."**

76. Spinosa e-mailed the "lock letter" to Rothstein earlier that day with a message stating that at Rothstein's "request and instructions, this account [RRA's trust account] has been irrevocably locked as to destination of all disbursements [which was Razorback's account, also at TD Bank]. The letter confirming same is attached. Please do not deposit any funds into this account that are not solely (sic) to be directed to the entity set forth in the irrevocable instruction." A copy of the October 1, 2009 email from Spinosa is attached hereto and incorporated herein as **Exhibit "T."**

I copies of two wire transfers from
a total of \$66,700,000.00 (the full
A in its trust account with TD Bank.
hereto and incorporated herein as

an email from Rothstein providing:
o RRA's trust account; and (2) that
received the \$32,000,000.00 from
Rothstein is attached hereto and

contact Spinoza to verify the details of
to reach Spinoza but did receive
letter and that Spinoza signed it.

mail from Preve which contained an
ing a balance of \$66,700,000.00. A
Exhibit "W."

gain with Rothstein and verified that
eir disbursements by reviewing TD
ober 22, 2009 confirming email is

ferred the sum of \$32,000,000.00 to

77. Also on October 1, 2009, Razorback receive Preve, a Banyon USVI representative, demonstrating that settlement funding being purchased) had been received by RR A copy of the October 1, 2009 wire transfers is attached **Composite Exhibit "U."**

78. On the same day, Preve forwarded Razorback (1) confirmation of Preve's purported \$8,000,000.00 wire in no disbursement on the deal would be made until he Razorback. A copy of the October 1, 2009 email from incorporated herein as **Exhibit "V."**

79. On October 3, 2009, Razorback attempted to contact the lock letter. The Razorback representative was unable confirmation from Spinoza's assistant that she prepared the lock

80. On October 7, 2009, Razorback received an e-mail on-line screen shot of an RRA trust account at TD Bank indicating a balance of \$66,700,000.00. A copy of the TD Bank account screen shot is attached hereto as **Exhibit "U."**

81. Finally, on October 22, 2009, Szafranski met a all of the putative plaintiffs in the Razorback deals received the Bank's on-line banking website. A copy of Szafranski October 22, 2009 meeting with the putative plaintiffs is attached hereto and incorporated herein as **Exhibit "X."**

82. In reliance on the foregoing, Razorback transferred the sum of \$32,000,000.00 to RRA's trust account.

3. D3 Capital Club, LLC

83. D3 was formed October 4, 2009 for purposes of investing in a \$30,000,000.00 RRA structured settlement, payable in six equal monthly installments of \$5,000,000.00, offered in exchange for \$18,000,000.00. *See Confidential Settlement Agreements and Releases* which is attached hereto and incorporated herein as **Composite Exhibit "Y."**

84. A D3 representative, who was also a representative of Razorback's management team, had knowledge of and relied upon the contacts and representations made by TD Bank in connection with the Razorback transaction.

85. On or about October 15, 2009, as part of its due diligence, D3 obtained a copy of a TD Bank "lock letter" signed by Spinoza stating the following:

Pursuant to your written instructions to us of October 14, 2009, please be advised that all funds contained in the above referenced account shall only be distributed upon your or Stuart Rosenfeldt's instruction and shall only be distributed to D3 Capital Club, LLC, 2833 NE 35th Court, Fort Lauderdale, FL, 33308, TD Bank NA, Account # [REDACTED].

Your letter is understood not to convey ownership of the account or access to the account to any other party, but rather is meant to irrevocably restrict conveyances as follows: conveyances shall only be made from the account referenced above to the TD bank account # [REDACTED] belonging to D3 Capital Club, LLC.

See October 15, 2009 lock letter attached hereto and incorporated herein as Exhibit "Z."

86. On October 15, 2009, Spinoza signed another letter enclosing a copy of RRA's trust account bank statement showing a balance in excess of \$30,000,000.00. *See October 15, 2009 letter attached hereto and incorporated herein as Composite Exhibit "AA."*

87. Furthermore, on October 15, 2009, Kerstetter drafted a letter to RRA enclosing a copy of RRA's trust account bank statement for the D3 settlement showing a balance in excess of

\$30,000,000.00. This letter was personally delivered by Kerstetter to Rothstein in a D3 representative's presence while inside the TD Bank Fort Lauderdale branch. *See* October 15, 2009 letter attached hereto and incorporated herein as **Exhibit "AA-1."** Later that day, Kerstetter met again with that same D3 representative at a location outside of the bank in order to sign the paperwork to open a D3 account at TD Bank.

88. On October 16, 2009 and again on October 19, 2009, a D3 representative sent emails to Spina and Kerstetter advising that D3 had opened its account for purposes of doing business with RRA and asked about the mechanics of the irrevocable lock letter that D3 had with RRA account number [REDACTED]. A copy of the October 16, 2009 and October 19, 2009 emails are attached hereto and incorporated herein as **Composite Exhibit "BB."**

89. Spina responded to the October 19, 2009 email with a phone call to the D3 representative. During the conversation, the lock letter was acknowledged by Spina who refused to provide any further details about the Principal Conspirators' accounts.

90. Finally, on October 19, 2009, Szafranski met with Rothstein and verified that the sum of \$30,000,000.00 was wired from the putative defendant into the RRA trust account ending x-1629. A copy of the October 19, 2009 email is attached hereto and incorporated herein as **Exhibit "CC."**

91. In reliance on the foregoing, D3 transferred the sum of \$13,500,000.00 to RRA's trust account.

4. *BFMC Investment, LLC*

92. BFMC was formed in November 1998 to fund investment opportunities.

93. On September 28 2009, BFMC principal, Barry Florescue ("Florescue") met socially with Andrew Barnett ("Barnett"), Director of Corporate Development for RRA.

94. During this meeting, Barnett described his role at RRA and invited Florescue to meet Rothstein later that week to discuss a lucrative investment opportunity. Florescue was aware of Rothstein given Rothstein's prominence in the Fort Lauderdale business and social community, and a meeting was scheduled at RRA on September 30, 2009.

95. Florescue and his employee, Mark Seigel ("Seigel"), arrived in RRA's offices and were initially introduced to Boden. Coincidentally, Boden had, many years earlier, worked as a junior staff member with Florescue's corporate counsel and had actively worked on one of Florescue's previous financing transactions.

