

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW HAMPSHIRE

\* \* \* \* \*

IN RE: SUSAN G. FARAH \*

\* \* \* \* \*

Case No. 10-10576-JMD

DEPOSITION OF SUSAN G. FARAH

Deposition taken at the law offices of DONCHESS &  
NOTINGER, P.C., 547 Amherst Street, Nashua, New  
Hampshire, on Wednesday, July 14, 2010, commencing at  
1:07 p.m.

Court Reporter: Kimberly Kerwin, CSCR

1 I N D E X

2

3 WITNESS: Susan G. Farah

4

5 EXAMINATION: PAGE

6

7 By Ms. Notinger 6

8

9

10 EXHIBITS MARKED FOR IDENTIFICATION:

11 FARAH DESCRIPTION PAGE

12

13 1 Schedules 17

14 2 Spreadsheet with payments 17

15 to insiders

16 3 Assignment of Purchase and 46

17 sale agreement

18 4 6/1/10 Letter, G. Cotsibas 59

19 to S. Farah

20

21

22

23 (Exhibits enclosed in original transcript.)

1 APPEARANCES:

2 For Susan G. Farah:

WILLIAM S. GANNON, P.C.

3 By: William S. Gannon, Esq.

889 Elm Street

4 Manchester, NH 03101

(603) 621-0833

5 bgannon@gannonlawfirm.com

6 For Trustee Steven Notinger:

DONCHESS & NOTINGER, P.C.

7 By: Deborah A. Notinger, Esq.

547 Amherst Street

8 Suite 204

Nashua, NH 03063

9 (603) 886-7266

debbie@dntpc.com

10

11

12

13

14

STIPULATIONS

15

It is agreed that the deposition shall be taken in the first instance in stenotype and when transcribed may be used for all purposes for which depositions are competent under New Hampshire practice.

20

Notice, filing, caption and all other formalities are waived. All objections except as to form are reserved and may be taken in court at time of trial.

21

22

23

1           It is further agreed that if the  
2 deposition is not signed within thirty (30)  
3 days after submission to counsel, the  
4 signature of the deponent is waived.

5  
6           MS. NOTINGER: I guess the usual  
7 stipulations?

8           MR. GANNON: Sure.

9           MS. NOTINGER: And do you want to  
10 swear in the witness?

11  
12                           SUSAN G. FARAH  
13 Having been duly sworn by Ms. Kerwin was  
14 deposed and testified as follows:

15  
16  
17           MR. GANNON: Just before we start do  
18 you want us to explain to you what the usual  
19 stipulations are?

20           THE WITNESS: Yes. That would be  
21 nice because I don't want know what they --

22           MR. GANNON: All right. Because  
23 it's going to probably take two of us to get

1     them all.  Remember I told you that before  
2     we came down that objections for the most  
3     part are waived until the time of trial?

4             THE WITNESS:  Okay.

5             MR. GANNON:  That's part of it.  
6     Part of it is you have 30 days to read and  
7     make corrections to your deposition  
8     testimony.

9             THE WITNESS:  Okay.

10            MR. GANNON:  And then -- and then if  
11    you don't then if you -- then everything you  
12    said is the record.

13            THE WITNESS:  Okay.

14            MR. GANNON:  Anything else?

15            MS. NOTINGER:  No.  I think that  
16    pretty much covers it.

17            MR. GANNON:  Okay.  Go ahead,  
18    Debbie.  I'm sorry.

19            MS. NOTINGER:  Okay.  That's okay.  
20    And also is it okay if I leave the door open  
21    because it gets stuffy in here.  I can close  
22    it if you want.

23            MR. GANNON:  No.  Let's leave it

1 open unless --

2 THE WITNESS: It doesn't bother me.

3 MS. NOTINGER: Okay. Great. Thank  
4 you.

5 EXAMINATION

6 BY MS. NOTINGER:

7 Q. So could you please state your full  
8 name and spell your last name for the  
9 record.

10 A. Okay. It's --

11 MR. GANNON: Deb, don't you want to  
12 swear the witness?

13 Q. Oh, I'm sorry. Did you swear the  
14 witness?

15 COURT REPORTER: I did.

16 THE WITNESS: She did.

17 MR. GANNON: I'm sorry. Now I'm  
18 done.

19 THE WITNESS: Do you need my middle  
20 name or not?

21 Q. BY MS. NOTINGER: Just your middle  
22 initial.

23 A. Susan G. Farah, F-a-r-a-h.

1 Q. Okay. And your present address  
2 where you live?

3 A. Okay. You need a P.O. box or which  
4 one?

5 Q. I'll take both.

6 A. Okay. P.O. Box 4062, Concord, New  
7 Hampshire, 03302.

8 Q. Okay.

9 A. And then my physical address is 624  
10 Alton Woods Drive, and it's in Concord, New  
11 Hampshire. And it's 03301.

12 Q. Okay. The first one is your mailing  
13 address, I take it?

14 A. First one is a mailing address, yes.

15 Q. Okay. And is that an apartment or a  
16 house where you live?

17 A. It's an apartment.

18 Q. Okay. And do you have any ownership  
19 interest in the building where you're  
20 living right now?

21 A. No.

22 Q. Have you ever had any ownership  
23 interest in that property?

1 A. No.

2 Q. Okay. I am going to -- I think the  
3 easiest thing for me to do is I wanted to  
4 go through your schedules because it'll  
5 remind you what I wanted to ask you about.  
6 And I know we already asked you a bunch of  
7 questions at the original 341 meeting, and  
8 I'm hoping that I won't be repeating too  
9 much and that I'm going to be asking you  
10 more in detail questions, okay.

11 A. Okay.

12 Q. So what I'm going to do is give you  
13 a pack of these.

14 A. Let me grab some glasses.

15 Q. Sure. I can't go anywhere without  
16 mine these days.

17 A. I think I turned 40, and you know  
18 how it is.

19 Q. I was able to hold out until 45.

20 MR. GANNON: I held out longer, but  
21 as it turned out I actually couldn't see  
22 during some of those years, so --

23 Q. BY MS. NOTINGER: And then you find

1 out later, Wow, I actually could see  
2 better.

3 Okay. So what I have done, just to  
4 tell you what -- explain to you what I did  
5 and why these schedules might look a little  
6 shorter than what you actually filed is I  
7 sort of -- I pulled out the exhibits that  
8 you filed because I wasn't --

9 A. Okay.

10 Q. -- really going to ask you about  
11 those. But I know there are more papers in  
12 there, which consist of a check register, a  
13 list of charitable givings, and I think  
14 some information on music that you --

15 A. Okay.

16 Q. -- have copyright to or have an  
17 interest in --

18 A. Yes.

19 Q. -- at some point, so I just removed  
20 those just because I don't really plan to  
21 ask about those.

22 A. Okay.

23 Q. All right. Just to make it easier

1 for all of us. So -- and I guess I'm going  
2 to skip around a little bit --

3 A. Okay.

4 Q. -- on these schedules. And I think  
5 what I'm going to do is ask you to go to  
6 Schedule B. And if you flip through --

7 THE WITNESS: Okay. And you'll have  
8 to help me find that.

9 MR. GANNON: Yep. I will try to  
10 help. It's the one that says B on it, and  
11 they are alphabetical.

12 THE WITNESS: That's it?

13 MR. GANNON: That's it, yeah.

14 THE WITNESS: That makes sense.

15 Q. BY MS. NOTINGER: Okay. And we're  
16 looking now at Schedule B, okay. Can I ask  
17 you to go back one page --

18 A. Oh, certainly.

19 Q. -- to Schedule A.

20 A. (So indicated.)

21 Q. And I want to understand on Schedule  
22 A, not the first entry about Hatch Corner  
23 Road, --

1 A. Mm-hmm.

2 Q. -- but the second entry, 61 South  
3 Main Street.

4 A. Yes.

5 Q. And then the lots six, seven and 16  
6 Northview Drive.

7 A. Mm-hmm.

8 Q. For the first one, the 61 South Main  
9 Street you are a trustee of a trust that  
10 holds that property?

11 A. Yes.

12 Q. Okay. And is that -- what is the  
13 name of that trust?

14 A. 61 South Main Street Irrevocable  
15 Trust.

16 Q. Okay. And are you also a  
17 beneficiary of that trust?

18 A. I don't really know.

19 Q. Do you have the trust documents  
20 somewhere?

21 A. I don't have them.

22 Q. Do you know who would have them?

23 A. I'm not sure who made the trust.

1 Let me think. I'm trying to think who  
2 would have the documents. Would the bank  
3 have them?

4 Q. I -- unfortunately, you don't get to  
5 ask me questions.

6 MR. GANNON: This is one of those  
7 types of questions Ms. Notinger is entitled  
8 to your best reasonable --

9 A. My best reasonable --

10 MR. GANNON: -- view of that.

11 Q. If you don't know you can answer you  
12 don't know. Your attorney can advise you  
13 whatever is appropriate.

14 A. I don't know. I -- I can I tell you  
15 what I think or --

16 MR. GANNON: Yes. As long as you  
17 qualify it.

18 A. I think I am the beneficiary, but I  
19 don't know. I haven't seen the documents  
20 in so long I just don't know.

21 Q. Do you recall when the trust was set  
22 up?

23 A. It's got to be at least ten years

1       ago.

2           Q.     Okay.

3           A.     I think it was set up -- I think the  
4       original bank that had it was Village Bank.

5           Q.     Okay.

6           A.     And it went under, the bank did.

7                   MR. GANNON:   Actually, it merged  
8       with Laconia Savings.

9           A.     It merged with Laconia Savings, so I  
10       don't know if that would help.

11          Q.     Okay.  What was the reason that this  
12       property was purchased in trust if you were  
13       the trustee and the beneficiary?

14          A.     It was going to be my children's  
15       college fund.

16          Q.     Okay.

17          A.     And it was an investment for the  
18       children's college fund.

19          Q.     Okay.  Is there any other  
20       beneficiary of the trust that you're aware  
21       of other than yourself?

22          A.     I'm -- I really don't know who is  
23       the beneficiary, so I can't --

1 Q. I understand. You think you're the  
2 beneficiary. Do you think anyone else is a  
3 beneficiary of the trust?

4 A. I have no idea.

5 Q. All right. Did you put any money  
6 down yourself to purchase the property?

7 A. Personally I didn't. I -- it's been  
8 so long ago I don't remember what happened  
9 to purchase it. I don't think we did.

10 Q. Did your husband put down any money  
11 towards it?

12 A. I don't know whether he did or not.

13 Q. Do you know whether any of his  
14 businesses put down money to purchase it?

15 A. No. I don't think so.

16 Q. How do the bills get paid, or how  
17 did the bills -- before you filed for  
18 bankruptcy how did the bills get paid for  
19 61 South Main Street?

20 A. They got paid through the rent that  
21 we got from the apartments. And --

22 Q. And where would that rent go when  
23 you got it?

1           A.    The rent went to -- it went to the  
2   office.  And there was -- there was -- one  
3   of the secretaries was -- well, not  
4   secretaries, but one of the assistants was  
5   taking care of the bills from 61 South  
6   Main.

7           Q.    When you say it went to the office  
8   what office are you talking about?

9           A.    It went to the financial -- well,  
10  the building on 15 Northview Drive.

11          Q.    Okay.

12          A.    So it was one of Scott's assistants  
13  that paid the bills.

14          Q.    And was this person who paid the  
15  bills, do you know whether that person --  
16  who is the person?  Do you know  
17  particularly who did it?

18          A.    It was Rhonda Vappi, but she -- she  
19  just wrote out the checks.

20          Q.    Okay.  Was she -- do you know  
21  whether she -- well, first of all, did 61  
22  South Main Street Trust have any employees?

23          A.    We hired a contractor to help

1 renovate the buildings. I don't know if  
2 that's -- that's not an employee.

3 Q. Okay.

4 A. I don't --

5 Q. So was Rhonda Vappi paid by 61 South  
6 Main Street Trust?

7 A. No.

8 Q. She was paid by --

9 A. She was paid by Scott.

10 Q. Scott individually?

11 A. Financial Resources.

12 Q. By Financial Resources?

13 A. Yeah.

14 Q. Okay. As far as you know?

15 A. Yeah.

16 Q. Who was the contractor that you  
17 hired to renovate the buildings?

18 A. Mark Carpenter.

19 Q. What is your relationship with  
20 Mr. Carpenter, because I see just in our  
21 paperwork -- and, frankly, we have so much  
22 paperwork in this case --

23 A. I imagine.

1 Q. -- it'll take me a while to find it.  
2 There are a ton of checks to him.

3 A. Is that from Financial Resources?

4 Q. Well, it's from either Financial  
5 Resources or CL&M. Here it is. I'm sorry.

6 A. Okay.

7 MS. NOTINGER: Let me look at this.  
8 This is something I put out, and I'm sorry.  
9 I should have marked your schedules as  
10 Exhibit A.

11 (Farah Exhibit 1 was  
12 marked for identification.)

13 MS. NOTINGER: Okay. So I'm sorry.  
14 That was going to be Farah 1. As usual I  
15 got out of order here, but I would like to  
16 mark this as Farah No. 2.

17 (Farah Exhibit 2 was  
18 marked for identification.)

19 Q. BY MS. NOTINGER: Okay. So looking  
20 on Farah No. 2?

21 A. Yes.

22 Q. I don't expect you to tell me what  
23 account this is, but I will represent to

1 you that this is a bank account. These are  
2 some records from a bank account. It's a  
3 summary created by Bertalino Ahloee (ph),  
4 who's been hired as accountant by the  
5 trustee.

6 A. Mm-hmm.

7 Q. And this is a summary of checks that  
8 they have made from a bank account in the  
9 name of Financial Resources Mortgage, Inc.

10 A. Okay.

11 Q. And it is payments within one year  
12 of the bankruptcy filing by Financial  
13 Resources, Inc.

14 A. Mm-hmm.

15 Q. Okay.

16 A. Are these all to Mark Carpenter?

17 Q. Well, if you look at --

18 A. Oh, okay. I see now.

19 Q. It says payee in the last column.

20 A. Yeah.

21 Q. Okay. And if you look on page --

22 MR. GANNON: Are they alphabetical?

23 Q. They are alphabetical.

1 A. I see page six starting on page six.

2 MR. GANNON: Six of 20.

3 Q. About two thirds of the way down.

4 A. Okay, yes.

5 Q. You see checks --

6 A. Mm-hmm.

7 Q. -- within the last year of the  
8 bankruptcy filing --

9 A. Right.

10 Q. -- to Mark Carpenter --

11 A. Right.

12 Q. -- from this account in the amount  
13 of \$320,000 --

14 A. Okay.

15 Q. -- 529 -- 320,529.46?

16 MR. GANNON: Is that a  
17 representation of what they total up to?

18 Q. Yes. That's a representation by me.  
19 I know you can't verify.

20 MR. GANNON: Oh, actually, we can.  
21 It says it.

22 THE WITNESS: Yes. I've got it  
23 right here.

1 Q. BY MS. NOTINGER: So as a statement  
2 to you you just said that Mr. Carpenter  
3 worked on 61 South Main --

4 A. Right.

5 Q. -- as a contractor?

6 A. Right.

7 Q. Do you know what percentage of these  
8 payments to him, if any, have to do with 61  
9 South Main Street?

10 A. I think it's probably all of them.

11 Q. Okay.

12 A. I did not pay Mark Carpenter.

13 Q. How did he get to be doing this work  
14 for 61 South Main Street?

15 A. Scott paid him through Financial  
16 Resources. That's what I understood.

17 Q. Okay. And when you were -- were you  
18 involved in setting that up?

19 A. No, no. I wasn't at all.

20 Q. Okay. Were you aware that  
21 Mr. Carpenter was being paid this kind of  
22 money by Financial Resources?

23 A. Yes, I was.

1 Q. What -- have you been by 61 South  
2 Main Street?

3 A. Yes, I have.

4 Q. Do you know what it looks like?

5 A. Yes, I do.

6 Q. Would you agree with me that it is  
7 essentially low income housing that's not  
8 in very good shape?

9 A. Yes.

10 Q. Okay. Do you have any idea what  
11 Mr. Carpenter did with this \$320,000?

12 A. I don't know how to answer that. I  
13 can tell you what -- what I -- what my  
14 relationship with Mr. Carpenter is.