96. After several minutes, Boden and Barnett led Florescue and Seigel into Rothstein's private office.

97. After introductions, Rothstein described an investment opportunity involving purchasing various settlements with structured payments explaining as follows:

a. RRA is a nationally recognized firm representing whistleblowers in whistleblower lawsuits against employers. RRA has specific expertise in a specific type of litigation called Qui Tam litigation, in which the defendant is also accused of defrauding the United States government. RRA became a magnet for Qui Tam cases following its success as co-counsel in a 2008 Eli Lilly Qui Tam case, which resulted in a \$1 billion plus settlement.

b. RRA was currently representing whistleblower plaintiffs inside a Fortune 500 company that had allegedly defrauded the United States government. Citing confidentiality, Rothstein could not share the name of the defendant, but he described it as a large food conglomerate that had substituted cheaper ingredients into food supplies sold to the government under national contracts. Rothstein was rounding up dozens of whistleblowers inside the company who had been threatened by senior management to remain silent regarding the company's fraud.

c. RRA had negotiated numerous settlements for \$1,400,000.00 for various whistleblower clients, but the defendant insisted on paying the settlements out over four months. The plaintiffs wanted their cash up front.

d. Rothstein explained that the putative plaintiffs were willing to take a large discount up front because: (i) they had a high degree of concern over whether defendant would attempt to prevent them from receiving payments after settling and, (ii) Rothstein explained in detail a legal concept called "privity" – plaintiff was "in privity" with the defendant which subjected their settlement to reversal by the federal government. Rothstein represented that a third party buyer of the settlement rights would not be subject to such reversal as the third party was not "in privity" with the defendant.

e. The settlement documents were drafted and ready to be settled, but Rothstein needed to find an investor to fund the settlement. Rothstein explained that such a transaction was legal, because the settlement agreement had no "anti-assignment rights", but that any third party investor couldn't be given any details about the parties involved in the settlement, because it was by nature highly confidential and did contain strong confidentiality provisions.

f. Due to the fact that a "funder" could not be given any information about the case, the defendant, or the plaintiff, and given the fact that Rothstein needed a high degree of confidentiality about even the existence of the funding arrangement (in order to prevent defendants from explicitly prohibiting this type of arrangement going forward), Rothstein could only engage in such transaction with local friends with whom he trusted.

g. RRA's clients were willing to accept \$800,000.00 up front in exchange for their rights to the \$1,400,000.00 settlement, payable over 4 months.

h. Rothstein could not personally fund the structured settlements because it was illegal for him or his firm to profit from a structured settlement in which he represented the plaintiff. However, it was in his firm's interest to find a funder so that the firm could settle the case and get paid its contingency fee.

i. Rothstein remarked that the transaction would be substantiated and verified, that he would provide evidence of the settlement in his office, and that he would get on the phone with Spinoza of TD Bank to confirm that the putative defendant's funds had been wired into a Florida Bar trust account with instructions to only release the funds in that account to the specified funder.

98. Upon concluding the meeting, Barnett walked Florescue and Seigel out to the elevator. During a debrief, Barnett revealed that the defendant was Dole Foods, which had knowingly supplied the U.S. Government with impure orange juice in a major juice contract that called for 100% pure orange juice. Barnett said that Rothstein had offered to sign a corporate and personal guaranty as a further inducement to make the investment.

99. Between September 30, 2009 and October 15, 2009, BFMC worked with their counsel and Boden on various transaction documents necessary to close the deal.

100. During the first week of October 2009, Florescue telephoned Spinoza, who Florescue knew professionally based on various banking activities previously engaged in, to inquire about Rothstein. Spinoza said that he could not talk about Rothstein without Rothstein's consent.

101. In early October, 2009, Boden finalized the deal documents for BFMC's investment in three identical RRA settlements: (1) a \$1,400,000.00 structured settlement, payable in four equal monthly installments, offered in exchange for a lump sum payment of \$800,000.00; (2) a second \$1,400,000.00 structured settlement, payable in four equal monthly installments, offered in exchange for a lump sum payment of \$800,000.00; and (3) a third \$1,400,000.00 structured settlement, payable in four equal monthly installments, offered in exchange for a lump sum payment of \$800,000.00. *See* correspondence from David Boden which is attached hereto and incorporated herein as **Exhibit "DD."**

102. BFMC's explicit understanding from Boden and Rothstein was that the putative defendant's funds were to be held in RRA's trust account and could only be released directly to BFMC's account pursuant to an irrevocable "lock letter."

103. On or about October 15, 2009, as part of its due diligence, BFMC obtained a copy of a TD Bank "lock letter" signed by Spinoza stating that:

[p]ursuant to your written instructions to us of October 14, 2009, please be advised that all funds contained in the above referenced account shall only be distributed upon your or Stuart Rosenfeldt's instruction and shall only be distributed to BB&T (FKA: Colonial Bank), Pompano Beach Branch # 32083, (954) 943-6550, ABA#

062001319, for further credit to: BFMC Investment, LLC Account # [REDACTED].

Your letter is understood not to convey ownership of the account or access to the account to any other party, but rather is meant to irrevocably restrict conveyances as follows: conveyances shall only be made from the account referenced above to the BB&T (FKA: Colonial Bank) account # [REDACTED] belonging to BFMC Investment, LLC.

See October 15, 2009 lock letter attached hereto and incorporated herein as Exhibit "EE."

104. Later that day, and in reliance on the foregoing, BFMC wired \$2,400,000.00 to RRA's TD Bank account number [REDACTED].

Implosion of Rothstein's Ponzi Scheme

105. In October 2009, the Ponzi scheme reached critical mass. October was a huge month for investor settlement redemptions and Rothstein knew that the influx of new investor capital could not satisfy all previous investor obligations. Sensing that the end was near, Rothstein began planning his escape.

106. On October 17, 2009, Rothstein sent a firm-wide e-mail at RRA asking for help to determine whether a "client" who is facing a multitude of criminal charges in the United States--including fraud, money laundering and embezzlement--could be extradited to the United States or Israel from abroad after renouncing his United States citizenship. Rothstein's email asked for countries which did not have extradition treaties with the United States or Israel⁹ and concluded by stating that "[t]his client is related to a very powerful client of ours and so time is of the essence. Lets rock and roll... there is a very large fee attached to this case. Thanks Love ya

⁹ Not coincidentally Morocco, Rothstein's destination on October 27, 2009, was one of the countries that does not have an extradition treaty with either the United States or Israel.