15 Q. Okay.

16 A. Does that help you?

17 Q. Well, why don't we start with that,  
18 yes. That would help.

19 A. Okay. Let's see. Scott hired Mark  
20 to work on 61 South Main Street. And I  
21 don't know if it was a few months after  
22 that he asked me to go in and just try  
23 to -- try to see what was being done and --

1 Q. Scott asked you to do that or Mark  
2 did?

3 A. Scott asked me to go in to see, you  
4 know, to kind of -- I'm trying to think how  
5 to -- just to see what Mark was doing and  
6 what was -- how to -- how to --

7 Q. What his progress was?

8 A. What his progress was, yeah.

9 Q. Okay. Do you know when you did  
10 that?

11 A. I think it was probably -- it's got  
12 to be around -- it was in the spring of  
13 2008 I think because I think that's when  
14 I'm pretty sure that's when it was, so --

15 Q. So in looking at this, if I could  
16 just interrupt you for a second --

17 A. Yeah.

18 Q. -- because I'll forget my question.  
19 I have payments on this list because it's  
20 only payments starting one year prior to  
21 the bankruptcy, starting on December 5th of  
22 2008.

23 A. Right.

1 Q. But it's your recollection that  
2 Mr. Carpenter was working on 61 South Main  
3 earlier than that, at least back to the  
4 spring of '08?

5 A. Well, the spring.

6 Q. Or are you getting your years mixed  
7 up?

8 A. I may be. I'm trying to think.

9 MR. GANNON: Take -- if I may, take  
10 your time.

11 A. Yeah.

12 MR. GANNON: Nobody wants you to  
13 rush. They just want you to be as accurate  
14 as you can be, so --

15 A. Okay.

16 MR. GANNON: -- just think.

17 A. Let me just think about this for a  
18 minute and see if I can recall. I have the  
19 bills. Does that help you guys, --

20 Q. That would help me.

21 A. -- from Mark Carpenter, or we do  
22 have a copy of those.

23 Q. You have a copy of invoices that he

1 gave you?

2 A. Of invoices that he gave.

3 Q. Okay.

4 A. And that would give you an idea of  
5 when he started working.

6 Q. Okay. Could you give those to your  
7 attorney, --

8 A. Yeah.

9 Q. -- and he'll provide them to me.

10 A. Yeah.

11 Q. Okay.

12 MR. GANNON: Do I already have them?

13 THE WITNESS: You have them.

14 MR. GANNON: Okay.

15 THE WITNESS: It's in that 61 South  
16 Main Street.

17 MR. GANNON: Maybe possibly next  
18 week you and Beth can figure out where they  
19 are.

20 MS. NOTINGER: That's fine.

21 THE WITNESS: That might give you an  
22 idea.

23 MS. NOTINGER: That would be

1 helpful.

2 THE WITNESS: That would probably be  
3 the best thing.

4 MR. GANNON: Okay. You said you'd  
5 give them, Ms. Notinger said it was helpful,  
6 so now she's going to ask you another  
7 question.

8 Q. BY MS. NOTINGER: Okay. When you  
9 went to see the progress of the building,  
10 whenever that was, and I understand that  
11 we're going to get some invoices that may  
12 allow us to pinpoint that a little better,  
13 were there improvements actually being made  
14 to the property?

15 A. There were improvements being made  
16 on a steady basis, --

17 Q. Okay.

18 A. -- but --

19 Q. When was the last time --

20 A. -- they were slow.

21 Q. -- you were at 61 South Main?

22 A. Probably October of 2009.

23 Q. So about a month or two before the

1 bankruptcy --

2 A. Yeah.

3 Q. -- happened? Did you see that  
4 \$320,000 worth of improvements had been  
5 made in the last year?

6 A. I did not think that there was that  
7 much of improvements that was made.

8 Q. All right.

9 A. No.

10 Q. You said you were aware that he was  
11 being paid. Did you ever look at those  
12 invoices on an ongoing basis and see what  
13 was being paid?

14 A. Yes, I did.

15 Q. Did you approve those payments?

16 A. I looked at the invoices and gave  
17 them to Scott.

18 Q. Okay.

19 A. So I don't --

20 Q. Where did the invoices come? Did  
21 they come to your house, to a P.O. box?  
22 Did they go to FRM's office?

23 A. No. They came to -- I had -- for a

1 little while I had an office in that  
2 building, in the FRM building.

3 Q. This is at 15 Northview Drive?

4 A. Yeah. 15 Northview Drive.

5 Q. In Meredith?

6 A. Yep. I was working on the Matark,  
7 and that was part of the -- this service  
8 that I was offering within Matark was just  
9 looking -- you know, going to see  
10 properties and stuff, but -- so Mark  
11 Carpenter gave me the invoices, and I just  
12 handed them over to Scott.

13 Q. Okay. Did you review them at all?

14 A. I did look at them and so --

15 Q. Did you ever --

16 A. And I still have the invoices.

17 Q. Okay. You still have them. Did you  
18 ever refuse to pay any of the invoices?

19 A. I didn't pay them, so --

20 Q. Okay. Well, did you ever tell  
21 Scott, We shouldn't pay these invoices?

22 A. I had a concern that he was  
23 overcharging us --

1 Q. And --

2 A. -- or overcharging, you know.

3 Q. Did you tell that concern to  
4 anybody?

5 A. Yeah. I told it to Scott.

6 Q. And what did he say about that?

7 A. Well, I think he voiced a concern  
8 also. It -- it seemed that he was trying  
9 to get Mark to finish up. In fact, he was  
10 trying to get Mark to finish up to a point  
11 where he could stop the work on 61 South  
12 Main.

13 Q. What exactly was he supposed to be  
14 doing at 61 South Main?

15 A. He was supposed to renovate the  
16 buildings and turn them into condos to  
17 sell.

18 Q. And what -- what do you mean by  
19 renovate? What exactly was he supposed to  
20 do?

21 A. Well, each of the units needed to be  
22 renovated so that you could, you know, sell  
23 them individually. There's -- and I have

1       this document, too, if you need it.  There  
2       is a document that Phil Brouillard drew up  
3       that took the -- you know, that we got the  
4       apartment buildings approved to go into  
5       condos, and so he's got condo docs and  
6       everything.

7           Q.    Right.

8           A.    And that was -- the plan was to try  
9       to take the -- you know, take this unit  
10      and --

11          Q.    And condoize?

12          A.    Yeah.  And sell it.

13          Q.    Do you know specifically, though,  
14      what kinds of renovations had to be done?  
15      Did the roof have to be replaced?

16          A.    Yeah.

17          Q.    Did the electrical have to be  
18      redone?  What -- what exactly had to be  
19      done?

20          A.    Yeah.  That I can probably tell you.

21          Q.    Okay.

22          A.    The roofs on all three buildings had  
23      to be replaced except one side, I think, on

1 the second building they didn't replace.  
2 They had to put fire walls between the  
3 second building. They had to redo the  
4 electric on almost everything. The  
5 plumbing was out. They had to do some  
6 structural things to the first and second  
7 building. They had to redo sewer lines and  
8 the water lines because they were broken  
9 underneath the ground. What else did they  
10 do? I'm trying -- trying to think what  
11 else.

12 Q. Well, let me --

13 A. I'm sorry.

14 Q. That's okay. I mean, you've named a  
15 fair amount of things.

16 A. Yes.

17 Q. Would you agree with me that most of  
18 those things you just described have not  
19 been done to this property?

20 A. Those are the things that have been  
21 done to the property.

22 Q. Those have been done?

23 A. Yes.

1 Q. Okay.

2 A. Yeah. They repainted the place  
3 three times, but those are the things that  
4 have been done.

5 Q. Okay.

6 A. I went out there on a regular basis  
7 to check to see what had been done. And  
8 with the sewer lines they had everything  
9 torn up. They had to redo it out to the  
10 street. The water lines were the same.  
11 They had to redo it out to the street.

12 Q. And redo water lines to all three  
13 buildings?

14 A. They got it all set up so that each  
15 condo had its own water line. It's not  
16 completely together yet, but they have got  
17 it set up to hook up that way. I'm trying  
18 to think what else.

19 Q. Okay. Well, that's fine. Do you  
20 know why -- why was FRM paying for all the  
21 renovations?

22 A. I don't know.

23 Q. Do you know what kind of rental

1 income as a whole this project generated on  
2 a monthly basis?

3 A. No, I don't. I really don't know  
4 what the rent was. I know a couple of  
5 people, what their individual rents were,  
6 but I don't know that income total.

7 Q. Okay. Would it be fair to say, if  
8 you know, that the rental income on a  
9 monthly basis was nowhere near enough to  
10 pay for these kinds of renovations?

11 A. Oh, yeah. That's very fair to say.

12 Q. Okay. All right. All right. And  
13 you have here on -- I'm going back now to  
14 your Schedule A --

15 A. Okay.

16 Q. -- on the first exhibit.

17 A. Okay. Are we on part B still?

18 Q. Well, we're on Schedule A. It's  
19 right before part B.

20 A. Got you.

21 MR. GANNON: She's asking about  
22 this. (Indicating.)

23 Q. I'm still asking about 61 South

1 Main.

2 A. Okay.

3 Q. All right. Would you -- do you  
4 still think that the current market value  
5 of 61 South Main Street is \$200,000?

6 A. I was told by the realtor that had  
7 it for sale, you know, with RE/MAX that she  
8 thought she could get about 300,000, but  
9 she had a buyer for \$200,000.

10 Q. Okay.

11 A. And --

12 Q. Is it fair to say at this point, and  
13 I think -- for the record, I think we have  
14 it listed for sale at about 300, as I  
15 recall. So would it be fair to say that  
16 the value of 61 South Main Street is  
17 somewhere between two and \$300,000?

18 A. I think so.

19 Q. And there are how many units there?

20 A. Let's see. Eight.

21 Q. All right. And -- but the two to  
22 300,000 value is for the whole thing, not  
23 just per unit, --

1 A. Right.

2 Q. -- correct? Okay. All right.

3 Let's move on to the next thing I wanted to  
4 ask you about. Well, why don't I ask you  
5 about lots six, seven and 16 Northview  
6 Drive.

7 A. Okay.

8 Q. Just quickly, so that I cover the  
9 other one issue listed on Schedule A.

10 Again, --

11 A. Okay.

12 Q. -- that is a -- those are pieces of  
13 property that are owned by a trust, is that  
14 true, that you are the trustee of?

15 A. Yes. Are these -- I'm sorry. I  
16 hate to ask you, but these are just the  
17 lots. They are not the 61 South -- I mean,  
18 not the Northview Drive building?

19 Q. Well, that's -- you know, you have  
20 to answer that yourself. I -- I don't  
21 know.

22 A. I don't, either.

23 Q. I assumed that one of these lots --

1 A. Oh.

2 Q. -- contains the building at 15

3 Northview Drive.

4 A. I would assume so.

5 Q. But you need to tell me rather than  
6 have me tell you.

7 A. I know. That sounds crazy. I don't  
8 know. I know that there are lots --

9 Q. Okay.

10 A. -- that I signed for that -- that  
11 they merged into Northview Drive. And I'm  
12 assuming this is the ones that -- you know,  
13 including Northview Drive building,  
14 including the building FRM was in.

15 Q. Okay.

16 A. I'm assuming that. I don't know.

17 Q. All right. But assuming that you  
18 are correct and that this is meant to  
19 encompass that building, what is the name  
20 of the trust that holds those properties?

21 A. Oh, goodness. It's on the checking  
22 account that I sent to you guys. I think  
23 it's the Northview Drive Trust of 1995.

1 Q. Okay. And you're saying that  
2 there's a checking account for that?

3 A. Yeah. There's -- there was  
4 something I sent to you guys, a bank  
5 account that has that on it.

6 Q. Okay. Just to back up for a second.  
7 Does 61 South Main Street, the trust for  
8 that property, have a checking account?

9 A. No. It does not.

10 Q. Okay. And I think you said earlier  
11 that FRM was paying the bills on that?

12 A. For the -- yeah.

13 Q. Okay.

14 A. They were paying the --

15 Q. Okay. Now I lost my train of  
16 thought. Oh, I know what I want to ask  
17 you. The Northview Drive Trust of 1995,  
18 you're the trustee of that?

19 A. Yes.

20 Q. Okay. Are you also a beneficiary of  
21 the trust?

22 A. I don't know for sure, but I think I  
23 am.

1 Q. Okay. Do you have the trust  
2 documents?

3 A. No, I don't.

4 Q. Do you know who does have the trust  
5 documents?

6 A. I don't.

7 Q. Okay.

8 A. I'm sorry.

9 Q. That's okay. Do you know whether  
10 Gould and Burke has those trust documents?

11 A. I don't know.

12 Q. Okay. Do you know whether there are  
13 any other beneficiaries? And I understand  
14 you're not even sure if you're a  
15 beneficiary, but do you know of any other  
16 beneficiaries of that trust?

17 A. No, I don't.

18 Q. Okay. Could you just explain to me  
19 a little bit about the property. My  
20 understanding of it is that there's a  
21 building there that was the office  
22 building --

23 A. Right.

1 Q. -- for the various businesses. And  
2 then there are two adjoining lots that  
3 there was some kind of approvals to build  
4 something else?

5 A. Yeah. Scott told me that he wanted  
6 to expand his business and was building  
7 another building. There's a cul-de-sac,  
8 you know, for where Northview Drive is, and  
9 it's across the cul-de-sac. He actually  
10 had Mark Carpenter clear some land, so some  
11 of these checks to him also may have gone  
12 to that, clear some land that was across  
13 the, you know, the -- the cul-de-sac to  
14 start building the buildings for 15  
15 Northview Drive, the second office  
16 building.

17 Q. Okay. And do you know whether there  
18 were any plans done or engineering done for  
19 that --

20 A. Yeah.

21 Q. -- project?

22 A. Yes, there is. And Charlie Hoyt did  
23 the architecture.

1 Q. Okay.

2 A. I don't know who did the  
3 engineering.

4 Q. Okay.

5 A. I also may have a copy of that.

6 Q. There's nothing there, though, on  
7 that other site at this point, right?

8 A. It's just cleared land.

9 Q. Okay. And was -- but the plan was  
10 that the building would be built and that  
11 the Northview Drive Trust would continue to  
12 own it; --

13 A. Yes.

14 Q. -- is that true?

15 A. That was the plan.

16 Q. Okay. And what was your -- what was  
17 your long-term plans with regard to those  
18 two buildings, if you had any?

19 A. I was going to let Scott run them  
20 and run his business.

21 Q. Okay.

22 A. I --

23 Q. There wasn't any plan to deed the

1 buildings to FRM or CL&M, though, correct?

2 A. No. No, --

3 Q. Okay.

4 A. -- I don't.

5 Q. Do you have any better idea? You  
6 list here that the -- the value of those  
7 properties when you filed your schedules  
8 you said unknown. And the amount of  
9 secured claim it says zero here, but I  
10 don't -- that's probably a typo, but do you  
11 have any idea today, any better idea of  
12 what the value --

13 A. I don't know what the value --

14 Q. -- of the property is?

15 A. -- of the property is.

16 Q. Okay. Do you know how much the  
17 Northview Drive paid for these properties?

18 A. I don't remember. I -- I didn't pay  
19 the bills.

20 Q. Okay.

21 A. I just -- yeah. I just signed the  
22 paper.

23 Q. How did that come to be that you

1 just signed the paper, but you didn't pay  
2 the bills? What was the thinking there?

3 A. My husband told me that he wanted to  
4 protect our assets, so he put the account  
5 in my name.

6 Q. Okay. Did you personally and/or  
7 your husband put any cash towards the  
8 purchase of these buildings?

9 A. I did not personally. I don't know  
10 what he did.

11 Q. Okay. You don't know whether he or  
12 his businesses contributed to a down  
13 payment or anything like that?

14 A. I don't.

15 Q. Do you know -- there's a mortgage on  
16 the building and the land; is that right?  
17 At least one mortgage?

18 A. Yes.

19 Q. Okay. Do you know who's liable on  
20 those mortgages?

21 A. I think I am.

22 Q. So you signed personally for them or  
23 just as trustee?

1           A.    I think I signed -- no.  I think I  
2 signed as trustee.  I don't really know.

3           Q.    Okay.  You don't know whether you  
4 signed personally on those mortgages?

5           A.    I think I signed as trustee on that.

6           Q.    Do you know whether Scott signed in  
7 any capacity for the mortgages on those  
8 properties?

9           A.    I can't tell you for sure, but I  
10 don't think he did.

11          Q.    Okay.  What about on 61 South Main?  
12 Did Scott sign guarantees or personally on  
13 any mortgage on that property?

14          A.    That I don't know.  I don't  
15 remember.

16          Q.    Do you know whether you signed on  
17 the mortgage on that property that I'm  
18 talking about, 61 South Main?

19          A.    I assume that I did.  I -- it's been  
20 a long time.  And I signed a lot of  
21 documents, so I don't remember which ones I  
22 signed, --

23          Q.    Okay.

1           A.     -- but I am pretty sure that that  
2           would probably be something that he would  
3           have me sign.