Scott." See Sun-Sentinel article dated November 16, 2009 referencing the October 17, 2009 email which is attached hereto and incorporated herein as **Exhibit "FF."** Suffice it to say, Rothstein was the purported "client" and this is the first clear written indication that he knew his fate.

107. By the end of October 2009, Rothstein and RRA began to default on the investors' structured payments and the Ponzi scheme began to unravel.

108. On October 26, 2009, Linda Von Allmen spoke with Rothstein at Bova restaurant who, in between martinis, admitted that he was "having a bad day." Rothstein was joined by a woman and his bodyguard, believed to be Joe Alu, who may have witnessed this exchange.

109. On October 27, 2009, Richard Pearson, who had invested \$18,000,000.00 in the Ponzi scheme, confronted Rothstein who was sitting with Spinoza inside of Bova restaurant. Pearson, in Spinoza's presence, demanded to know why he had not received two scheduled payments due to him the week prior. Rothstein attempted to diffuse the situation leaving Spinoza visibly shaken.

110. Shortly thereafter, Rothstein proceeded to methodically drain the TD Bank RRA accounts dry, depleting virtually all of the remaining investors' money as well as the money of many of the firms' clients.

111. On the evening of October 27, 2009, Rothstein secretly boarded a private G-5 jet destined for Morocco, but not before completing a \$16,000,000.00 wire transfer to a Moroccan bank.

112. By October 30, 2009, investors began to scramble desperately attempting to reach Rothstein for answers. Unbeknownst to them Rothstein was already gone, along with their investments, as the Ponzi scheme finally buckled under the pressure of obligations due.

113. Alarmed investors frantically reached out to RRA executives and attorneys begging for information as to the whereabouts of Rothstein and their more than \$30,000,000.00 in overdue payments. Stuart Rosenfeldt (hereinafter, "Rosenfeldt") assembled a team including Boden, Stay and Grant Smith, at RRA to begin answering the deluge of investor calls by first confirming with Stay (RRA's C.F.O.) that RRA's operating and trust accounts contained more than \$1 billion dollars. Shamefully, Stay refused to provide Rosenfeldt the confirmation requested. Growing ever agitated, Rosenfeldt and the others continued to press Stay demanding to know what was going on and that she produce current account statements. Eventually Stay relented and began inconsolably crying repeating the phrase, "I don't want to go to jail." Rosenfeldt proceeded to conference call Spinsoa who initially declined to provide account balance verification but after much cajoling finally informed Rosenfeldt that the RRA accounts had been almost completely depleted.

Devastating Fallout

114. The velocity at which the Ponzi scheme cratered sent a sonic boom felt throughout the financial and legal world.

115. Reeling from its shameful missteps in connection with the Rothstein scandal, an emergency receiver was appointed for RRA on November 4, 2009 for the purpose of winding down its operations.

116. As the dust begins to settle, critical details have emerged revealing the scope and magnitude of this the nefarious scheme. By way of example Plaintiffs have discovered that:

- a. the entirety of Plaintiffs' more than \$100,000,000.00 investment is gone;
- b. plaintiffs' "lock letter" accounts were never funded with the purported settlement money and contained only a nominal deposit of \$100.00;
- c. even after Rothstein's October 27, 2009 departure to Morocco, millions of dollars continued to flow out of RRA accounts from the Fort Lauderdale TD Bank accounts, indicative of an insider(s) maintaining operations of the Ponzi scheme including, but not limited to:

i.	<u>Shimon Levy</u>	\$366,000.00
ii.	<u>Shimon Levy</u>	\$287,500.00
iii.	<u>Onyx Capital</u>	\$263,000.00
iv.	<u>Barbe Frank</u>	\$240,000.00
v.	<u>Shimon Levy</u>	\$225,000.00
vi.	<u>Obidia Levy</u>	\$250,000.00
vii.	<u>Rachel Levy</u>	\$50,000.00
viii.	<u>Daniel Minkowitz</u>	\$225,000.00
ix.	<u>Benzion Varon</u>	\$33,333.00
x.	<u>Dominic Ponatchio</u>	\$280,000.00
xi.	<u>Daniel Minkowitz</u>	\$200,000.00
xii.	<u>Daniel Minkowitz</u>	\$100,000.00
xiii.	<u>Shimon Levy</u>	\$366,666.00
xiv.	<u>Shimon Levy</u>	\$337,500.00
xv.	<u>Onyx Capital</u>	\$275,000.00
xvi.	<u>Obidia Levy</u>	\$268,000.00
xvii.	<u>Obidia Levy</u>	\$175,000.00
xviii.	<u>Moty Ban-Adon</u>	\$132,000.00
xix.	<u>Benzion Varon</u>	\$33,333.00
xx.	<u>Ahnick Kahlid</u>	\$16,000,000.00
xxi.	<u>BWS Investments</u>	\$300,000.00
xxii.	<u>Pirulin Group</u>	\$300,000.00
xxiii.	<u>Condorde Capital</u>	\$300,000.00
xxiv.	<u>National Financial</u>	\$150,000.00;

- d. in April 2009, \$53,060,000.00 in credits and \$51,560,000.00 in debits were transacted through four RRA trust accounts at TD Bank;
- e. in October 2009 \$235,000,000.00 in credits and \$232,000,000.00 in debits were transacted through the RRA accounts at TD Bank;
- f. the \$8,000,000.00 wire transfer confirmation used by Preve and Rothstein to induce Razorback's \$32,000,000.00 payment was in fact never received by RRA or TD Bank;
- g. on November 1, 2009, Mel Lifshitz of DE Securities whose group invested nearly \$100,000,000.00 into the Ponzi scheme, advised a group of investor¹⁰ victims that he personally sat with Spinoza at TD Bank and verified investment account balances;
- h. during that same meeting, Levin informed the group that he reached out to Rothstein in Morocco letting him know that Banyon stood ready to provide shortfall financing if he was having trouble making payments. Astoundingly, Levin's revealing admission took the group by surprise because one of the core "deal" tenants insured against any possible deficit by requiring a putative defendant's settlement to be funded *prior to* an investors lump sum purchase. Thus, any shortfall, even the smallest one, is patently contrary to the investment structure and obvious evidence that the monies are either being misused or are a part of a Ponzi scheme.