4           Q.     Okay.  And so those are the only  
5           two, and I'm sure Attorney Gannon will  
6           correct me if I'm wrong, --

7           MR. GANNON:  If he knows.

8           Q.     -- of any trust interests held by  
9           you either as trustee or beneficiary?

10          A.     Yeah.

11          Q.     And I understand you're not sure on  
12          some of these?

13          A.     Yeah.  That's -- that's all that I'm  
14          aware of.

15          Q.     Okay.

16          A.     Well, I know some beneficiaries -- I  
17          was told that -- things that I was  
18          beneficiary, but these are the only two  
19          that I'm aware of that I'm a trustee.

20          Q.     Okay.  And are you planning to amend  
21          your schedules, because you are supposed to  
22          list your beneficial interests in any  
23          trusts that you have?

1 A. Yeah. When we find out for sure --

2 Q. Okay.

3 A. -- what I'm beneficiary of.

4 THE WITNESS: I think we're planning  
5 to amend those, aren't we?

6 MR. GANNON: Yes.

7 THE WITNESS: Yeah. So --

8 Q. BY MS. NOTINGER: And, in fact, I at  
9 some point did become aware that you're a  
10 beneficiary of -- of something called the  
11 Good Earth Revocable Trust?

12 A. Is Good Earth associated with Beaver  
13 Pond?

14 Q. I will represent to you that in my  
15 review of the records at the registry of  
16 deeds Good Earth was the owner of the  
17 Beaver Pond subdivision --

18 A. Okay.

19 Q. -- before it was sold by the  
20 bankruptcy trustee.

21 A. Okay. Then, yes. I was told that I  
22 was beneficiary with Gary Coyne on that.

23 Q. Okay. And when were you told that?

1 A. In -- I think it was December.

2 Q. Of 2009?

3 A. (Nods head.)

4 Q. You have to say on the record.

5 A. Oh, okay.

6 Q. The stenographer is taking down  
7 every word we say.

8 A. Well, I can give you a little bit  
9 more information. I was told that I owned  
10 part of it in -- oh, goodness. It was  
11 probably the spring of 2008. I didn't do  
12 anything with it. And then I was told that  
13 I was a beneficiary of the trust in  
14 December of 2009. Does that help?

15 Q. That's fine.

16 A. Okay.

17 Q. Did you ever sign any paperwork  
18 related to Good Earth before the bankruptcy  
19 stuff? I know you might have signed  
20 something else afterwards, but before the  
21 bankruptcy filings?

22 A. Scott handed me a lot of papers and  
23 said, Sign Susan Farah, trustee, and he

1 probably told me this was for Beaver Pond,  
2 and I signed it. I would not remember for  
3 sure what I signed or what I did.

4 Q. Okay. How about the Lilac Valley  
5 Real Estate Trust of 2007?

6 A. I was told on that that this -- it's  
7 pretty much the same scenario as Beaver  
8 Pond. That I was part owner or whatever in  
9 the spring of 2008 because Scott took me  
10 around and said, This, this, this and this  
11 you own. And then 2009, December of 2009 I  
12 was told that I was beneficiary of the  
13 Lilac Valley.

14 MS. NOTINGER: Okay. Just looking  
15 for something here. Just a second while I  
16 find it because it has do with this. This  
17 is what I'm looking for. I would like to  
18 mark this as Farah No. 3. Is that what that  
19 is going to be?

20 (Farah Exhibit 3 was  
21 marked for identification.)

22 Q. BY MS. NOTINGER: All right. So  
23 looking at what's been marked as Farah No.

1 3.

2 A. Okay.

3 Q. I'm just going to read the title of  
4 what it says. It says, Assignment of  
5 purchase and sale agreement and assumption  
6 of rights and obligations.

7 A. Okay.

8 Q. Have you seen that document before?

9 A. I'm sure I have because that's my  
10 signature.

11 Q. So you agree that that's your  
12 signature --

13 A. Yes.

14 Q. -- on page two?

15 A. Yes.

16 Q. And there are a couple paragraphs  
17 that are initialed with SGF?

18 A. Yes.

19 Q. And would you agree that you put  
20 your initials there? Is that your writing  
21 as far as you can tell?

22 MR. GANNON: Can you just indicate  
23 one that you're --

1 A. That last one I don't --

2 Q. I'm looking at the bottom of page

3 one.

4 MR. GANNON: Okay.

5 Q. There is -- the last initials there

6 say I think SGF; is that right?

7 A. Yes.

8 Q. And then the same thing on page two

9 about two thirds of the way down beside a

10 handwritten paragraph.

11 A. This does not look like my initials.

12 Q. You're looking at the initials that

13 I just pointed out on page two about two

14 thirds of the way down?

15 A. Yeah. Those don't look like -- that

16 doesn't look like my writing. That's my

17 signature. (Indicating.)

18 Q. That's your signature on page two,

19 but you think it's not -- you didn't put

20 your initials below that next to the

21 handwritten --

22 A. I don't know that they --

23 Q. -- paragraph?

1           A.    That doesn't look like my initial at  
2    all.  That doesn't even look like an S.  I  
3    mean, --

4           Q.    Are -- that's okay.

5           MR. GANNON:  Just answer the  
6    question as best you can.

7           A.    It could have been.  It does not  
8    look like my initials.

9           Q.    Okay.  Well, can I ask you to take a  
10   moment and review the document --

11          A.    Okay.

12          Q.    -- because I'm going to ask you if  
13   you remember the transaction at all.

14          A.    Okay.  (So indicated.)  I think it  
15   was just something that Scott brought home  
16   and had me sign.  I -- I signed so many  
17   documents I don't remember --

18          Q.    Okay.

19          A.    -- which is which.

20          Q.    Well, let me ask you specifically.  
21   What the document seems to indicate is that  
22   you were substituted as the buyer on a  
23   purchase and sale agreement which purports

1 to be the purchase and sale agreement for  
2 the Lilac Valley property.

3 A. Mm-hmm. Okay.

4 Q. Do you remember that, that you were  
5 substituted as the buyer?

6 A. Scott gave me -- just brought home  
7 papers for me to sign, and I signed them.  
8 And he probably told me that I was buying  
9 Lilac Valley. And I signed it. I wasn't  
10 even aware of what Lilac Valley was  
11 until --

12 Q. Okay.

13 A. You know what I mean?

14 Q. Until when?

15 A. Probably the spring of -- it was --  
16 it's got to be around March or April of  
17 2008.

18 Q. And this appears to be dated on  
19 January 21st of 2005 in the first  
20 paragraph. Does that look right?

21 A. Yeah.

22 Q. Do you have any recollection of  
23 signing this?

1           A.     I'm sure I did, but I don't -- like  
2     I said, he just -- he brought papers and  
3     papers home and said, This is what we're  
4     going to do and asked me to sign them, and  
5     I did.

6           Q.     Okay. Do you know whether Gary  
7     Coyne got any money for granting you this  
8     assignment?

9           A.     I have no idea. That would have  
10    been something that he and Scott would have  
11    worked out.

12          Q.     Okay. Do you know whether you put  
13    any funds towards the purchase of Lilac  
14    Valley?

15          A.     I didn't personally. I wouldn't --

16          Q.     Do you know whether Scott did?

17          A.     I don't know.

18          Q.     So you don't know whether Mr. Coyne  
19    got \$400,000 for that --

20          A.     Oh, no. I have no idea.

21          Q.     -- for the assignment?

22          A.     I have no idea.

23          Q.     Would you agree if he got \$400,000

1 for an assignment of a purchase and sale  
2 agreement that it probably wasn't worth  
3 that?

4 MR. GANNON: Objection. Foundation,  
5 but you may answer the question, if you can.

6 A. I don't know enough about the  
7 property to answer it.

8 Q. Well, he didn't own the property; is  
9 that right?

10 A. I don't know who owned the property.  
11 It looks like the Snows did.

12 Q. Okay. All right. Who is -- do you  
13 know Suzanne Crowley, who's a witness on  
14 the second page?

15 A. I think -- I think she was a Suzanne  
16 that used to work for Scott. I think that  
17 was her last name.

18 Q. Okay.

19 A. I think she used to be one of his  
20 assistants.

21 Q. And what about Nancy O'Connor, --

22 A. Yeah.

23 Q. -- who appears to be a witness to

1 your signature?

2 A. Yes. Nancy O'Connor did work for  
3 Scott.

4 MR. GANNON: Mrs. Farah, try to let  
5 Ms. Notinger finish her question.

6 Q. I do the same thing. I talk over  
7 the other person.

8 MR. GANNON: Matters more to  
9 Kimberly than it does to anybody else.

10 Q. Okay. All right. Do you know  
11 Mr. Coyne?

12 A. Yes.

13 Q. How would you describe your  
14 relationship with him?

15 MR. GANNON: You could ask Miss  
16 Notinger to be more specific.

17 A. That's probably a good idea.

18 Q. That's fine. Is it a business  
19 relationship? You hardly even know who he  
20 is?

21 A. Oh, okay.

22 Q. I'm trying to --

23 A. Well, I don't know that that really

1 helps.

2 Q. Well, let me withdraw my question  
3 and ask a different question.

4 A. Okay.

5 Q. What does Mr. Coyne do?

6 A. Okay. Gary Coyne worked with Scott.  
7 He -- okay. Gary Coyne owns GCX. I don't  
8 know what that is.

9 Q. Is it GCX Capital?

10 A. Realty, something that he does. But  
11 he worked with Scott with some of the land  
12 purchases that -- you know, some of these  
13 land deals. And I met him after -- well, I  
14 met him. I just met him because he was  
15 associated with Scott. But I -- I  
16 worked -- I don't know if you want to say I  
17 got to know him a little bit more when I  
18 was working, you know, with Matark in the  
19 office. And I think it started, what, in  
20 the spring of 2008, --

21 Q. Okay.

22 A. -- so --

23 Q. Did you ever discuss this particular

1 assignment with him?

2 A. No.

3 Q. Did you ever discuss with him, for  
4 example, the fact that you were both 50  
5 percent beneficiaries of the Good Earth  
6 Revocable Trust?

7 A. That I did talk to him about.

8 Q. And what was the context of that  
9 conversation?

10 A. Gary told me I owned half of it.

11 Q. When did he tell you that?

12 A. That was the -- that was around  
13 March or April of 2008.

14 Q. All right. And -- and in what  
15 context did he tell you that? Was there  
16 some problem?

17 A. No. This was -- this was when I  
18 moved the Matark office into, you know, 50  
19 Northview Drive. And I was told Scott  
20 wanted me to help him with some of the real  
21 estate deals that he had just to see  
22 what -- you know, do some servicing with  
23 some of the stuff. Like with Good Earth

1 the only thing I did was I think I staged  
2 the apartment -- I mean, the condo when  
3 they -- when they sold it.

4 Q. There was a model condo?

5 A. Yeah. I staged that. And that  
6 was -- that was recently, but when -- in  
7 2008 when I moved -- you know, when Matark  
8 had an office there Gary Coyne and I had a  
9 conversation. And he said, Oh, you own  
10 half of this. You own half of that. And  
11 that was basically --

12 Q. Okay. And did you inquire further  
13 about the things that you supposedly owned  
14 at that point?

15 A. Well, I talked to the contractor to  
16 see -- I think a couple of times to see  
17 what was being -- you know, progress that  
18 was being made. I --

19 MR. GANNON: I'm not sure that's  
20 really the question, though.

21 THE WITNESS: Oh, okay.

22 MR. GANNON: I'm happy to let you go  
23 on if Ms. Notinger's happy, but --

1 THE WITNESS: So what is the  
2 question then?

3 Q. BY MS. NOTINGER: Well, let me ask  
4 you this. Were you ever aware of what kind  
5 of financing was going on with Good Earth?

6 A. Oh, no, no.

7 Q. You had no idea what kind of  
8 mortgages were on it or anything like that?

9 A. No. I heard that Scott had some  
10 private money into it probably in September  
11 or October of 2009. That's the only thing  
12 I -- that I heard.

13 Q. All right. And did you know what  
14 was meant by private money?

15 A. He meant his investors.

16 Q. From CL&M?

17 A. No. I think it was the investors  
18 that he called -- he used to -- I thought  
19 that had people that invested in this  
20 property.

21 Q. Okay. And do you know any more  
22 about it other than that?

23 A. No.

1 Q. How it worked? How it was set up?

2 A. No, I don't.

3 Q. Okay. Were you there when he

4 solicited any people to invest in it or

5 anything like that?

6 A. No.

7 Q. And what was the expectation with

8 regard to Good Earth? You found out at

9 some point you were a 50 percent

10 beneficiary. Were you expecting to get

11 some money out of it when the project was

12 sold or --

13 A. I was told that the project would

14 make money. And I -- I'm assuming that

15 there was -- yeah. There was a profit to

16 be made in it.

17 Q. Did you personally put any funds

18 toward it?

19 A. No.

20 Q. And I guess your testimony is when

21 the -- when the -- when Good Earth

22 Revocable Trust was formed you had no idea

23 you were a beneficiary when it was formed?

1 A. I didn't.

2 MS. NOTINGER: Let me look around  
3 here. I have one piece of paper that I  
4 wanted to show you.

5 (Farah Exhibit 4 was  
6 marked for identification.)

7 (Document handed to witness.)

8 Q. BY MS. NOTINGER: And I just ask you  
9 to read through Exhibit No. 4.

10 A. (So indicated.) Okay.

11 Q. And for the record it purports to be  
12 a letter from the Lalas Insurance Agency --

13 A. Right.

14 Q. -- to you as trustee of PNL 2008  
15 Realty Trust.

16 A. Yeah.

17 Q. Have you heard of that trust?

18 A. No. I have not.

19 Q. Okay.

20 A. This is the one I'm assuming with  
21 Chickville Road.

22 Q. Well, I don't know the answer to  
23 that because if you see the letter's dated

1 pretty recently so --

2 MR. GANNON: All right. Ms. Farah,  
3 I am instructing you not to guess.

4 A. Okay.

5 MR. GANNON: Ms. Notinger is  
6 entitled to what you know --

7 THE WITNESS: Okay.

8 MR. GANNON: -- and to things that  
9 are -- to things you have a reasonable  
10 basis.

11 THE WITNESS: Okay. No. I've never  
12 heard of that trust.

13 Q. BY MS. NOTINGER: Okay. So you  
14 don't know any information about it?

15 A. No.

16 Q. But you do seem to know something  
17 about Chickville Road in Ossipee; is that  
18 right?

19 A. I was taken to Chickville Road.

20 Q. When?

21 A. Oh, goodness. I'm trying to think  
22 if it was -- I can't remember if it was the  
23 spring or the fall of 2009 because it was

1 warm outside.

2 Q. Okay.

3 A. But I was shown the property, told  
4 that I owned part of it, and they were --  
5 they were getting gravel out of the  
6 property.

7 Q. Who's they?

8 A. Gary Coyne was getting gravel out of  
9 the property, so I should say he. And Gary  
10 wanted me to look at the possibility of  
11 putting an assisted living facility on the  
12 property, to get a feasibility study.

13 Q. Okay. And that was sometime in  
14 2009?

15 A. I think it was 2009.

16 Q. And did anyone tell you at that  
17 point that the property was in trust or  
18 anything like that?

19 A. No.

20 Q. All right. So you're saying you  
21 don't have any trust documents for the PNL  
22 2008 Realty Trust?

23 A. No.

1 Q. Did you ever look on line, in the  
2 registry of deeds or anything like that to  
3 determine what kind of properties you owned  
4 and --

5 A. No.

6 Q. -- what kind of interest you had in  
7 things?

8 A. No.

9 Q. Why not?

10 A. I trusted my husband to tell me and  
11 to take care of me.

12 Q. You didn't see any problem with  
13 putting all sorts of real estate and  
14 mortgages in your name? You didn't feel  
15 there was any --

16 MR. GANNON: Objection. Foundation,  
17 but you may answer the question. And I  
18 apologize. I just talked over you.

19 MS. NOTINGER: That's all right.

20 THE WITNESS: Again, I trusted him  
21 to take care of me. I -- I didn't know the  
22 legal anything involved if -- trust or legal  
23 ramifications. I thought that he did, and I

1 trusted him to do the right thing.

2 Q. BY MS. NOTINGER: Okay. What is --  
3 whatever you were shown on Chickville Road,  
4 do you know what's there now? What is that  
5 property? What's the status of it?

6 A. I only saw it that once.

7 Q. Okay. Was there anything on it at  
8 that point?

9 A. No. There was a few trucks getting  
10 gravel.

11 Q. Okay. And as far as you know that  
12 was Mr. Coyne that was removing the gravel?

13 A. Yes.

14 Q. Do you know whether he has any  
15 ownership interest, either in Chickville  
16 Road or in PNL 2008 Realty Trust?

17 A. I don't know for sure.

18 Q. You said you were shown the  
19 property, --

20 A. I would assume.

21 Q. -- correct?

22 A. I was shown the property.

23 Q. All right. Was that by Mr. Coyne or

1 by Scott?

2 A. It was Gary Coyne, yes.

3 Q. All right. And did he tell you at  
4 that point, Oh, you and I own this 50  
5 percent each or anything like that?

6 A. I -- I think he said that we owned  
7 it, so -- that he and I owned it.

8 Q. And you didn't have any further  
9 inquiry into that?

10 A. No.

11 Q. Is that because that was sort of a  
12 normal thing for you, that --

13 A. Yeah.

14 Q. -- you owned --

15 A. Yes.

16 Q. -- part of something with somebody  
17 else?

18 A. Yes.

19 Q. All right. Well, do you know who  
20 would have the trust documents for PNL 2008  
21 Realty Trust?

22 A. I don't.

23 Q. What about Lawrence Baldi? Do you

1 know him?

2 A. Yes, I do.

3 Q. And in what context do you know him?

4 A. It would be a business relationship.

5 Q. What does he do for a living, as far  
6 as you know?

7 A. Well, he owned a water slide. He  
8 owned the Weirs Beach Water Slide.

9 Q. Mm-hmm.

10 A. And he also, I think, was part owner  
11 of Lilac Valley.

12 Q. Okay. And did you -- how did you  
13 find out about that?

14 A. Once a week there was a meeting with  
15 Larry Baldi and me and Scott and a realtor.  
16 And we tried to decide how to sell Lilac  
17 Valley and Beaver Pond. And I was trying  
18 to think if there was another property they  
19 were looking at. Just to try to figure out  
20 the best use in order to try to, you know,  
21 get some money out of the properties.

22 Q. Okay.

23 A. What the best way to market the

1 properties. That's probably the best thing  
2 to say.

3 Q. And what was your understanding of  
4 where the funds were coming from to -- to  
5 fund these properties that you were trying  
6 to sell?

7 A. I did not know where the funds were  
8 coming from.

9 Q. Did you ever ask?

10 A. No.

11 Q. Wasn't it strange to you that you  
12 had these various projects in your name in  
13 some capacity, and you didn't know where  
14 the funding was coming from?

15 A. Again, I just trusted my husband to  
16 do the right thing.

17 Q. All right. When you had these  
18 meetings when -- when did those meetings  
19 start? You said you had a weekly meeting.

20 A. That was in the morning for about a  
21 half hour. I don't remember what day.

22 Q. I was going to say what date or what  
23 time period did they start?

1 A. Oh.

2 Q. Was it for the last couple years?

3 Was it the last six months? What --

4 A. I think it was the last six months.

5 Q. Okay. And were they prompted by the

6 fact that things weren't selling or any

7 particular reason that the meetings started

8 when they did?

9 A. Scott set them up, and I don't know  
10 what the prompt was.

11 Q. But he asked you to come along?

12 A. He asked me to come along.

13 Q. And what -- what was your input, or

14 what -- why did he ask you to come along,

15 if you know?

16 A. Well, I have to think about that.

17 Just a minute.

18 Q. That's okay.

19 A. Trying to remember. Why would he

20 ask me to come along? Well, he -- I think

21 it was because of the fact that Matark was

22 doing some servicing on the properties.

23 Q. What kind of servicing?

1           A.    You know, well, all we did basically  
2           was I staged the one in Beaver Pond, and  
3           then I had the meetings about Lilac Valley  
4           to try to figure out how to sell them, sell  
5           those units. I don't know what else I did.

6           Q.    Mm-hmm. Was Larry Baldi involved in  
7           Beaver Pond at all?

8           A.    Not that I know of.

9           Q.    So he was just there for Lilac  
10          Valley?

11          A.    Yes. We just -- the only capacity  
12          that I think he was involved in was just  
13          that weekly meeting that we had to try to  
14          sell -- try to figure out how to sell  
15          things.

16          Q.    I can't remember if I asked you  
17          this, so if I'm repeating myself I  
18          apologize, but did you put any funds  
19          personally towards Lilac Valley?

20          A.    No.

21          Q.    Do you know if Mr. Baldi did?

22          A.    I don't know.

23          Q.    Did you sign any paperwork with him,

1 anything like that?

2 A. I don't know.

3 Q. As far as you know did you ever  
4 guarantee or have any liability on any of  
5 the mortgages that your husband was  
6 arranging through his businesses, the  
7 private lenders and investors?

8 A. I don't know whether I did or not.

9 Q. You have not been sued by anybody  
10 saying that you're personally liable; is  
11 that right?

12 MR. GANNON: Objection. Foundation,  
13 but you may answer the question to the best  
14 of your knowledge.

15 A. Oh, goodness. I really don't know.

16 Q. Okay.

17 MR. GANNON: I will say the  
18 schedules disclose a lot of litigation.

19 Q. True. All right. I don't think I  
20 asked you this. Did you put any personal  
21 funds into the purchase of Chickville Road?

22 A. No.

23 Q. Do you know whether your husband

1 did?

2 A. I don't know what he did.

3 Q. All right. So I think I've  
4 identified as not being on the schedules  
5 Good Earth Revocable Trust, Lilac Valley  
6 Real Estate Trust of 2007 and now this PNL  
7 2008 Realty Trust. Are there any other  
8 trusts that you're aware of today that you  
9 weren't aware of when you filed for  
10 bankruptcy that you are either a trustee --  
11 you're either a trustee of them or you have  
12 a beneficial interest in them?

13 A. I'm trying to think if there's  
14 any -- no. There's none that I'm aware of.

15 Q. Okay. Actually, there's one more  
16 that I haven't asked you about yet --

17 A. Okay.

18 Q. -- that I --

19 A. Oh.

20 Q. -- that I am going to get to.

21 MR. GANNON: Let Miss Notinger ask  
22 her question.

23 Q. I'm thinking of the SMM --

1 A. I was just going to mention that.

2 Q. -- 2007 Realty Trust.

3 A. Yeah. I was just going to mention  
4 that. It came to my mind.

5 Q. That's fine.

6 A. I'm sorry.

7 Q. We'll get to that in a minute.

8 A. Right, yeah.

9 Q. Which now includes that one. Do you  
10 know of any others --

11 A. No, I don't.

12 Q. -- since you filed for bankruptcy?  
13 Are you willing to look into your  
14 beneficial interests or trusts or whether  
15 you're a trustee and amend your schedules  
16 according to what you find --

17 A. Oh, certainly.

18 Q. -- with your attorney?

19 MR. GANNON: For the record, though.

20 MS. NOTINGER: Yep.

21 MR. GANNON: The answer is yes.

22 MS. NOTINGER: Yep.

23 MR. GANNON: But for the record we

1 received -- and I'm not sure how we got it.  
2 I got it from Paul Twomey, my co-counsel.  
3 I'm not sure how Paul got it -- a multipage  
4 list of trusts and possibly other business  
5 entities that listed out, you know, who  
6 owned what.

7 BY MS. NOTINGER: Okay.

8 MR. GANNON: And we used that  
9 largely as the basis for the schedules. And  
10 Mrs. Farah was not listed with respect to  
11 most of those entities.

12 MS. NOTINGER: Mm-hmm.

13 MR. GANNON: If you don't have that  
14 list I'd be happy to share it with you.

15 MS. NOTINGER: I would be interested  
16 in having the list.

17 MR. GANNON: Sure.

18 MS. NOTINGER: But as -- with a lot  
19 of the lists in this case lots of times  
20 they're incomplete, but I would like to look  
21 at them. That would be helpful. Thank you.

22 MR. GANNON: Sure.

23 MS. NOTINGER: Okay. Well, why

1 don't I move on for the moment on this issue  
2 because I have some others to ask about.

3 (Recess.)

4 MS. NOTINGER: Okay. So why don't  
5 we get back on the record.

6 THE WITNESS: Okay.

7 Q. BY MS. NOTINGER: And what I am  
8 going to concentrate on at the moment is  
9 what's been marked Farah 2, --

10 A. Okay.

11 Q. -- which is this list of --

12 A. Okay. I see.

13 Q. -- payments that I showed you. And  
14 I'm just going to -- I'm going to just  
15 start on page one and sort of go through  
16 these just briefly.

17 A. Okay.

18 Q. On the list the first payee appears  
19 to be AIG for a couple checks.

20 A. Mm-hmm.

21 Q. Do you know what that --

22 A. No.

23 Q. -- is? Do you have any AIG

1 Insurance policies personally or anything  
2 like that?

3 A. I don't think so.

4 Q. I'm not saying you do.

5 A. I don't.

6 Q. This is a check register from FRM,  
7 and I'll tell you what I'm trying to  
8 determine is whether you and your family  
9 had your bills paid out of this account.  
10 I'll be up front with you about that.

11 A. Oh, okay.

12 Q. So that's what I'm trying to  
13 determine when I look at this.

14 A. No. I don't know anything about  
15 AIG.

16 Q. Okay. American Express --

17 A. Yes.

18 Q. -- is the next payee on there. And  
19 according to this summary, which I again  
20 state you didn't prepare, --

21 A. No.

22 Q. -- but our accountants did, it looks  
23 like in the year prior to FRM filing for

1 bankruptcy it paid American Express  
2 \$364,000.

3 A. Okay.

4 Q. And I note when I look at your  
5 bankruptcy schedules you do not list an  
6 American Express account for yourself; is  
7 that right?

8 A. Right.

9 Q. Do you -- did you have an American  
10 Express account before you filed for  
11 bankruptcy?

12 A. I did not have an account. That was  
13 listed in Scott's name.

14 Q. Okay. Did you have a card?

15 A. I had a card.

16 Q. That you had access to?

17 A. Yes.

18 Q. Okay. And did you pay the bills for  
19 that card --

20 A. I did not pay the bills for that  
21 card.

22 Q. -- when they came in?

23 A. No.

1 Q. Who paid the bills for that?

2 A. Scott did.

3 Q. And did you use the card yourself?

4 A. Yes.

5 Q. Okay. What -- just generally what  
6 types of things did you use it for?

7 A. Groceries, Christmas gifts. I --

8 Q. That's okay. Whatever you can think  
9 of in a general way.

10 A. Yeah.

11 Q. I know you don't have the statements  
12 in front of you. Would it be fair to say  
13 that you used it fairly often on a regular  
14 basis?

15 A. Yes.

16 Q. And do you know how Scott paid those  
17 bills when they came in every month?

18 A. No, I don't.

19 Q. You don't know what account he paid  
20 them from?

21 A. No.

22 Q. Okay. Do you know whether, in fact,  
23 these payments -- because it says it's an

1 American Express account ending in 1008, --

2 A. Yes.

3 Q. -- do you know whether those are for  
4 the account that you had a card on?

5 A. I'm trying to remember whose -- is  
6 there another one on here?

7 Q. Not on this list, there isn't.

8 A. Okay. There was -- there were two  
9 cards. I had one and he had one. And I  
10 can't remember -- I can't remember the last  
11 four digits of both, but I don't remember  
12 what belonged to who.

13 Q. Well, what were the -- what were the  
14 four digits of the two accounts,  
15 understanding you're not sure which --

16 A. Yeah. It was 1008 and 1016.

17 Q. Okay.

18 A. So I just don't remember who  
19 belonged to who.

20 Q. Okay. The card that you had, --

21 A. Yeah.

22 Q. -- was yours the only card on that  
23 account?

1           A.    No.  It -- it was a card on Scott's  
2           account.  They just put a different number.

3           Q.    Last four digits on it, --

4           A.    Yeah.

5           Q.    -- but it was the same account?

6           A.    Same account.

7           Q.    Okay.  Do you know whether anyone in  
8           his office had a card on that account, if  
9           you know?

10          A.    I don't know.

11          Q.    Did you look at the bills every  
12          month when they came in for that account?

13          A.    No.  I never saw the bills.

14          Q.    Where did the bills go?

15          A.    I don't know which P.O. box they  
16          went to.  I just didn't see them.

17          Q.    Okay.  But you used the card  
18          yourself?

19          A.    I used the card.

20          Q.    And you used it for family expenses,  
21          it sounds like?

22          A.    Yes.

23          Q.    Groceries?

1 A. Yeah.

2 Q. Gifts, things like that? Did you  
3 purchase any -- anything having to do with  
4 business on that card yourself?

5 A. I don't think so.

6 Q. Okay.

7 A. I didn't do anything that had to do  
8 with Financial Resources, if that's what  
9 you're asking.

10 Q. Okay. Do you know whether Scott's  
11 dad, Robert Farah, had a card on any  
12 American Express account that you --

13 A. I don't think he did.

14 Q. All right. Okay. Do you have --  
15 you said you didn't get the statements?

16 A. No.

17 Q. So you don't have the statements for  
18 this?

19 A. No, I don't.

20 Q. Okay. Do you know if Scott has  
21 them?

22 A. I think so.

23 Q. Okay.

1           A.    I don't know where they would be.

2           Q.    Okay.  Can I ask you -- and I'm not  
3   trying to be personal or anything, but are  
4   the two of you living together at this  
5   point?

6           THE WITNESS:  Is that something I  
7   need to answer?

8           MR. GANNON:  No.

9           THE WITNESS:  Okay.

10          MR. GANNON:  But I'll say this.  If  
11   you have a reason -- you know, a real reason  
12   that you need to know that I'll consider  
13   having her answer the question.

14          Q.    BY MS. NOTINGER:  Okay.  Well, let  
15   me ask you a different question.  Is Scott  
16   Farah providing you with any money or any  
17   support --

18          A.    No.

19          Q.    -- at this point?

20          A.    No.

21          Q.    He's not giving you a check every  
22   week --

23          A.    No.

1 Q. -- or anything like that?

2 A. No.

3 Q. Okay.

4 MR. GANNON: Thank you.

5 Q. That's fine. Do you know -- are you  
6 still using this American Express --

7 A. No.

8 Q. -- card? Okay. Do you know when  
9 the last time was that you used it?

10 A. It was probably October of 2009. I  
11 probably got groceries.

12 Q. Okay. And is the reason that you  
13 stopped using it --

14 A. I stopped using it when Scott closed  
15 the company.

16 Q. All right. Did he ask you to do  
17 that, or you just did that on your own?

18 A. I did that on my own.

19 Q. Okay. Were you aware that the  
20 company was paying the bills for it?

21 A. Yes.

22 Q. All right. And did you -- you  
23 yourself reimburse the company for any of

1 the American Express bills that it paid?

2 A. No.

3 Q. Do you know whether Scott did?

4 A. I don't know.

5 Q. Okay. Okay. The next thing on  
6 there, the next entity that received checks  
7 out of this account, American Home Mortgage  
8 Servicing, Inc --

9 A. Mm-hmm.

10 Q. -- do you know what that is for?

11 A. No, I don't.

12 Q. Okay. As far as you know that  
13 doesn't have anything to do with the  
14 mortgage obligation on any of these  
15 properties that we talked about earlier?

16 A. I don't know what it is.

17 Q. Okay. All right. The next one, the  
18 next payee is Anthem BC, which I assume  
19 stands for Anthem --

20 A. Blue Cross, yeah. I'm sure.

21 Q. Do you know, if you know --  
22 Financial Resources Mortgage, was that  
23 their medical insurance provider, if you

1 know?

2 A. Let me think about this. This might  
3 help you. I don't know. We had personal  
4 health insurance through Anthem Blue Cross,  
5 but I don't know if this -- I think I paid  
6 that out of my account.

7 Q. Okay.

8 A. I just -- I don't know.

9 Q. So just to clarify did your family  
10 have its own policy? It wasn't through the  
11 company or --

12 A. It wasn't through the company.

13 Q. So it was a policy that you  
14 purchased separately?

15 A. Right.

16 Q. Okay. Just the Farahs?

17 A. Yeah. It -- yeah. Each of us had  
18 our own policy.

19 Q. When you mean each of us what are  
20 you talking about?

21 A. It was less expensive for me to own  
22 a policy and for my child and for like each  
23 of my children to own their own policy than

1 to buy a family policy.

2 Q. Okay.

3 A. So --

4 Q. So that's what you did?

5 A. Yeah.

6 Q. And that was not connected to  
7 Financial Resources Mortgage? That was  
8 something that you contracted for outside  
9 of the company?

10 A. Yeah. I think I paid that out of  
11 the personal registry.

12 Q. Let me see.

13 A. I think I wrote the checks out of  
14 that.

15 Q. Would it help you to look at this?

16 (Document handed to witness.)

17 A. Yeah. It would.

18 Q. And that is a partial copy of your  
19 check register that you attached to your  
20 schedules.

21 A. Yeah. Trying to figure out. Let's  
22 see here. Are these -- I just can't  
23 remember. That's so sad. Maybe he did pay

1 it.