¹⁰ The group of investors attending the November 1, 2009 meeting include: Dean Kretschmar, Ted Morse, Ed Morse, Richard Pearson, Ira Sochet, Mel Lifshitz, AJ Discala, Mac Melvin, Mark Nordlicht, Jack Simony, Steve Jackel, Laurence King, Steve Levin, George Levin, Frank Preve, Barry Bekkedam, and Michael Szafranski.

- i. Plaintiffs now believe that Levin's statement was a thinly-veiled attempt to cover his tracks after Rothstein rejected Levin's last-ditch efforts to persuade Rothstein to keep the Ponzi scheme going. In support, Plaintiffs rely on a October 31, 2009 email from Preve to Rothstein stating that "We [Levin and Preve] understand that the shortage is **now 300m which is still manageable if we have your cooperation.** Let me know," to which Rothstein responds, "[t]hat is not the shortage . . . that is the amount of money needed to give the investors back their money. I really just need to end it frank. It will make it easier for everyone." (emphasis added). The attempt to try and "manage" the hole created now presumes that Levin and Preve had knowledge of a prior deficit and serves as an unwitting admission of their involvement in the perpetuation of the Ponzi scheme;
- j. sometime in the Spring or Summer of 2009, Ted Morse was personally provided with a written account balance statement by Caretsky at TD Bank;
- k. on July 27, 2009 Rothstein transferred a property with an assessed value of \$407,750.00 to Villegas for "love and affection" and \$100.00. Notwithstanding owning the property free and clear, Villegas who earned \$250,000.00 a year, decided to pull \$100,000.00 out of the property days prior to the IRS filing of a forfeiture *in rem* complaint against the property;
- l. Berenfeld's audited financial statements for the affiliated Banyon entities confirmed finance receivables of \$517,404,505.00 due from RRA

settlements worth more than \$1,100,000,000.00. See Composite Exhibit
‘D.’ As now discovered, these verified finance receivables were pure
fiction. Incontrovertibly, Berenfeld either willfully participated in this
fraud or knew or should have known as part of the audit process that the
finance receivables were fabricated and incapable of being independently
verify;

- m. Berenfeld’s complicity in the Ponzi scheme is further compounded by
their role as accountants for RRA and Rothstein and Rosenfeldt
individually providing them with first-hand knowledge of the patent
inconsistencies between Banyon’s purported verified audited receivables
and RRA’s actual numbers;
- n. due to the vast complexity in maintaining the Ponzi scheme’s fraudulent
accounting, it is only sophisticated accountants could have accounted for
“phantom” investments over a period of four years allowing the Principal
Conspirators to generate falsified statements necessary to dupe investors;
- o. Ballamor and Mr. Bekkedam received a \$5,000,000.00 “loan” from Levin
for procuring investor funds along with a \$18,000,000.00 investment
through Ballamor into Nova Bank, a Pennsylvania bank;
- p. the TD Bank account statements provided and verified by Szafranski were
completely fabricated and incapable of being confirmed. In most
instances, there was either no money in the settlement accounts or the
amounts contained were hundreds of millions less than what was

in the statements (see Comparison Chart of Actual Account
h Provided Deal Account Statements as attached hereto and
herein as **Composite Exhibit "GG."**); and

her knew or certainly should have known of the criminality
irregularities of RRA's operations. Alternatively, TD Bank's
or omissions in not conducting any due diligence inquiry into
cious activities, unorthodox settlement structures, lack of
document and vigilant (if not obsessive) control over account
ther deliberate or reckless.

not be operated without insider help. Plaintiffs believe that
ding its non-lawyer investigators, were used by Rothstein to
he Ponzi scheme. The details of these individuals or entities
resently unknown but further allegations and counts will be
d information concerning the complicity of these individuals

represented
Balances w
incorporated
q. TD Bank ei
and/or gross
actions and/
RRA's susp
supporting d
access was e

117. A Ponzi scheme can
additional members of RRA, including
perpetuate, promote and facilitate the
involvement and participation is planned
added as discovery is conducted and
or entities is confirmed.

Jurisdiction and Venue

iction over this matter as an action for damages in excess of
ys' fees, costs and interest.

Broward County, Florida, pursuant to § 47.011, Fla. Stat.,
Broward County, Florida and the cause of action accrued in

ent, if any, have been met, waived or excused.

118. This court has jurisdiction over
\$100,000,000.00 exclusive of attorney fees.

119. Venue is appropriate
because the Defendants' reside in
Broward County, Florida.

120. All conditions prece

gned firm and have agreed to pay it a

MISREPRESENTATION
Rothstein)

ontained in paragraphs 1 through 107121 as

sentation.

tein was operating a Ponzi scheme through

Rothstein knowingly made material false statements and representations that they had been fully funded, and that they would be paid out to investors over a predetermined schedule.

vestors to act on his knowingly false

d upon Rothstein's representations to their

Rothstein's false statements, The Banyon

Trustee of the VON ALLMEN DYNASTY
LLMEN, as Trustee of the DAVID VON
as Trustee of the ANN VON ALLMEN

121. Plaintiffs have retained the undersigned firm and have agreed to pay it a reasonable fee.

COUNT 41 - FRAUDULENT MISREPRESENTATION (against Scott Rothstein)

122. Plaintiffs incorporate the allegations contained in paragraphs 1 through 107121 as if restated herein.

123. This is a claim for fraudulent misrepresentation.

124. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

125. In furtherance of the Ponzi scheme, Rothstein made material false statements and representations, including but not limited to representing that the settlement agreements purchased by investors were real, that would be paid out to investors over a predetermined schedule.

126. Rothstein intended the Banyon Investors to act on his knowingly false representations.

127. The Banyon Investors justifiably relied upon Rothstein's representations to their detriment.

128. As a direct and proximate result of Rothstein's representations, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN, as TRUSTEE; D&L PARTNERS, LP.; DAVID VON ALLMEN, as TRUSTEE; DAVID VON ALLMEN, as TRUSTEE; ANN VON ALLMEN, as TRUSTEE; and DAVID VON ALLMEN, as TRUSTEE, respectfully demand judgment against the Defendants for the relief set forth in the foregoing paragraphs.

LIVING TRUST; and DEAN KRETSCHMAR request judgment against SCOTT ROTHSTEIN
for compensatory damages, together with court costs and such further relief as the Court deems
proper.