2 MR. GANNON: Just, Susan, rather  
3 than you muse to yourself --

4 THE WITNESS: Yeah.

5 MR. GANNON: -- why don't you review  
6 them and then answer the question.

7 THE WITNESS: Okay. Sorry it's  
8 taking me so long, guys.

9 Q. BY MS. NOTINGER: It's okay.

10 A. This may have been our personal  
11 because I don't see it in these.

12 Q. Okay.

13 A. He must have had -- must have paid  
14 it out of the things.

15 Q. Okay. Do you have any records  
16 yourself concerning your medical accounts  
17 somewhere?

18 A. No, I don't. I'm trying to think.  
19 I could probably get them from Anthem,  
20 but --

21 Q. Okay. Well, let's move on --

22 A. Yeah.

23 Q. -- to the next one, okay. Bank of

1 America.

2 A. Yes.

3 Q. Nope. That's not one of the ones I  
4 was thinking of, okay. I note here on your  
5 Schedule F --

6 A. Yes.

7 Q. -- that there is a Bank of America  
8 account listed by you as the creditor,  
9 credit card purchases?

10 A. Yes.

11 Q. Yeah. And your schedules say it's  
12 account number ending in 5767.

13 A. Mm-hmm.

14 Q. All right. And there's a pretty  
15 good amount of different payments to Bank  
16 of America. Would you agree on this, --

17 A. Yes.

18 Q. -- on Farah 2?

19 A. Yes.

20 Q. But that towards the end there do  
21 appear to be some payments on an account  
22 ending in 5767?

23 A. Yeah.

1 Q. So my question is was Scott's  
2 business -- was Financial Resources  
3 Mortgage, Inc. paying your credit card on  
4 that, the Bank of America credit card?

5 A. Oh, wow. I didn't even know that  
6 was there. To my knowledge, I was paying  
7 them, but out of my personal account, but I  
8 don't -- I didn't even know these were  
9 here.

10 Q. Okay.

11 A. I was not aware.

12 Q. What about the other bank account  
13 numbers? There are a whole bunch of  
14 different account numbers ending in  
15 different digits.

16 A. I -- I know he had another Bank of  
17 America account for the business.

18 Q. Okay.

19 A. So I don't know where all of  
20 these -- I don't know what all they are.

21 Q. All right. Other than the account,  
22 the Bank of America account listed on your  
23 schedules, --

1 A. Mm-hmm.

2 Q. -- which is the one ending in

3 5767, --

4 A. Mm-hmm.

5 Q. -- did you have any other Bank of  
6 America cards?

7 A. I don't think so. I think I just  
8 had that one.

9 Q. Did you have any other cards on an  
10 account that maybe was Scott's account, but  
11 he got your card?

12 A. I don't think there were any other  
13 Bank of America cards. Not that I  
14 remember.

15 Q. Okay. And what did you use your  
16 Bank of America card to purchase?

17 A. That was household things.

18 Q. Okay.

19 A. That was also groceries and --

20 Q. Just regular household --

21 A. Yeah.

22 Q. -- goods and furnishings and --

23 A. Yeah.

1 Q. -- expenses?

2 A. Yes.

3 Q. Okay. And you don't know what the  
4 rest of these Bank of America account --

5 A. No, I don't.

6 Q. -- numbers are? Okay. All right.  
7 And the next thing on here is Banner Life  
8 Insurance. Do you have any Banner Life  
9 Insurance policies that you're aware of?

10 A. I don't have anything from Banner.  
11 I think ours are Lincoln Financial.

12 Q. Okay.

13 A. The one that I know of.

14 Q. Well, if it would help you on your  
15 Schedule B there are some insurance things  
16 listed.

17 A. Yeah.

18 Q. On No. 9, Schedule B.

19 A. But I don't think it's Banner, is  
20 it?

21 Q. No. On your schedule it says,  
22 Lincoln National Life.

23 A. Yeah. I thought it was Lincoln.

1 Q. Do you know anything about these  
2 Banner Life Insurance --

3 A. No.

4 Q. -- charges?

5 A. No, I don't.

6 Q. Do you know whether Scott had a  
7 policy through them, anything like that?

8 A. I don't know.

9 Q. Okay. Okay. The next person to get  
10 payments on there is Michael Burke, --

11 A. Yes.

12 Q. -- who's an attorney, correct?

13 A. Mm-hmm.

14 Q. Did he ever do any personal legal  
15 work for you?

16 A. He -- I had a renter in 61 South  
17 Main Street that was suing me that he  
18 defended.

19 Q. Okay. And --

20 A. And that's the only thing that he  
21 did for me.

22 Q. Did you pay him personally --

23 A. No.

1 Q. -- for that? Do you know who paid  
2 his fees for that?

3 A. I thought Scott did.

4 Q. Okay. Do you know --

5 A. I --

6 Q. -- what account he paid out of?

7 A. I don't know. I don't know who.

8 Q. You don't know whether Scott paid  
9 him personally or whether it came out of  
10 one of the business accounts?

11 A. I don't know.

12 Q. Okay. And how long ago was that?

13 A. That was -- oh, I can't remember if  
14 it was 2007 or 2008. It's got to be around  
15 2008.

16 Q. Okay. Do you know how much his fees  
17 were --

18 A. No.

19 Q. -- for defending you?

20 A. I never saw the bill.

21 Q. So he never sent you the bill  
22 directly?

23 A. No.

1 Q. So as far as you know Scott got the  
2 bill and paid it somehow?

3 A. Yeah.

4 Q. Okay. All right. Do you know what  
5 the payments to Capital Funding Tulsa are?

6 A. No. I don't know what that is.

7 Q. Okay. You didn't have any business  
8 with an entity called Capital Funding  
9 Tulsa?

10 A. No.

11 Q. Okay. And all right. And then the  
12 next payee is Mr. Carpenter?

13 A. Yes.

14 Q. And we've already talked about him?

15 A. Okay.

16 Q. And you think that the bulk of that  
17 \$320,000 plus went to him related to the 61  
18 South Main?

19 A. Yes. Yeah. I think it's that and  
20 he also worked on an apartment in 42, 44  
21 Franklin Street.

22 Q. Okay.

23 A. So I think it goes to both of them.

1 Q. Okay. And 42 to 44 Franklin Street  
2 was owned by your father-in-law; is that  
3 right?

4 A. Yes.

5 Q. Robert Farah?

6 A. Yeah.

7 Q. And if you know, what kind of work  
8 did he do there?

9 A. The same thing.

10 Q. Renovation-type work?

11 A. Yeah.

12 Q. Okay. Was there some problem with  
13 Mr. Carpenter around the time that the  
14 bankruptcies were filed where he was  
15 arrested for something to do with the  
16 property?

17 A. I got a phone call from the police  
18 saying that he was arrested and then --  
19 trying to think what they told me. I heard  
20 that he was arrested through -- from  
21 different people for meth, crystal meth,  
22 but I don't remember what the police said.  
23 I think that was part of it.

1 Q. Okay. Do you know anything else  
2 about that? It had nothing to do with the  
3 property at 61 South Main?

4 A. I don't know that it had anything to  
5 do with the property at 61 South Main.

6 Q. Does he live at 61 South Main?

7 A. I talked to the apartment manager.

8 Q. When?

9 A. He goes to my church. And he said  
10 something about Mark living there, but I  
11 don't know if he's still living there.

12 Q. Okay. When did you have that  
13 conversation?

14 A. Couple of weeks ago.

15 Q. Okay.

16 A. He just mentioned it.

17 Q. All right. Going back to our list  
18 here. The next payee is an entity called  
19 CFR-Capital Funding.

20 A. Mm-hmm.

21 Q. Do you know what that is?

22 A. No, I don't.

23 Q. You didn't do any business yourself

1 with a company called CFR-Capital Funding?

2 A. No.

3 Q. Okay. Okay. There's -- it's just  
4 one payment, but it says the next payee is  
5 Chase account ending in 7266.

6 A. Mm-hmm.

7 Q. Do you know what that is?

8 A. Is that one that I listed in my -- I  
9 don't know. Well, where are my accounts?

10 MR. GANNON: We're talking about  
11 schedule F?

12 Q. Schedule F. So you got to go  
13 backwards a couple pages.

14 A. Okay.

15 Q. It says on the top of the sheet --

16 A. Here it is. Do I have one ending in  
17 7266?

18 Q. Let me see.

19 A. I don't think I have one.

20 Q. Okay.

21 A. It must be a credit card that Scott  
22 owns.

23 Q. All right. Well, you do have two

1 Chase accounts here?

2 A. Yeah.

3 Q. Were those paid by the business at  
4 any time?

5 A. The ones that are on here I paid.

6 Q. Mm-hmm. You paid personally?

7 A. Yes. And -- yeah. I paid them out  
8 of my account that -- I mean, that I know  
9 of, but --

10 Q. Is it possible that the business  
11 paid them sometimes?

12 A. This --

13 MR. GANNON: This is America.

14 Objection, but you may answer if it's  
15 possible.

16 A. It's -- it's possible, but I got the  
17 bills almost -- I got the bills every  
18 month, so --

19 Q. Okay. The bills for those two Chase  
20 accounts listed on your Schedule F came to  
21 you directly?

22 A. Yeah. They came to the P.O. box.

23 And I paid the bills every month out of my

1 personal account.

2 Q. All right.

3 A. So the one ending in 7266 I don't  
4 really know.

5 Q. Okay.

6 A. It may have been an account that my  
7 name was on that Scott owned, you know,  
8 that I had a card. I don't remember.

9 Q. Okay. Well, again, this is from a  
10 business account, so I'm just trying to  
11 determine --

12 A. Yeah.

13 Q. -- whether you have any relationship  
14 to these payees. So the next thing on  
15 there is Chubb Life.

16 A. Yep.

17 Q. Looks like it was paid \$25 a week.  
18 You know anything about that?

19 A. I don't have any earthly idea.

20 Q. You or Scott doesn't have a Chubb  
21 Life America policy?

22 A. The only life insurance that I am  
23 aware of that we have are the ones that I

1 listed on my account. I mean, on my  
2 schedules.

3 Q. All right.

4 A. So I don't know what this is for.

5 Q. Okay. All right. How about the  
6 Citi Advantage account, the next payee  
7 account ending in 5737?

8 A. Okay. That one I think I know a  
9 little bit about.

10 Q. Okay.

11 A. I actually think that that  
12 account -- if this is the right one. There  
13 was one account that actually was in my  
14 name that Scott used for business and paid  
15 the bills from. And I think it was this  
16 Citi Advantage account. It did not get  
17 used for personal use that I remember.

18 Q. How come it was in your name instead  
19 of his or the business?

20 A. He wanted to use it to get the  
21 miles from American Express -- I mean, I  
22 think it was American Airlines, so he used  
23 it for the business.

1 Q. He used the card for the business,  
2 but he put it in your name personally?

3 A. It was in my name. It was a card  
4 that I owned.

5 Q. Okay. And so the -- you or he could  
6 get the frequent flyer miles or something  
7 connected with it?

8 A. (Nods head.)

9 Q. Did you personally put anything on  
10 that card?

11 A. I don't think so.

12 Q. All right. Did you have a card for  
13 the account?

14 A. Yes.

15 Q. Did you use it?

16 A. No.

17 Q. How about the payment to Citizens  
18 Bank? Any idea what those payments are?

19 A. No. I don't know what those are.

20 Q. You do have a credit card to  
21 Citizens Bank listed on your schedules, but  
22 it does not appear to match that.

23 A. Is it a credit card or --

1 Q. On schedule F in alphabetical order.

2 A. Okay. Okay. Yes. So it's a  
3 different account.

4 Q. Do you remember having a Citizens  
5 Bank credit card?

6 A. I'm sure I did. If I listed it I  
7 just --

8 MR. GANNON: No. The question is do  
9 you remember it?

10 Q. Right.

11 A. Do I remember? I could find out.  
12 Isn't this sad? I'm trying to remember  
13 whether I had one.

14 Q. Did you have a personal bank account  
15 or checking account at Citizens Bank?

16 A. I had a checking account at Citizens  
17 Bank. That's why I'm trying to remember if  
18 I had -- I don't remember having a card  
19 with them. Oh, yes. No. This is one that  
20 I owned with my son. Citizens Bank, that's  
21 why. It was one that he made purchases on.

22 Q. Okay.

23 A. That's what -- what I was trying to

1 remember.

2 Q. Okay. So your son used the card?

3 A. My son used the card, yeah.

4 Q. Do you know who paid the bill every  
5 month?

6 A. I paid the bill every month.

7 Q. Even though he used it you paid the  
8 bill?

9 A. Yeah, yeah. He paid me back.

10 Q. And you paid it out of personal  
11 funds?

12 A. Yes.

13 Q. And when you were paying these bills  
14 out of personal funds what were you doing  
15 for income yourself?

16 A. I did not have any income. I paid  
17 the bills out of my account, and Scott's  
18 paycheck went into my account. And then if  
19 I needed any extra money I would just ask  
20 him, and he'd put it in the account.

21 Q. Okay. How much was his paycheck?

22 A. It depends on the month, but it was  
23 somewhere between -- around 2,000 a

1 month -- or not 2,000 a month, 2,000 every  
2 time he got a paycheck. I can't remember  
3 whether he got paid weekly. He must have  
4 gotten paid weekly.

5 Q. So 2,000 a week?

6 A. I think. It was either 2,000 a week  
7 or 2,000 every other week. I could look at  
8 my account. Do we have a copy of that?  
9 And I can tell you.

10 (Document handed to witness.)

11 A. Let's see. 1,866.99 was -- yeah.  
12 It's got to be a week.

13 Q. And that would have been the net  
14 amount?

15 A. Yeah. 1,866.99 was the last time.  
16 He had some money go into a 401K, so it  
17 changed by the end of the year, that he  
18 owned. Yeah. So it's got to have been  
19 weekly because there's 2/20 and 2/13, yeah.  
20 So 1,866.99 weekly was what he got paid.

21 Q. Okay. And you -- that went into an  
22 account in your name only, --

23 A. Right.

1 Q. -- or was that a joint account?

2 A. Yeah. It went into an account in my  
3 name to pay the bills.

4 Q. Okay. And you said if you asked him  
5 he would give you more money?

6 A. Right.

7 Q. And where would that money come  
8 from?

9 A. I don't know. He put it in my  
10 account.

11 Q. Okay. And did you ask him for about  
12 the same amount every month? Did you  
13 change --

14 A. It was different every month because  
15 the Matark bills -- I put money from my  
16 account into Matark.

17 Q. Okay.

18 A. And so sometimes I needed more money  
19 to pay for whatever the Matark bills were,  
20 so he put money into my account.

21 Q. And what were the bills to Matark  
22 for?

23 A. Well, like when I staged that house

1 I also did feasibility studies for assisted  
2 living. You know, I didn't do them, but I  
3 had them done for places that they wanted  
4 to put assisted living facilities on. I'm  
5 trying to think what else.

6 Q. And would you get a fee for that, or  
7 were you just paid a consultant --

8 A. I didn't get any fees.

9 Q. Okay.

10 A. I wasn't paid at all, so --

11 Q. Okay. All right. The next thing  
12 showing is pages that went to CL&M --

13 A. Mm-hmm.

14 Q. -- from Financial Resources.

15 A. Right.

16 Q. Did you ever get any funds directly  
17 from CL&M?

18 A. No.

19 Q. You didn't get checks from them  
20 every month?

21 A. No.

22 Q. Or at any time?

23 A. Not that I know of.

1 Q. Okay. When Scott would put the  
2 money into your account every month --

3 A. Mm-hmm.

4 Q. -- would he put cash in or a check  
5 from somewhere?

6 A. I gave him a deposit slip, and he  
7 deposited money into my account.

8 Q. Okay.

9 A. So I don't know where it came from.

10 Q. You don't know whether he used a  
11 check or cash or what he did?

12 A. I don't know what he did.

13 Q. It didn't reflect in your statement  
14 what had been deposited, the source of your  
15 deposit?

16 A. I don't think so. If it did I never  
17 looked.

18 Q. Okay. It would just say deposit?

19 A. Yeah.

20 Q. All right. And the next payee on  
21 there is Matthew Farah?

22 A. Yes.

23 Q. That's one of your children?

1 A. Yes.

2 Q. How old is he?

3 A. He is 19.

4 Q. Okay. Did he work for Financial  
5 Resources?

6 A. He did some data entry and got paid,  
7 and he helped out a couple of the loan  
8 officers and -- for this. It was a summer  
9 job type thing.

10 Q. Okay.

11 A. So --

12 Q. All right. And the next payee there  
13 is Scott Farah.

14 A. Mm-hmm.

15 Q. And it appears from this summary  
16 that in the year before FRM filed for  
17 bankruptcy --

18 A. Mm-hmm.

19 Q. -- he took a little less than  
20 \$250,000 --

21 A. Mm-hmm.

22 Q. -- out of this account.

23 A. Mm-hmm.

1 Q. But these were not his paychecks,  
2 correct?

3 A. Mm-hmm. I -- they don't look like  
4 the amount of his paycheck so I --

5 Q. And you said the check was direct  
6 deposited into your account?

7 A. It was direct deposited into my  
8 account.

9 Q. Okay.

10 A. So I don't think they were from his  
11 paycheck.

12 Q. Do you know what he did with these  
13 funds?

14 A. No.

15 Q. Do you know whether these were the  
16 source of funds that he put in your account  
17 when it was short for the bills?

18 A. I don't have any idea.

19 Q. All right. Do you have any idea in  
20 the year before Financial Resources filed  
21 for bankruptcy, other than his paycheck,  
22 how much money he put into your account?

23 A. No, I don't.

1 Q. All right. Would he make an extra  
2 deposit on a monthly basis? Every week?  
3 How often would that happen?

4 A. I just -- if I was short I just told  
5 him how much I needed. And then he would  
6 put the money in my account, so I don't  
7 know how often it was.

8 Q. All right.

9 A. It was --

10 Q. In the year before Financial  
11 Resources went into bankruptcy do you think  
12 that he put \$250,000 in your account?

13 A. I don't think so.

14 Q. I'm just trying to gauge about how  
15 much it was per month.

16 A. I don't think he put that much into  
17 my account, no.

18 MR. GANNON: Again, Mrs. Farah,  
19 Ms. Notinger is entitled to your best, you  
20 know, reasonable recollection.

21 THE WITNESS: Yeah.

22 MR. GANNON: She's not entitled to  
23 have you guess, and, in fact, she doesn't

1 want you to guess.

2 THE WITNESS: Yeah. I just -- I  
3 can't imagine it would be that much. I  
4 just -- I don't know where the money came  
5 from that went to my account, so I don't --

6 Q. BY MS. NOTINGER: All right. Do you  
7 have records from your account, not just  
8 your check register, but your actual  
9 statements for the year before you filed  
10 for bankruptcy?

11 A. I think I still do, yeah.

12 Q. Would you be willing to provide  
13 those --

14 A. Oh, sure.

15 Q. -- to the trustee?

16 A. Oh, yeah.

17 Q. If you could give them to Attorney  
18 Gannon.

19 A. I just need a list of things I need  
20 to get to you guys.

21 Q. Sure.

22 A. Okay.

23 Q. Yep.

1           A.    We could add them up in here, but --

2           Q.    Well, that's not the whole year, and  
3    I don't think it's terribly helpful.  And  
4    it's difficult to do.  It would be easier  
5    if we had the statements.

6           A.    No.  That's fine.  You're welcome to  
7    them.

8           Q.    Okay.  Did Scott have his own  
9    separate bank accounts, personal bank  
10   accounts?

11          A.    I don't know of any.

12          Q.    And his name was not on the account  
13   that his check went into?

14          A.    Right.

15          Q.    That was just in your name?

16          A.    It was just in my name.

17          Q.    Okay.  And he didn't have any  
18   accounts in his own name?

19          A.    I don't know of any.  I -- I don't  
20   know all the accounts he had, so --

21          Q.    Okay.  Did any statements come to  
22   your house every month from a bank account  
23   of his?

1 A. No.

2 Q. It would have gone to the office?

3 A. I would assume so. I -- I -- I just  
4 don't know.

5 Q. All right. If he needed a check for  
6 something, for some personal expense would  
7 he ask you for a check?

8 A. No, no. He never did that. I  
9 don't --

10 Q. What was the reason that your  
11 account was only in your name if his  
12 paycheck was going into it?

13 A. Well, it started out he was -- a  
14 while ago he was involved in a lawsuit that  
15 they froze all of -- you know, they levied  
16 all of our accounts, and we had no way to  
17 pay the bills.

18 Q. Mm-hmm.

19 A. And so we put his paycheck into my  
20 account because that way we have enough  
21 money to pay the bills --

22 Q. Okay.

23 A. -- if -- if something happened and

1 his accounts got levied for some reason.

2 Q. Was he concerned about that  
3 happening?

4 A. I don't know that he was. I think  
5 he -- he didn't act like he was. I think  
6 it was just his liability was higher than  
7 mine.

8 Q. Okay. So before that time when the  
9 accounts were levied, when was that  
10 approximately?

11 A. When?

12 Q. Yeah.

13 A. Oh, goodness. I'm trying to think  
14 when I started. I don't remember when it  
15 was.

16 Q. Okay.

17 A. I'm sorry.

18 Q. That's okay. Would you say that you  
19 had this arrangement with just your name on  
20 the account for several years before the  
21 companies went into bankruptcy?

22 A. I would think so. It's probably  
23 when -- yeah. It was several years.

1 Q. Okay. And before that did you have  
2 joint accounts?

3 A. We had a joint account at Laconia  
4 Savings.

5 Q. Okay. And then you eventually  
6 closed that and just had the one account in  
7 your name?

8 A. That one's still open, I think. I  
9 just haven't used it.

10 Q. Do you know if Scott used it?

11 A. I don't. I don't know. I don't  
12 think so because the statements -- I think  
13 you guys may have the statements. I  
14 don't -- I know I sent those in. They  
15 haven't changed.

16 Q. Okay. Is there just a minimum  
17 balance in there?

18 A. I don't remember what's in there. I  
19 thought it was like -- I thought it was  
20 like four or \$500. I don't remember what's  
21 in there. I just don't.

22 Q. Okay.

23 A. I --

1 Q. All right. Going back to our list  
2 here. Again, the next payee is a company,  
3 Genworth Life Insurance. Do you know what  
4 that is?

5 A. No, I don't.

6 Q. All right. And then the payee after  
7 that is Michael Gould.

8 A. Mm-hmm.

9 Q. And he's also an attorney; is that  
10 right?

11 A. Yes.

12 Q. Did he do any personal work for you,  
13 legal work?

14 A. Oh, can I back up?

15 Q. Sure.

16 A. It was Mike Gould that defended me  
17 with that -- it wasn't Mark -- Mike Burke.

18 Q. They were law partners, though?

19 A. Yeah. I know that. So it was Gould  
20 that defended me in the renter's lawsuit.  
21 It wasn't Mike Burke.

22 Q. Okay.

23 A. Mike Burke I didn't have any

1 anything to do with.

2 Q. Okay.

3 A. Unless he prepared any documents  
4 that I signed.

5 Q. Okay. But again, you didn't pay any  
6 bills to Mike Burke?

7 A. No.

8 Q. I'm sorry. To Mike Gould?

9 A. No.

10 MR. GANNON: No Mikes.

11 Q. No Mikes paid? Okay. So do you  
12 know what this \$70,000 was for that he was  
13 paid?

14 A. No.

15 Q. Did you -- were you aware or -- and  
16 if you were when did you become aware that  
17 he was the trustee of the Good Earth  
18 Revocable Trust?

19 A. I think that was shortly after the  
20 business closed that I became aware that he  
21 was the trustee of that.

22 Q. And before that you had no idea?

23 A. I -- no.

1 Q. All right. So you don't know if  
2 these payments to him had anything to do  
3 with that entity?

4 A. I would have no idea.

5 Q. Okay. And as far as you know he  
6 didn't do any -- other than that lawsuit  
7 you were talking about he didn't do any  
8 personal legal work for you?

9 A. No.

10 Q. How about for Scott?

11 A. Yeah. He did. He did some  
12 personal -- well, no. That was business.  
13 No. I don't think so.

14 Q. All right. The next payee on the  
15 list is Holden Engineering?

16 A. Yes.

17 Q. Do you know what those payments are  
18 for?

19 A. I can tell you my involvement with  
20 Holden Engineering.

21 Q. Okay.

22 A. Maybe that will help you. There was  
23 a property in Northfield, New Hampshire

1 that Gary Coyne had a P&S on that they  
2 wanted me to take a look at to help them  
3 design an assisted living facility to go on  
4 that property. They had -- when I came  
5 into the project they had the architecture  
6 done and the engineering done, and it -- I  
7 worked with the architect and the engineer  
8 to kind of revamp it and make it a little  
9 bit more cost effective --

10 Q. All right. And do you have --

11 A. -- to build.

12 Q. Do you have expertise in that area?

13 A. No. They just had a big building  
14 that was going to be very expensive. And I  
15 made it out into smaller buildings that we  
16 could do phases with.

17 Q. Okay.

18 A. But that's -- that's all I did was  
19 just kind of help them get it where it was  
20 a little bit more cost effective to get  
21 started.

22 Q. And Holden Engineering was involved  
23 in that?

1           A.     Holden Engineering did the  
2     engineering for that.  I don't -- I don't  
3     know if they did any other engineering for  
4     Scott, but that's my involvement with  
5     Holden Engineering.

6           Q.     Okay.  Do you know if they did any  
7     engineering on Beaver Pond?

8           A.     I don't know who did the engineering  
9     on Beaver Pond.

10          Q.     What about Lilac Valley?

11          A.     I don't know.  I'm sorry.

12          Q.     That's okay.  The property that you  
13     were just describing, where was that again?

14          A.     It was in Northfield, New Hampshire.

15          Q.     And you said Mr. Coyne had a P&S on  
16     it?

17          A.     Yes.

18          Q.     Did he ever purchase it, or did  
19     somebody purchase it that's involved with  
20     the FMR case?

21          A.     Not that I'm aware of.  I don't know  
22     what happened to it.  I don't after the  
23     business closed.

1 Q. All right. Do you know who paid for  
2 the engineering and the plans and all that  
3 on the property?

4 A. Is this -- I can give you one to the  
5 best of my knowledge. Is that okay?

6 Q. That's fine.

7 A. I think it was Scott.

8 Q. Okay. And it was property in  
9 Northfield, New Hampshire?

10 A. Yeah. I have a copy of the P&S on  
11 that, I think, if you need that.

12 Q. Could you give it to Attorney  
13 Gannon, and he can give it to me?

14 A. Yeah. I think I do. It may be with  
15 the stuff that I gave you already.

16 MR. GANNON: You might even want --  
17 you know, you're in Manchester a lot.

18 MS. NOTINGER: Yeah.

19 MR. GANNON: You might even want to  
20 come over some day, and we have boxes of  
21 stuff.

22 THE WITNESS: You're welcome to look  
23 at all of it.

1 BY MS. NOTINGER: I may do that.

2 THE WITNESS: Yeah. Would that be  
3 easier?

4 MS. NOTINGER: Well, --

5 MR. GANNON: No. It'll be easier if  
6 we send you what she specifically wants.

7 THE WITNESS: Okay.

8 MS. NOTINGER: Right. But -- but I  
9 may take you up on your offer --

10 THE WITNESS: Okay.

11 MS. NOTINGER: -- at some point to  
12 get through all this stuff. Thank you on  
13 that. And I would -- if you can find a copy  
14 of the purchase and sale on the Northfield  
15 property I would be interested in looking at  
16 that.

17 A. Okay.

18 MR. GANNON: By the way, I'll need  
19 Beth to help Susan put this together for  
20 you. Her husband was injured unexpectedly  
21 today at work, and I'm still waiting to hear  
22 whether it was serious or not serious.

23 MS. NOTINGER: That's fine. I can

1 always e-mail Beth.

2 MR. GANNON: Yeah. You can deal  
3 directly with Beth on that, and then I can't  
4 be part of the problem.

5 BY MS. NOTINGER: Fair enough.

6 MR. GANNON: Okay.

7 Q. BY MS. NOTINGER: And I'm going to  
8 move on on our list of payees here. The  
9 next one is Jefferson Pilot Financial  
10 Insurance.

11 A. Okay.

12 Q. Any idea what that is?

13 A. Is this recently?

14 Q. Well, it looks like they got fairly  
15 steady monthly payments, weekly payments,  
16 excuse me.

17 A. Our life insurance was Jefferson  
18 Pilot, and then Lincoln Financial bought  
19 them out.

20 Q. Okay.

21 A. So I don't know if this is the same  
22 one.

23 Q. It says account ending in two --

1       excuse me 5255. Does that help?

2           A.    No, it wouldn't.

3           Q.    Okay. The life insurance that's  
4 listed on your schedules, --

5           A.    Yep.

6           Q.    -- which I understand is now in  
7 Lincoln Financial, it may have been in  
8 somebody else earlier, could you just tell  
9 me about those policies, whatever they are,  
10 as you understand them?

11          A.    What page are they on --

12          Q.    They are on the first page of  
13 Schedule B.

14          A.    Okay.

15          Q.    So --

16          A.    I'll find it.

17          Q.    Go one more page -- one more page  
18 after that down at the bottom.

19          A.    Okay. Okay. Lincoln National Life  
20 is a life insurance policy that I had on me  
21 or that was on me that I owned.

22          Q.    You talking about the first one  
23 on --

1 A. The first one that was 175.22.

2 Q. Okay.

3 A. The other one for 16,000 was on  
4 Scott that I owned.

5 Q. Okay. And were there monthly  
6 premiums to be paid on those?

7 A. Yes.

8 Q. And who paid the premiums?

9 A. I paid the one on me.

10 Q. That's the one for --

11 A. Yeah. The 175.

12 Q. Okay.

13 A. It was actually 175 a month or \$75 a  
14 month or something like that.

15 Q. Okay.

16 A. Whenever it came. Scott paid the  
17 other one.

18 Q. Okay. And do you know whether he  
19 paid it from the business?

20 A. I don't know where he paid it from.

21 Q. Do you know what the monthly payment  
22 was on it?

23 A. No, I don't.

1 Q. Okay.

2 MR. GANNON: Debbie, can we take  
3 just a five-minute break?

4 BY MS. NOTINGER: Sure.

5 MR. GANNON: Not now, but at some  
6 convenient time.

7 BY MS. NOTINGER: Yep. Actually, we  
8 can take it now. Before I forget I need to  
9 tell you something about the life insurance.

10 MR. GANNON: Okay.

11 MS. NOTINGER: We can go off the  
12 record for a second.

13 (Discussion held off the record.)

14 (Recess.)

15 Q. BY MS. NOTINGER: Okay. We can go  
16 back on the record. And we were just  
17 talking about the life insurance policies  
18 listed on your Schedule B.

19 A. Yes.

20 Q. And I just have a question about the  
21 second policy. You said that's a policy on  
22 Scott's dad's life; --

23 A. Right.

1 Q. -- is that right? And are you the  
2 beneficiary of the policy?

3 A. Yes.

4 Q. Okay. And that's why you're trying  
5 to exempt that?

6 A. Yes.

7 Q. The cash value of that?

8 A. Yes.

9 Q. All right. But who is the owner of  
10 the policy?

11 A. I own the policy.

12 Q. You own the policy?

13 A. Yeah.

14 Q. You own both of these policies?

15 A. Yes.

16 Q. When was the second policy taken  
17 out, if you know?

18 A. I don't know.

19 Q. More than ten years ago?

20 A. I think it's been less than ten  
21 years.

22 Q. How about five years? More or less  
23 than five years?

1 A. That I don't know.

2 Q. All right.

3 A. I'm sorry.

4 Q. That's okay.

5 A. I wish I knew.

6 Q. Okay. And you think there's  
7 approximately \$16,768 in cash value in --  
8 in that policy?

9 A. I think there's less in it now  
10 because it's still --

11 Q. It's paying for itself?

12 A. It's paying for itself.

13 Q. Do you know what the monthly payment  
14 is?

15 A. I don't know what it was. Well, oh,  
16 no. I guess when I called the life  
17 insurance agency I think they mentioned  
18 something about \$300 a month or something.  
19 I don't -- don't quote me on that, but I --  
20 I -- there was a \$300 something. And I  
21 don't know if she mentioned if it's \$300  
22 every time that, you know, they send you a  
23 bill, which is not once a month or if it's

1 300 a month.

2 Q. Okay. Is it 300 a quarter?

3 A. It may be.

4 Q. Okay.

5 A. I don't know if it's 300 a quarter  
6 or 300 a month that she mentioned.

7 Q. Okay.

8 A. It was coming out of the account to  
9 pay for itself, so --

10 Q. Okay. How did -- where did the  
11 money come from that built up this cash  
12 value?

13 A. I don't know.

14 Q. It didn't come from you personally?

15 A. No. I didn't pay that one  
16 personally.

17 Q. Okay. I'm going back to my Exhibit  
18 2 now.

19 A. Okay.

20 Q. All right. Getting back to this  
21 list.

22 A. Okay.

23 Q. I'm looking after Jefferson Pilot,

1       which you said you weren't sure, but at  
2       some point your own -- the Lincoln  
3       Financial was Jefferson Pilot; is that fair  
4       to say?

5           A.     Right.

6           Q.     Okay.  But you're not sure if these  
7       payments reflected on this Financial  
8       Resources Mortgage summary went to your  
9       policies or not?