COUNT H2 - FRAUDULENT MISREPRESENTATION
(against Jennifer Kerstetter)

129. Plaintiffs incorporate the allegations contained in paragraphs 1 through 407121 as
restated herein.

130. This is a claim for fraudulent misrepresentation.

131. As described more fully above, Rothstein was operating a Ponzi scheme through
his firm, RRA, and through TD Bank.

132. In furtherance of the Ponzi scheme, Kerstetter knowingly made material false
statements and representations including, but not limited to, supplying investors with false bank
account statements.

133. Kerstetter intended the Banyon Investors to act on her knowingly false
representations.

134. The Banyon Investors justifiably relied upon Kerstetter's representations to their
 detriment.

135. As a direct and proximate result of Kerstetter's false statements, the Banyon
investors have sustained damages.

WHEREFORE, THE LINDA VON ALLMEN, as Trustee of the VON ALLMEN
YNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID

VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against JENNIFER KERSTETTER for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 443 - FRAUDULENT MISREPRESENTATION
(against Roseanne Caretsky)

136. Plaintiffs incorporate the allegations contained in paragraphs 1 through 107-121 as if restated herein.

137. This is a claim for fraudulent misrepresentation.

138. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

139. In furtherance of the Ponzi scheme, Caretsky knowingly made material false statements and representations including, but not limited to, supplying investors with false bank account statements.

140. Caretsky intended the Banyon Investors to act on her knowingly false representations.

141. The Banyon Investors justifiably relied upon Caretsky's representations to their detriment.

142. As a direct and proximate result of Caretsky's false statements, the Banyon Investors have sustained damages.

E, THE LINDA VON ALLMEN, as Trustee of the VON ALLMEN
D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID
NG TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN
and DEAN KRETSCHMAR request judgment against ROSEANNE
compensatory damages, together with court costs and such further relief as the

WHEREFOR

DYNASTY TRUST;

VON ALLMEN LIV

LIVING TRUST; a

CARETSKY for com

Court deems proper.

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COUNT IV4 - FRAUDULENT MISREPRESENTATION
(against TD Bank, N.A.)

143. Plaintiffs incorporate the allegations contained in paragraphs 1 through 107¹²¹ as if restated herein.

144. This is a claim for fraudulent misrepresentation.

145. At all times material hereto, Kerstetter was acting in the scope of her employment as an assistant manager of TD Bank.

146. At all times material hereto, Caretsky was acting in the scope of her employment as an assistant vice president and branch manager of TD Bank.

147. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

148. In furtherance of the Ponzi scheme, TD Bank, through Kerstetter and Caretsky, knowingly made material false statements and representations including, but not limited to, supplying investors with false bank account statements.

149. TD Bank, through Kerstetter and Caretsky, intended the Banyon Investors to act on their knowingly false representations.

150. The Banyon Investors justifiably relied upon TD Bank's through Kerstetter's and Caretsky's representations to their detriment.

151. As a direct and proximate result of TD Bank's, made through Kerstetter's and Caretsky's, false statements, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN, as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN

LIVING TRUST; and DEAN KRETSCHMAR request judgment against TD BANK, N.A., for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT V5 - FRAUDULENT MISREPRESENTATION
(against George G. Levin)

152. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

153. This is a claim for fraudulent misrepresentation.

154. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

155. In furtherance of the Ponzi scheme, Levin knowingly made material false statements and representations including, but not limited to, representing that the settlement agreements purchased by investors were real, that they had been fully funded, and that they would be paid out to investors over a predetermined schedule.

156. Levin intended the Banyon Investors to act on his knowingly false representations.

157. The Banyon Investors justifiably relied upon Levin's representations to their detriment.

158. As a direct and proximate result of Levin's false statements, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN

DEAN KRETSCHMAR request judgment against GEORGE LEVIN for
s, together with court costs and such further relief as the Court deems

LIVING TRUST; and
compensatory damages
proper.

COUNT 6 - FRAUDULENT MISREPRESENTATION
(against Frank Preve)

Is incorporate the allegations contained in paragraphs 1 through 121 as if

claim for fraudulent misrepresentation.

cribed more fully above, Rothstein was operating a Ponzi scheme through
ough TD Bank.

erance of the Ponzi scheme, Preve knowingly made material false
entations including, but not limited to, representing that the settlement
by investors were real, that they had been fully funded, and that they
vestors over a predetermined schedule.

intended the Banyon Investors to act on his knowingly false

Banyon Investors justifiably relied upon Preve's representations to their

direct and proximate result of Preve's false statements, the Banyon Investors

LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY
ERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON
UST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN

159. Plaintiff
restated herein.

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his firm, RRA, and the

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statements and representations
agreements purchased
would be paid out to in

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representations.

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detiment.

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have sustained damage

WHEREFORE

TRUST; D&L PART
ALLMEN LIVING TR

LIVING TRUST; and DEAN KRETSCHMAR request judgment against FRANK PREVE for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 7 - FRAUDULENT MISREPRESENTATION
(against Banyon Income Fund, LP, and Banyon USVI, LLC)

166. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

167. This is a claim for fraudulent misrepresentation.

168. At all times material hereto, Levin was acting in the scope of his employment as the chief executive officer of Banyon USVI and BIF.

169. At all times material hereto, Preve was acting in the scope of his employment as the chief operating officer or agent of Banyon USVI and BIF.

170. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

171. In furtherance of the Ponzi scheme, Banyon USVI and BIF, through Levin and Preve, knowingly made material false statements and representations including, but not limited to, representing that the settlement agreements purchased by investors were real, that they had been fully funded, and that they would be paid out to investors over a predetermined schedule.

172. Banyon USVI and BIF, through Levin and Preve, intended the Banyon Investors to act on their knowingly false representations.

173. The Banyon Investors justifiably relied upon Banyon USVI's and BIF's, through Levin's and Preve's, representations to their detriment.

174. As a direct and proximate result of Banyon USVI's and BIF's, made through Levin's and Prevc's, false statements and representations, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against BANYON INCOME FUND, LP, and BANYON USVI, LLC., for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 8 - FRAUDULENT MISREPRESENTATION
(against Michael Szfranski)

175. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

176. This is a claim for fraudulent misrepresentation.

177. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

178. In furtherance of the Ponzi scheme, Szfranski knowingly made material false statements and representations including, but not limited to, verifying false bank statements and deal documents.