10          A.     Right.  I don't have any idea.

11          Q.     Okay.  So the next payee on that  
12       list is Law Offices of Gould and Burke?

13          A.     Yes.

14          Q.     And again, that is Mike Burke and  
15       Mike Gould; is that right?

16          A.     Yes.

17          Q.     It's the same guys.  And do you know  
18       what these charges were for?

19          A.     No, I don't.

20          Q.     Did the law office as opposed to the  
21       two attorneys individually do any work for  
22       you personally, any legal work?

23          A.     Not that I'm aware of.

1 Q. Okay.

2 A. No.

3 Q. And what about for Scott?

4 A. In the -- it was related to the  
5 business. I don't -- I don't know.

6 Q. Okay. The next payee on there is  
7 Lehman Brothers?

8 A. Yeah.

9 Q. Do you know what that is?

10 A. This is best of my recollection.

11 Q. Okay.

12 A. Okay.

13 Q. Mm-hmm.

14 A. I can't remember whether they were a  
15 bond company or an insurance company that  
16 had to do with Financial Resources -- no.  
17 Not Financial Resources, but with the  
18 building of Northview Drive.

19 Q. Okay. Could that have been property  
20 insurance for Northview Drive?

21 A. It could have been. I -- I remember  
22 seeing Lehman Brothers, but I don't recall  
23 exactly what it was.

1 Q. Okay. I think you said before that  
2 Northview Drive had its own bank account;  
3 is that right?

4 A. Yes.

5 Q. Okay. Who had check writing  
6 authority on that bank account?

7 A. I did, but I didn't write the  
8 checks. I signed them and Scott wrote them  
9 out.

10 Q. Okay. In what order did that occur?  
11 Did you sign them first?

12 A. I signed them first.

13 Q. Okay. And then he wrote them out?

14 A. Yeah.

15 Q. So you wouldn't know necessarily for  
16 what purpose he wrote out the checks?

17 A. No.

18 Q. All right. And again, why did you  
19 sign checks in blank like that?

20 A. I -- I trusted him to take care of  
21 the building.

22 Q. Okay. Do you know what kind of  
23 income the trust had, the Northview Drive

1 Trust?

2 A. I don't.

3 Q. So the checks wouldn't come to you?

4 A. No.

5 Q. How would -- let me back up for a  
6 second, sorry. Other than yourself did  
7 anyone else have check writing authority on  
8 the bank account for Northview Drive Trust?

9 A. I don't think so.

10 Q. Which is probably why Scott had you  
11 sign the checks, right?

12 A. Yep.

13 Q. It appears he did not have check  
14 writing authority?

15 A. No. I don't think he did.

16 Q. Okay. Do you know -- and you don't  
17 know what kind of income the trust had?

18 A. No. I know it received rent from  
19 Gould and Burke and from -- oh, I can't  
20 think of the -- DAK Financial.

21 Q. Do you know how that is spelled?

22 A. D-A-K.

23 Q. Okay. And what kind of business was

1 that?

2 A. They had -- they were renting office  
3 space from -- from the -- you know, in the  
4 building.

5 Q. Were they related to Financial  
6 Resources --

7 A. No.

8 Q. -- in any way?

9 A. No.

10 Q. It was completely outside?

11 A. I think it's a completely  
12 different -- I don't know for sure, but  
13 I -- I think they are completely different.

14 Q. Do you know what kind of business  
15 they have?

16 A. He did financial planning.

17 Q. Was it just one individual?

18 A. There was another guy in there that  
19 did insurance because we got our insurance  
20 policies from them. And I don't know if he  
21 had a different -- you know, a different  
22 name for that company that did the  
23 insurance. I just don't know.

1 Q. Okay.

2 A. They were all in the same office.

3 Q. Okay. But they had some kind of  
4 lease with the trust?

5 A. Yeah. I think they had a lease with  
6 the trust.

7 Q. Did you sign the leases?

8 A. If I did I don't remember. It would  
9 have been one of those --

10 Q. One of the pieces of paper?

11 A. A piece of paper that Scott gave me.

12 Q. Okay. Did you negotiate what the  
13 rent would be with Gould and Burke --

14 A. No.

15 Q. -- or that company?

16 A. I don't know. I don't have any idea  
17 of what anybody was paying for rent, so --

18 Q. Okay. And the Lehman Brother thing  
19 could have been property insurance, but  
20 you're not sure. Is that fair to say?

21 A. Yeah. It could have been. I'm not  
22 sure.

23 Q. Was there any reason it was being

1       paid by Financial Resources instead of the  
2       trust?

3           A.     I don't know.

4           Q.     Okay.

5           A.     I don't know.  It could have been a  
6       bond, too.  I just don't know.

7           Q.     Okay.  Do you have any Lehman  
8       Brothers records in your possession?

9           A.     No, I don't.

10          Q.     Do you know who would have them?

11          A.     No.  I'm sorry.

12          Q.     Okay.  The next payee on the list is  
13       Jeff Long, d/b/a Financial Resources of  
14       Tulsa?

15          A.     Yes.

16          Q.     Do you know who he is or what those  
17       payments are about?

18          A.     I don't know what the payments are  
19       about.  I know that Jeff worked with Scott.

20          Q.     Doing what?

21          A.     I think he did mortgages in Tulsa  
22       and was under Financial Resources.  That's  
23       really about all I know.

1 Q. Okay. And you don't know what these  
2 payments were for?

3 A. I don't know what the payments were  
4 for.

5 Q. Did you personally ever do any  
6 business with Jeff Long?

7 A. No.

8 Q. You weren't involved in any  
9 businesses with him, either yourself  
10 individually or through any of the trusts  
11 that we've talked about?

12 A. Not that I'm aware of.

13 Q. Okay.

14 A. No, I don't.

15 Q. Okay. The next payee on here is M&T  
16 Bank.

17 A. Mm-hmm.

18 Q. And any idea what those payments are  
19 for?

20 A. No. M&T? That rings a bell  
21 somewhere. And I can't remember where, and  
22 it -- no. I really don't know.

23 Q. As far as you know did you have any

1 business with M&T Bank yourself?

2 A. I can't recall whether I did. I  
3 don't think so.

4 Q. Okay. The next payee on the list is  
5 Northview Drive Trust.

6 A. Yes.

7 Q. Looks like fairly regular payments  
8 of \$1,150 per week?

9 A. Mm-hmm.

10 Q. Would you agree that's what the  
11 schedule reflects?

12 A. That's what it looks like, yep.

13 Q. Do you know what those payments were  
14 for?

15 A. I have a guess, but I don't know for  
16 sure.

17 Q. Well, your best guess.

18 A. My best guess is that it's rent from  
19 Financial Resources to the trust that owned  
20 the building.

21 Q. Okay. And did you negotiate rent  
22 with Financial Resources or anything like  
23 that?

1           A.    No.  I never did.

2           Q.    Okay.  Do you know whether the trust  
3   paid real estate taxes on the buildings and  
4   the land or whether those were paid by  
5   somebody else?

6           A.    I don't know who paid the taxes.

7           Q.    Okay.  What about the utilities for  
8   the building?

9           A.    I didn't have anything to do with  
10  paying anything on Northview Drive, --

11          Q.    Okay.

12          A.    -- so --

13          Q.    Do you know whether -- the payments  
14  that Scott put into your checking account  
15  periodically, do you know whether they came  
16  from Northview Drive Trust?

17          A.    I think there were a few that I saw  
18  in the checkbook --

19          Q.    Okay.

20          A.    -- that came from Northview Drive.

21          Q.    All right.  And I think you  
22  testified before that you were the signor  
23  on the checking account for that?

1 A. Right.

2 Q. Do you know whether you signed  
3 checks every week for rent here?

4 A. I have -- I don't know what I  
5 signed.

6 Q. All right. Did you sign every week  
7 for Northview Drive Trust?

8 A. I signed a whole bunch of checks,  
9 and then Scott would just write them out.  
10 So it wasn't every week that I signed them.  
11 I don't know who -- where they went.

12 Q. Okay. Would you sign, you know, 20  
13 a month for him or something like that?

14 A. I would sign a checkbook at a time.

15 Q. A checkbook at a time?

16 A. Yeah.

17 Q. Okay. And what is there in a  
18 checkbook, like 30 checks?

19 A. Yeah.

20 Q. All right. And how often would you  
21 sign that, would you say?

22 A. Oh, goodness. I just don't  
23 remember. Once every maybe two or three

1 months.

2 Q. Okay. And you didn't do the  
3 deposits into that account?

4 A. No.

5 Q. And where did the statements go for  
6 the account?

7 A. Scott had the statements -- or I  
8 didn't have them, so --

9 Q. They didn't come to you?

10 A. I never got them, so I don't --

11 Q. All right.

12 A. He took the mail -- you know what I  
13 mean? There were people from the office  
14 that picked up the mail, so I don't know  
15 what P.O. boxes they went to, but I didn't  
16 receive them.

17 Q. But you didn't look at them every  
18 month?

19 A. No.

20 Q. Did you ever look at them at all?

21 A. No.

22 Q. Okay. And do you have any of them  
23 in your possession presently?

1 MR. GANNON: I've lost track. Them?  
2 What do you mean by them?

3 Q. The bank statements for Northview  
4 Drive Trust.

5 MR. GANNON: Thanks.

6 A. Anything that I've received from  
7 Northview Drive I've forwarded to you guys.

8 Q. Okay.

9 A. So I don't have any in my possession  
10 right now.

11 Q. All right. But Attorney Gannon may  
12 have them, or I guess maybe we have them  
13 perhaps?

14 MR. GANNON: Again, I'm happy to let  
15 you look at everything we have.

16 Q. Okay. Thank you. And I'm going to  
17 just keep going here on my list. I'm on  
18 page 19 now.

19 A. Okay.

20 Q. And we just talked about Northview  
21 Drive Trust. The next payee is Phoenix  
22 Financial.

23 A. Yeah.

1 Q. Any idea what that is?

2 A. I don't have any idea what that is.

3 Q. Did you yourself do any business  
4 with Phoenix Financial?

5 A. No.

6 Q. Okay. Well, I'm not going to ask  
7 you about the last thing because it's a  
8 small amount, okay. Let's see here. Well,  
9 let me just ask you -- I was going to try  
10 to look at this schedule, but it's just so  
11 small I am not going to be able to read it,  
12 so let me ask you generally about SMM  
13 Realty Trust.

14 A. Okay.

15 Q. You -- I think you testified  
16 previously today or at the previous 341  
17 meeting that you are as far as you know a  
18 beneficiary of that trust?

19 A. I was told that I was a beneficiary  
20 of that trust.

21 Q. Do you know who the trustee of the  
22 trust is?

23 A. No.

1 Q. Do you know whether the trust has a  
2 bank account?

3 A. No.

4 Q. Have you ever signed any checks --

5 A. No.

6 Q. -- to deal with SMM Realty Trust?

7 A. No.

8 MR. GANNON: Try to let Ms. Notinger  
9 finish her question.

10 THE WITNESS: I'm sorry. I'm so  
11 bad.

12 MR. GANNON: No. I've been with  
13 worse.

14 MS. NOTINGER: So have I.

15 Q. BY MS. NOTINGER: So you don't  
16 recall ever signing any checks on behalf of  
17 SMM Realty Trust?

18 A. No. I don't recall anything about  
19 that.

20 Q. And just for the record I think this  
21 was back at the 341 meeting, but you said  
22 that the SMM is Susan and your two  
23 children?

1 A. That's right, yes.

2 Q. What are your two children's names  
3 again?

4 A. Matthew and Mark.

5 Q. Okay. To your knowledge have either  
6 of them ever signed any checks on behalf of  
7 SMM Realty Trust?

8 A. No.

9 Q. And you said one of them is 19. How  
10 old is the other one?

11 A. He just turned 18.

12 Q. Okay. I lost my train of thought.  
13 So prior to just before the bankruptcies  
14 were filed you had no knowledge of the SMM  
15 2007 Realty Trust?

16 A. Scott told me there was a family  
17 trust. I found that out about a month  
18 before -- before he closed Financial  
19 Resources. I didn't even know it existed,  
20 and then I found out in probably February  
21 of 2010 that SMM was probably the family  
22 trust. I didn't even know SMM existed  
23 before then.

1 Q. Okay. And why did he tell you about  
2 the family trust? What was the context of  
3 that?

4 A. He mentioned it in passing and --

5 Q. And you didn't inquire further?

6 A. No. I just -- I didn't know what it  
7 was.

8 Q. Did --

9 A. Just --

10 Q. Go ahead. I'm sorry.

11 A. Yeah. He just said we had a family  
12 trust.

13 Q. Did he tell you what was in the  
14 trust?

15 A. No.

16 Q. Do you have any idea now what is in  
17 that trust?

18 A. No.

19 Q. What it owns?

20 A. No.

21 Q. Did you ever get any checks from SMM  
22 Realty Trust that you deposited into your  
23 personal account?

1 A. No.

2 Q. Do you know whether Dodge Financial  
3 is the trustee of SMM Realty Trust?

4 A. I don't have any idea.

5 Q. Okay. And I don't know if I asked  
6 you this, but do you know whether SMM  
7 Realty Trust has a bank account?

8 A. No. I don't know.

9 Q. But as far as you know you don't --  
10 you're not involved with any bank  
11 account --

12 A. No.

13 Q. -- with regard to SMM --

14 A. No.

15 Q. -- Realty Trust?

16 A. Again, I found out that that existed  
17 in February of 2010.

18 Q. Do you know whether Scott ever asked  
19 you to sign any documents with regard to  
20 SMM Realty Trust?

21 A. I don't know.

22 Q. You don't -- do you recall signing  
23 any documents?

1 A. No, I don't.

2 Q. And I'm just asking about SMM Realty  
3 Trust.

4 A. Yeah. No. I don't recall signing  
5 any documents about SMM.

6 Q. Okay. And you have no idea what it  
7 might own or anything like that?

8 A. I have no clue.

9 Q. Do you know whether there are any  
10 other beneficiaries of SMM Realty Trust  
11 other than yourself and your two children?

12 A. I was told it was the three of us.

13 Q. Okay. Have you ever seen the trust  
14 documents?

15 A. I've never seen the trust documents.

16 Q. Do you know who has the trust  
17 documents?

18 A. No.

19 Q. Okay. Does Scott have them?

20 A. I don't have a clue.

21 Q. Do you know whether -- well, have  
22 you ever been involved in any business in  
23 Arizona?

1 A. No.

2 Q. Have you ever had any bank accounts  
3 in Arizona?

4 A. No.

5 Q. Do you know whether Scott has any  
6 bank accounts in Arizona?

7 A. I don't know.

8 Q. Do you know whether he has any  
9 business interests in Arizona?

10 A. I don't know.

11 Q. Ever heard anything about Arizona at  
12 all?

13 A. No. I --

14 MR. GANNON: Objection, breadth.

15 Q. Well, with regard to your husband  
16 and any business --

17 A. I visited Arizona, --

18 Q. Right.

19 A. -- but --

20 Q. Other than that?

21 A. No.

22 Q. Okay.

23 MR. GANNON: By the way, just for

1 the record when I object you don't talk.

2 THE WITNESS: Okay.

3 MR. GANNON: That's how it works  
4 until we sort it out.

5 THE WITNESS: Okay.

6 MS. NOTINGER: We're doing pretty  
7 good so far, though, I'd say.

8 MR. GANNON: I think you're doing  
9 fine. Both of you.

10 MS. NOTINGER: All right. Well, --

11 MR. GANNON: You're doing fine, too,  
12 Kim. Don't --

13 THE WITNESS: Yeah. We're really  
14 happy with your work.

15 Q. BY MS. NOTINGER: All right. Well,  
16 my secretary marked these for me, but I  
17 don't know why. Oh, she was marking SMM  
18 Realty Trust. Well, I'm just going to show  
19 you, for example, and I'm not even sure  
20 I'll mark it.

21 A. Okay.

22 Q. Probably depends on your answer.

23 And it's -- I don't have copies of it, --

1 A. Okay.

2 Q. -- but I'm just looking at this  
3 check right here in the middle.

4 A. Mm-hmm.

5 Q. Check made out to SMM --

6 A. Oh, wow.

7 Q. -- Realty Trust.

8 A. Oh.

9 Q. And this is just an example. I will  
10 represent to you that there are many checks  
11 in many different amounts written to that  
12 entity in these records.

13 A. Mm-hmm.

14 Q. Have you ever seen any checks like  
15 that?

16 A. No. I've never seen any checks like  
17 that.

18 Q. And did you ever get any money that  
19 you know of coming from checks like this?

20 A. No.

21 Q. All right. Did you ever see any  
22 statements from -- it appears -- I'll just  
23 represent from this record that SMM Realty

1 Trust has an account or had an account at  
2 Citizens Bank. You have any knowledge of  
3 that?

4 A. I didn't know that. This is the  
5 first I've heard of it.

6 Q. Okay. So other than telling you  
7 there was some kind of family trust did  
8 Scott ever discuss with you what this trust  
9 did?