179. Szfranski intended the Banyon Investors to act on his knowingly false representations.

180. The Banyon Investors justifiably relied upon Szfranski's representations to their detriment.

181. As a direct and proximate result of Szfranski's false statements, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against MICHAEL SZFRANSKI for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 9 - FRAUDULENT MISREPRESENTATION
(against Onyx Capital Management)

182. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

183. This is a claim for fraudulent misrepresentation.

184. At all times material hereto, Szfranski was acting in the scope of his employment as president of Onyx.

185. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

186. In furtherance of the Ponzi scheme, Onyx, through Szfranski, knowingly material false statements and representations, including, but not limited to, verifying false bank statements and deal documents.

187. Onyx, through Szfranski, intended the Banyon Investors to act on its knowingly false representations.

188. The Banyon Investors justifiably relied upon Onyx's, through Szfranski's, representations to their detriment.

189. As a direct and proximate result of Onyx's, made through Szfranski's, false representations, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against ONYX CAPITAL MANAGEMENT, for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 10 - FRAUDULENT MISREPRESENTATION
(against Berenfeld Spritzer Shechter Sheer, LLP)

190. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

191. This is a claim for fraudulent misrepresentation.

192. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

193. In furtherance of the Ponzi scheme, Berenfeld knowingly made material false statements and representations including, but not limited to, providing false auditing documents relating to Banyon and RRA.

194. Berenfeld intended the Banyon Investors to act on its knowingly false representations.

195. The Banyon Investors justifiably relied upon Berenfeld's representations to their detriment.

196. As a direct and proximate result of Berenfeld's false statements, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against BERENFELD SPRITZER SHECHTER SHEER, LLP, for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 11 - NEGLIGENT MISREPRESENTATION
(against Jennifer Kerstetter)

197. Plaintiffs incorporate the allegations contained in paragraphs 1 through 407[121 as if restated herein.

198. This is a claim for negligent misrepresentation.

199. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

200. In furtherance of the Ponzi scheme, Kerstetter made material false statements and representations including, but not limited to, supplying investors with false bank account statements.

201. When making the false statements and representations, Kerstetter either knew or reasonably should have known that they were false.

202

now that the Banyon Investors were placing trust and confidence in her and relying on
m them.

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her to infor

Kerstetter breached her duty to the Banyon Investors by making false
ions with the intention that the Banyon Investors rely on them.

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representa

The Banyon Investors justifiably relied upon Kerstetter's representations to their
detriment.

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Investors h

As a direct and proximate result of Kerstetter's false statements, the Banyon
ave sustained damages.

WHEREFORE, LINDA VON ALLMEN, as Trustee of the VON ALLMEN DYNASTY
D&L PARTNERS, LP.; DAVID VON ALLMEN, as Trustee of the DAVID VON
LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN
TRUST; and DEAN KRETSCHMAR request judgment against JENNIFER
TER for compensatory damages, together with court costs and such further relief as
leems proper.

COUNT V12 - NEGLIGENT MISREPRESENTATION
(against Roseanne Caretsky)

206

herein.

207

This is a claim for negligent misrepresentation.

208

As described more fully above, Rothstein was operating a Ponzi scheme through
RA, and through TD Bank.

his firm, R

209. In furtherance of the Ponzi scheme, Caretsky made material false statements and representations, including, but not limited to, showing investors false statements of the amounts in RRA trust accounts.

210. When making the false statements and representations, Caretsky either knew or reasonably should have known that they were false.

211. Caretsky owed the Banyon Investors a duty of care because she knew or had reason to know that the Banyon Investors were placing trust and confidence in her and relying on her to inform them.

212. Caretsky breached her duty to the Banyon investors by making false representations with the intention that the Banyon Investors rely on them.

213. As a direct and proximate result of Caretsky's false statements, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN, as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against ROSEANNE CARETSKY for compensatory damages, together with court costs and such further relief as the Court deems proper.

UNIT VII13 - NEGLIGENT MISREPRESENTATION
(against TD Bank, N.A.)

ffs incorporate the allegations contained in paragraphs 1 through 407121 as
a claim for negligent misrepresentation.

times material hereto, Kerstetter was acting in the scope of her employment
er of TD Bank.

times material hereto, Caretsky was acting in the scope of her employment
resident and branch manager of TD Bank.

scribed more fully above, Rothstein was operating a Ponzi scheme through
through TD Bank.

herance of the Ponzi scheme, TD Bank, through Kerstetter and Caretsky,
statements and representations, including, but not limited to, showing
ents of the amounts in RRA trust accounts.

making the false statements and representations, TD Bank, through
ky, either knew or reasonably should have known that they were false.

ank owed the Banyon Investors a duty of care because it knew or had reason
nyon Investors were placing trust and confidence in it and relying on it to

Bank breached its duty to the Banyon Investors by making false
ugh Kerstetter and Caretsky, with the intention that the Banyon Investors

214. Plaintiff

if restated herein.

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as an assistant vice pr

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his firm, RRA, and th

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Kerstetter and Carets

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DYNASTY
AVID VON
ALLMEN
C. N.A., for
Court deems
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tements and
agreements
ould be paid
er knew or

223. The Banyon Investors justifiably relied upon TD Bank's, through Kerstetter and Caretsky's, representations to their detriment.

224. As a direct and proximate result of TD Bank's representations, made Kerstetter and Caretsky, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN, as Trustee of the VON ALLMEN TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against TD BANK for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT VIII14 - NEGLIGENT MISREPRESENTATION
(against George G. Levin)

225. Plaintiffs incorporate the allegations contained in paragraphs 1 through 224, and add the following:
restated herein.

226. This is a claim for negligent misrepresentation.
227. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

228. In furtherance of the Ponzi scheme, Levin made material false statements and representations including, but not limited to, representing that the settlement purchases by investors were real, that they had been fully funded, and that they would be paid out to investors over a predetermined schedule.

229. When making the false statements and representations, Levin either reasonably should have known that they were false.

30. Levin owed the Banyon Investors a duty of care because he knew or had reason to
at the Banyon Investors were placing trust and confidence in him and relying on him to
them.

31. Levin breached his duty to the Banyon investors by making false representations
intention that the Banyon Investors rely on them.

32. The Banyon Investors justifiably relied upon Levin's representations to their
detriment.

33. As a direct and proximate result of Levin's false statements, the Banyon Investors
sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY
D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON
LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN
TRUST; and DEAN KRETSCHMAR request judgment against GEORGE LEVIN for
damages, together with court costs and such further relief as the Court deems
proper.

COUNT 15 - NEGLIGENT MISREPRESENTATION
(against Frank Preve)

34. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if
herein.

35. This is a claim for negligent misrepresentation.

36. As described more fully above, Rothstein was operating a Ponzi scheme through
RRA, and through TD Bank.

237. In furtherance of the Ponzi scheme, Preve made material false statements and representations including, but not limited to, representing that the settlement agreements purchased by investors were real, that they had been fully funded, and that they would be paid out to investors over a predetermined schedule.

238. When making the false statements and representations, Preve either knew or reasonably should have known that they were false.

239. Preve owed the Banyon Investors a duty of care because he knew or had reason to know that the Banyon Investors were placing trust and confidence in him and relying on him to inform them.

240. Preve breached his duty to the Banyon investors by making false representations with the intention that the Banyon Investors rely on them.

241. The Banyon Investors justifiably relied upon Preve's representations to their detriment.

242. As a direct and proximate result of Preve's false statements, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against FRANK PREVE for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 16 - NEGLIGENT MISREPRESENTATION
(against Banyon Income Fund, LP, and Banyon USVI, LLC)

243. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

244. This is a claim for negligent misrepresentation.

245. At all times material hereto, Levin was acting in the scope of his employment as the chief executive officer of Banyon USVI and BIF.

246. At all times material hereto, Preve was acting in the scope of his employment as the chief operating officer or agent of Banyon USVI and BIF.

247. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

248. In furtherance of the Ponzi scheme, Banyon USVI and BIF, through Levin and Preve, made material false statements and representations including, but not limited to, representing that the settlement agreements purchased by investors were real, that they had been fully funded, and that they would be paid out to investors over a predetermined schedule.

249. When making the false statements and representations, Banyon USVI and BIF, through Levin and Preve, either knew or reasonably should have known that they were false.

250. Banyon USVI and BIF owed the Banyon Investors a duty of care because it knew or had reason to know that the Banyon Investors were placing trust and confidence in it and relying on it to inform them.

251. Banyon USVI and BIF breached its duty to the Banyon Investors by making false representations, through Levin and Preve, with the intention that the Banyon Investors rely on them.

252. The Banyon Investors justifiably relied upon Banyon USVI's and BIF's, through Levin's and Preve's, representations to their detriment.

253. As a direct and proximate result of Banyon USVI's and BIF's representations, made through Levin and Preve, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against BANYON INCOME FUND, LP, and BANYON USVI, LLC., for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 17 - NEGLIGENT MISREPRESENTATION
(against Michael Szfranski)

254. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

255. This is a claim for negligent misrepresentation.

256. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

257. In furtherance of the Ponzi scheme, Szfranski made material false statements and representations including, but not limited to, verifying false bank statements and deal documents.

258. When making the false statements and representations, Szfranski either knew or reasonably should have known that they were false.

259. Szfranski owed the Banyon Investors a duty of care because he knew or had reason to know that, as an independent verifier, the Banyon Investors were placing trust and confidence in him and relying on him to inform them.

260. Szfranski breached his duty to the Banyon investors by making false representations with the intention that the Banyon Investors rely on them.

261. The Banyon Investors justifiably relied upon Szfranski's representations to their detriment.

262. As a direct and proximate result of Szfranski's false statements, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against MICHAEL SZFRANSKI for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 18 - NEGLIGENT MISREPRESENTATION
(against Onyx Capital Management)

263. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

264. This is a claim for negligent misrepresentation.

265. At all times material hereto, Szfranski was acting in the scope of his employment as president of Onyx.

266. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

267. In furtherance of the Ponzi scheme, Onyx, through Szfranski, made material false statements and representations, including, but not limited to, verifying false bank statements and deal documents.

268. When making the false statements and representations, Onyx, through Szfranski, either knew or reasonably should have known that they were false.

269. Onyx owed the Banyon Investors a duty of care because it knew or had reason to know that, as an independent verifier, the Banyon Investors were placing trust and confidence in it and relying on it to inform them.

270. Onyx breached its duty to the Banyon Investors by making false representations, through Szfranski, with the intention that the Banyon Investors rely on them.

271. The Banyon Investors justifiably relied upon Onyx's, through Szfranski's, representations to their detriment.

272. As a direct and proximate result of Onyx's representations, made through Szfranski, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against ONYX CAPITAL MANAGEMENT for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 19 - NEGLIGENT MISREPRESENTATION
(against Berenfeld Spritzer Shechter Sheer, LLP)

273. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

274. This is a claim for negligent misrepresentation.

275. As described more fully above, Rothstein was operating a Ponzi scheme through his firm, RRA, and through TD Bank.

276. In furtherance of the Ponzi scheme, Berenfeld made material false statements and representations including, but not limited to, providing false auditing documents relating to Banyon and RRA.

277. When making the false statements and representations, Berenfeld either knew or reasonably should have known that they were false.

278. Berenfeld owed the Banyon Investors a duty of care because it knew or had reason to know that, as an independent auditor, the Banyon Investors were placing trust and confidence in it and relying on it to inform them.

279. Berenfeld breached its duty to the Banyon investors by making false representations with the intention that the Banyon Investors rely on them.

280. The Banyon Investors justifiably relied upon Berenfeld's representations to their detriment.

281. As a direct and proximate result of Berenfeld's false statements, the Banyon Investors have sustained damages.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON

ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against BERENFELD SPRITZER SHECHTER SHEER, LLP, for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 20 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against Frank Spinosa)

282. Plaintiff incorporates the allegations contained in paragraphs 1 through 121 as if restated herein.

283. This is a claim for aiding and abetting breach of fiduciary duty.

284. Spinosa was aware that as trustee of the attorney trust account where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors. Spinosa was also aware that as trustee of the attorney trust account containing the funds to which the Banyon Investors had an exclusive right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

285. Spinosa was aware that Rothstein was financially exploiting the investors to their detriment, and was aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

286. Spinosa actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

287. Spinosa's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against FRANK A. SPINOSA for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 21 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against Jennifer Kerstetter)

288. Plaintiffs incorporate the allegations contained in paragraphs 1 through 407121 as if restated herein.

289. This is a claim for aiding and abetting breach of fiduciary duty.

290. Kerstetter was aware that as trustee of the attorney trust accounts where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors. Kerstetter was also aware that as trustee of the attorney trust accounts containing the funds to which the Banyon Investors had an exclusive right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

291. Kerstetter was aware that Rothstein was financially exploiting the investors to their detriment, and was aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

292. Kerstetter actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

293. Kerstetter's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN, as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against JENNIFER KERSTETTER for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT IX22 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against Roseanne Caretsky)

294. Plaintiffs incorporate the allegations contained in paragraphs 1 through 407121 as if restated herein.

295. This is a claim for aiding and abetting breach of fiduciary duty.

296. Caretsky was aware that as trustee of the attorney trust accounts where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors. Caretsky was also aware that as trustee of the attorney trust accounts containing the funds to which the Banyon Investors had an exclusive right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

297. Caretsky was aware that Rothstein was financially exploiting the investors to their detriment, and was aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

298. Caretsky actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

299. Caretsky's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN, as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against ROSEANNE CARETSKY for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT X23 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against TD Bank, N.A.)

300. Plaintiffs incorporate the allegations contained in paragraphs 1 through 107121 as if restated herein.

301. This is a claim for aiding and abetting breach of fiduciary duty.

302. At all times material hereto, Kerstetter was acting in the scope of her employment as an assistant manager of TD Bank.

303. At all times material hereto, Caretsky was acting in the scope of her employment as an assistant vice president and branch manager of TD Bank.

304. TD Bank was aware that as trustee of the attorney trust accounts where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors. TD Bank was also aware that as trustee of the attorney trust accounts containing the funds to which the Banyon Investors had an exclusive

right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

305. TD Bank was aware that Rothstein was financially exploiting the investors to their detriment, and was aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

306. TD Bank, through its employees acting within the scope of their employment, actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

307. TD Bank's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN, as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against TD BANK, N.A., for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT #24 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against Debra Villegas)

308. Plaintiffs incorporate the allegations contained in paragraphs 1 through 307-121 as if restated herein.

309. This is a claim for aiding and abetting breach of fiduciary duty.

310. Villegas was aware that as trustee of the attorney trust accounts where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty,

loyalty, and care to the Banyon Investors. Villegas was also aware that as trustee of the attorney trust accounts containing the funds to which the Banyon Investors had an exclusive right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

311. Villegas was aware that Rothstein was financially exploiting the investors to their detriment, and was aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

312. Villegas actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

313. Villegas's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN, as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against DEBRA VILLEGRAS for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT XH25 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against Irene Stay)

314. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

315. This is a claim for aiding and abetting breach of fiduciary duty.

316. Stay was aware that as trustee of the attorney trust accounts where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors. Stay was also aware that as trustee of the attorney trust accounts containing the funds to which the Banyon Investors had an exclusive right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

317. Stay was aware that Rothstein was financially exploiting the investors to their detriment, and was aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

318. Stay actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

319. Stay's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against IRENE STAY for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 26 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against George G. Levin)

320. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

321. This is a claim for aiding and abetting breach of fiduciary duty.

322. Levin was aware that as trustee of the attorney trust accounts where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors. Levin was also aware that as trustee of the attorney trust accounts containing the funds to which the Banyon Investors had an exclusive right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

323. Levin was aware that Rothstein was financially exploiting the investors to their detriment, and was aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

324. Levin actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

325. Levin's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against GEORGE G. LEVIN for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 27 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against Frank Preve)

326. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

327. This is a claim for aiding and abetting breach of fiduciary duty.

328. Preve was aware that as trustee of the attorney trust accounts where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors. Preve was also aware that as trustee of the attorney trust accounts containing the funds to which the Banyon Investors had an exclusive right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

329. Preve was aware that Rothstein was financially exploiting the investors to their detriment, and was aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

330. Preve actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

331. Preve's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against FRANK PREVE for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 28 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against Banyon Income Fund, LP, and Banyon USVI, LLC)

332. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

333. This is a claim for aiding and abetting breach of fiduciary duty.

334. At all times material hereto, Levin was acting in the scope of his employment as the chief executive officer of Banyon USVI and BIF.

335. At all times material hereto, Preve was acting in the scope of his employment as the chief operating officer or agent of Banyon USVI and BIF.

336. Banyon USVI and BIF were aware that as trustee of the attorney trust accounts where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors. Banyon USVI and BIF were also aware that as trustee of the attorney trust accounts containing the funds to which the Banyon Investors had an exclusive right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

337. Banyon USVI and BIF were aware that Rothstein was financially exploiting the investors to their detriment, and were aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

338. Banyon USVI and BIF, through its employees acting within the scope of their employment, actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

339. Banyon USVI's and BIF's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN LIVING TRUST; and DEAN KRETSCHMAR request judgment against BANYON INCOME

FUND, LP, and BANYON USVI, LLC., for compensatory damages, together with court costs and such further relief as the Court deems proper.

COUNT 29 - AIDING AND ABETTING BREACH OF FIDUCIARY DUTY
(against Michael Szfranski)

340. Plaintiffs incorporate the allegations contained in paragraphs 1 through 121 as if restated herein.

341. This is a claim for aiding and abetting breach of fiduciary duty.

342. Szfranski was aware that as trustee of the attorney trust accounts where the Banyon Investors' purported settlement funds were deposited, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors. Szfranski was also aware that as trustee of the attorney trust accounts containing the funds to which the Banyon Investors had an exclusive right to collect in the near future, Rothstein had fiduciary duties of honesty, loyalty, and care to the Banyon Investors.

343. Szfranski was aware that Rothstein was financially exploiting the investors to their detriment, and was aware that Rothstein was breaching his fiduciary obligations to the Banyon Investors.

344. Szfranski actively assisted, and provided substantial assistance, to Rothstein in his financial exploitation of the Banyon Investors and his breaches of fiduciary duty.

345. Szfranski's actions have directly caused injury and damage to the Banyon Investors.

WHEREFORE, LINDA VON ALLMEN as Trustee of the VON ALLMEN DYNASTY TRUST; D&L PARTNERS, LP; DAVID VON ALLMEN, as Trustee of the DAVID VON ALLMEN LIVING TRUST; ANN VON ALLMEN, as Trustee of the ANN VON ALLMEN