10 A. No.

11 Q. Anything like that? Can I ask you,  
12 and I should have asked you earlier on, but  
13 I didn't, what your educational background  
14 is?

15 A. Oh, I have a BS and Bachelor of  
16 Science in nursing.

17 Q. Okay. And where did you go to  
18 college?

19 A. Oral Roberts University.

20 Q. Okay. And do you have a college  
21 degree in anything else?

22 A. No.

23 Q. And I presume you're -- you

1 graduated from high school, --

2 A. Yes.

3 Q. Okay. -- if you have a college  
4 degree? Okay.

5 A. Oh, I do have a real estate license  
6 with New Hampshire if you need that.

7 Q. Okay. So you took a --

8 A. I took the six-week course.

9 Q. Okay.

10 A. Yeah.

11 Q. To become a real estate --  
12 licensed --

13 A. Yeah.

14 Q. -- with a real estate license? Have  
15 you sold any property with your real estate  
16 license?

17 A. No.

18 Q. When did you get your license?

19 A. I got it last August.

20 Q. Okay.

21 MR. GANNON: Nice timing.

22 THE WITNESS: Yeah. Probably won't  
23 keep it.

1 Q. Did you get it thinking that you  
2 were going to try to sell some of the  
3 property involved in Scott's business or --

4 A. Why did I get it? Scott asked me  
5 to. I think so, yeah. I think that was  
6 the reason.

7 Q. But you never ended up listing  
8 anything?

9 A. No. I never listed anything, no. I  
10 never listed anything involved with  
11 Financial Resources.

12 Q. Okay. Did you ever list any  
13 property at all?

14 A. There was a listing that was  
15 supposed to be transferred into my name,  
16 but I don't think it ever was, so --

17 Q. On what property?

18 A. It was a property from -- it didn't  
19 have anything to do with Financial  
20 Resources.

21 MR. GANNON: That's all right. Miss  
22 Notinger is still entitled to know what  
23 property.

1           A.    Okay.  It was a property that was on  
2   Lake Winnepesaukee in Meredith that I --  
3   when -- it was listed with a realtor that  
4   was going to take me on, you know, as soon  
5   as I got my license.

6           Q.    Mm-hmm.

7           A.    And then when I got my license it  
8   didn't get transferred.

9           Q.    Okay.

10          A.    So I -- I don't think I ever had a  
11   listing.  If I did it was for a very  
12   short --

13          Q.    Okay.  So were you going to work as  
14   a realtor or broker for another --

15          A.    I was working --

16          Q.    -- person?

17          A.    Yeah.  I was going to work for  
18   another broker.

19                MR. GANNON:  I think, just for the  
20   record, --

21          Q.    Who was that?

22                MR. GANNON:  -- Mrs. Farah never had  
23   a broker's license.

1           A.    Yeah.  I never had a broker's  
2    license.

3           Q.    You had a realtor's license?

4           A.    I had a realtor's license, yeah.

5           Q.    And who were you going to work with?

6           A.    I was going to work -- well, I  
7    signed up with Keller Williams in  
8    Manchester for a while.

9           Q.    Mm-hmm.

10          A.    And then I think I moved -- I'm not  
11   sure if I officially moved to RE/MAX in  
12   Center Harbor.

13          Q.    Okay.  And were you going to work  
14   with Karen Laflamme?

15          A.    Yeah.

16          Q.    And did you ever end up working for  
17   her or with her?

18          A.    I don't know if I had any listing  
19   with her.  I mean, you know for sure.  I  
20   don't think so.

21          Q.    She had a lot of listings from --

22          A.    Yeah.  She had the listing that I  
23   think was supposed to be transferred into

1 my name, and it just was a while. I don't  
2 think it ever got that way. It was one of  
3 those things that just never happened, you  
4 know.

5 Q. And who owns that property?

6 A. That was Voche Manukian.

7 Q. Okay. But he is a borrower from  
8 FRM?

9 A. He is a borrower from FRM.

10 Q. So the property does have something  
11 to do with Financial Resources, correct?

12 A. Yeah. I think it was his personal  
13 property, though. It wasn't anything that  
14 had to do with -- that I know of.

15 Q. Okay. Did the property -- was it a  
16 subdivision?

17 A. No.

18 Q. Okay.

19 A. It was a piece of land --

20 Q. Okay.

21 A. -- on the lake.

22 Q. Did it ever get sold?

23 A. No.

1 Q. Still owned by him, as far as you  
2 know?

3 A. As far as I know. It never sold  
4 while I was involved with it.

5 Q. How did you find out that -- well,  
6 what did you find out at the end of  
7 Financial Resources in terms of, you know,  
8 did Scott just come home one day and say  
9 the business is gone or --

10 A. Okay. Can you be more specific on  
11 that?

12 Q. Sure.

13 A. I'm just a little lost.

14 Q. You know what? I'll withdraw the  
15 question and ask another one.

16 MR. GANNON: Can I just make an  
17 observation. That to some degree you're  
18 going to enter the area of marital  
19 privilege.

20 MS. NOTINGER: I guess you'll have  
21 to decide that. I'm withdrawing the  
22 question that I was asking.

23 MR. GANNON: Well, I'm not sure --

1 you ask your questions. I just want you to  
2 be aware of the fact that I may object on  
3 that basis.

4 BY MS. NOTINGER: That's fine.

5 Q. BY MS. NOTINGER: When did you  
6 become aware that Financial Resources and  
7 CL&M were in financial trouble?

8 A. Were in financial trouble? About  
9 two weeks before the business closed.

10 Q. Okay. And what did you find out?

11 A. Then I found out that they were in  
12 financial trouble or that -- not -- I  
13 didn't know anything about CL&M, but that  
14 Financial Resources was in financial  
15 trouble.

16 Q. And you had never heard of CL&M  
17 until then?

18 MR. GANNON: Objection. I don't  
19 think that was the witness' testimony.

20 Q. Okay.

21 MR. GANNON: I think her testimony  
22 was that she wasn't aware -- well, whatever.

23 A. I wasn't, that CL&M was in financial

1 trouble.

2 Q. Okay. So you knew about it, but you  
3 didn't know it was in financial trouble?

4 A. Yeah. CL&M had an office in the  
5 same building that Financial Resources did,  
6 so --

7 Q. Right, okay. And what was your  
8 understanding of the relationship between  
9 Financial Resources and CL&M?

10 A. I actually didn't know what the  
11 relationship was.

12 Q. Okay.

13 A. At that time I -- I knew that they  
14 worked together. I thought that CL&M was  
15 the servicing company for the loans that  
16 Scott got.

17 Q. Okay.

18 A. That's all that I knew.

19 Q. All right. You said at one point  
20 you had an office at the building there?

21 A. Right.

22 Q. When? During what time period did  
23 you have an office there?

1           A.    It was around March of 2008 until  
2   Financial Resources closed.

3           Q.    And just logistically was your  
4   office in the same area as FRM or CL&M or a  
5   separate office suite?

6           A.    Yeah.  It was right next door to  
7   Scott's office.

8           Q.    All right.  So it was in the  
9   Financial Resources --

10          A.    Right.

11          Q.    -- main office?

12          A.    Right.

13          Q.    Is that fair to say?

14          A.    Mm-hmm.

15          Q.    When you were working there did you  
16   ever take a look at how the loans were  
17   being set up or --

18          A.    I had nothing to do with the loans.  
19   I never saw -- I didn't even look at the  
20   loan documents.

21          Q.    All right.  How often did you go  
22   into the office yourself?

23          A.    I was there ten to 15 hours a week.

1 Q. So you were there part-time?

2 A. Yes.

3 Q. Okay. When you were there in the  
4 office did you ever hear any talk about,  
5 Oh, we're in trouble here or need more  
6 money to keep going --

7 A. I never heard that.

8 Q. -- anything like that? Okay. And  
9 were there people that worked in Financial  
10 Resources separate from people who worked  
11 in the CL&M office?

12 A. Yes.

13 Q. All right. When you were there who  
14 was working in the FRM office?

15 A. Scott had a whole bunch of people.  
16 I don't know all their names.

17 Q. How many people would you say?

18 A. Let me think. Two -- it's got to be  
19 ten or more. I -- I just --

20 Q. And how many people were working at  
21 CL&M, if you know?

22 A. I walked into the office a couple of  
23 times, and it was Don Dodge and two other

1 women.

2 Q. Do you know what the women's names  
3 are?

4 A. Diane was one, and I don't remember  
5 the other lady's name. I'm sorry.

6 Q. Okay. But it was the three of  
7 them, --

8 A. Yeah.

9 Q. -- as far as you know?

10 A. Yeah. As far as I know.

11 Q. Okay. And do you know whether any  
12 of the three of them were on the payroll of  
13 FRM, if you know?

14 A. No. I have no idea.

15 Q. So you didn't have anything to do  
16 with FRM's payroll or office management,  
17 anything like that?

18 A. Oh, no.

19 Q. And you said you worked as part of  
20 Matark?

21 A. Yes.

22 Q. That was a business that you owned?

23 A. Yes.

1 Q. Could you spell it for the  
2 stenographer.

3 A. It's, M-a-t-a-r-k.

4 Q. Okay. And did Matark receive funds  
5 from FRM?

6 A. No.

7 Q. Did Matark receive funds from CL&M?

8 A. No.

9 Q. Did Matark receive funds from any of  
10 the trusts that we discussed here today  
11 that you're either a trustee or beneficiary  
12 of?

13 A. No.

14 Q. Okay. Oh, I know there was another  
15 place I wanted to ask you about, and that  
16 is Prudential Park --

17 A. Okay.

18 Q. -- Attorney Brouillard.

19 A. Oh, yes. I do know about that a  
20 little bit.

21 Q. Okay. What can you tell me about  
22 that?

23 A. There is a piece of land in Belmont,

1 I'm sorry I didn't think about it earlier,  
2 that Scott bought -- well, I guess I don't  
3 know who bought it. I shouldn't say Scott.  
4 That was going to be developed into  
5 apartment buildings.

6 Q. Mm-hmm.

7 A. And they named it the -- well,  
8 the -- what -- they were going to call it  
9 Apple Ridge, so that's how I know it.

10 Q. Mm-hmm.

11 A. I have a document somewhere stating  
12 that I'm a backup trustee on that.

13 Q. Who's the first trustee?

14 A. That I don't know.

15 Q. Okay. But it's in some kind of  
16 trust, this property, as far as you know?

17 A. As far as I know. I think those two  
18 are related. I think Prudential Park and  
19 Apple Ridge --

20 Q. Are the same?

21 A. Right. I think we're talking about  
22 the same property.

23 MR. GANNON: For what it's worth I

1 know you're both right.

2 Q. Okay.

3 A. Yeah.

4 Q. Do you know whether you are a  
5 beneficiary of the trust that owns that  
6 property?

7 A. I don't know for sure. I --

8 Q. Do you think you may be?

9 A. I may be.

10 Q. Okay. Did anyone ever tell you on  
11 one of these jaunts that that's one of the  
12 things you own a piece of?

13 A. They may have. I just don't  
14 remember.

15 Q. Okay. And that is -- is Attorney  
16 Brouillard the trustee of that trust?

17 A. I don't know.

18 Q. Have you ever seen the trust  
19 documents?

20 A. I have a document that I signed as  
21 trustee, but I think it's a backup trustee  
22 document. I -- I have one --

23 Q. Do you recall signing any other

1 documents having to do with that trust  
2 other than the backup trust?

3 A. I'm sure I did. I don't know what  
4 documents they are.

5 Q. Okay. It's all right. I  
6 understand. It relates to the previous  
7 testimony that there were lots of papers  
8 signed, I assume; is that right?

9 A. Yeah. I wouldn't know --

10 Q. Okay.

11 A. -- what I signed.

12 Q. Did Attorney Brouillard represent  
13 you personally for any legal work?

14 A. He did my will way, way, way back in  
15 1986.

16 Q. Okay. Was he also involved with  
17 Financial Resources in some way?

18 A. I think Scott used him for some  
19 things. I don't know what he used him for.  
20 I remember him mentioning Phil Brouillard.  
21 I don't know when or what he used them for.

22 Q. Okay. Other than Apple Ridge --

23 A. Oh, --

1 Q. Go ahead.

2 A. -- yeah. He did the -- I just  
3 remembered he did the condo docs for 61  
4 South Main also.

5 Q. Okay. And do you know who paid his  
6 bills for doing that?

7 A. It wasn't me, --

8 Q. Okay.

9 A. -- so I don't know who.

10 Q. All right. That's fine. I'm losing  
11 my train of thought again. Oh, I know what  
12 I was going to ask. Other than Apple Ridge  
13 and the condo docs do you know whether  
14 Attorney Brouillard was involved in any  
15 other real estate projects having to do  
16 either with yourself personally or with  
17 Financial Resources?

18 A. I don't know. I really don't.

19 Q. Okay. And the U.S. Trustee asked me  
20 to ask you this. She is looking --

21 MR. GANNON: I object.

22 Q. That's fine. Well, I'm -- now we  
23 know who's in control. She would like me

1 to ask you because you're required to  
2 disclose it on your schedules before I  
3 forget, --

4 A. Okay.

5 Q. -- what attorney's fees you have  
6 paid in the last year. And Attorney Gannon  
7 has disclosed certain fees through the  
8 bankruptcy process. Are there any other  
9 attorneys that you paid fees to personally  
10 within the year before filing?

11 THE WITNESS: How do I answer that?

12 MR. GANNON: Carefully. I think  
13 the -- I think actually -- actually, I think  
14 it's a question that you can probably just  
15 answer. I mean, you just have to be -- you  
16 need to have your answer be clear, that's  
17 all.

18 THE WITNESS: Okay. Okay. Does she  
19 want to know where the money came from?

20 MR. GANNON: No.

21 THE WITNESS: She wants to know  
22 what?

23 Q. BY MS. NOTINGER: Well, that might

1 be the backup, but the first question is --

2 MR. GANNON: And that we may not.

3 THE WITNESS: Okay.

4 MR. GANNON: Wait a minute. Wait a  
5 minute. Wait. As I understand it the  
6 question on the table is what attorney's  
7 fees have you, Susan Farah, paid during the  
8 last year.

9 THE WITNESS: I have paid no  
10 attorneys -- attorney fees during the last  
11 year.

12 Q. BY MS. NOTINGER: Has anyone paid  
13 some attorney fees on your behalf in the  
14 last year?

15 A. Now where do I go with that?

16 MR. GANNON: You say yes or no or I  
17 don't know.

18 A. Yes.

19 Q. Okay.

20 A. I'm sorry. A little strange.

21 MR. GANNON: I think we're making  
22 more of a mystery out of this than there  
23 really is.

1 Q. And who paid the fees?

2 THE WITNESS: Am I allowed to  
3 disclose that?

4 MR. GANNON: Yes.

5 THE WITNESS: My parents.

6 Q. BY MS. NOTINGER: Do you know how  
7 much they have paid on your behalf in the  
8 past year?

9 MR. GANNON: This is a yes or no  
10 question. You know or you don't know.

11 A. I know how much they sent in  
12 originally.

13 MR. GANNON: Okay.

14 A. So I don't know --

15 Q. So how much did they send in  
16 originally?

17 A. They sent in 30,000.

18 Q. Okay. And have they paid any other  
19 subsequent amounts that you are aware of?

20 A. To attorneys?

21 Q. Mm-hmm.

22 A. No.

23 Q. On your behalf?

1           A.    No.

2           Q.    Okay.  And did it go to Attorney  
3   Gannon, or it went to other people?

4           A.    Some of it went to Paul Twomey, and  
5   some of it went to Attorney Gannon.

6           Q.    And Paul Twomey is working as  
7   co-counsel with Attorney Gannon?

8           MR. GANNON:  Could I answer that?

9           THE WITNESS:  Yeah.

10          MR. GANNON:  I think you'll get a  
11   better answer.

12          MS. NOTINGER:  Sure.  That's fine.

13          MR. GANNON:  In a very generalized  
14   sense the answer is yes.  But in a more  
15   practical and operative sense Paul is  
16   handling -- was and is to the extent  
17   necessary handling those matters, which you  
18   would assume to be within his area of  
19   expertise.

20          MS. NOTINGER:  All right.

21          MR. GANNON:  And I am handling those  
22   matters, which I think are within my area of  
23   expertise.  And I think the only gray point

1 area was the state court civil litigation,  
2 which Mr. Twomey began, and then I took  
3 over.

4 MS. NOTINGER: Okay.

5 MR. GANNON: And then ended with the  
6 filing of the bankruptcy petition.

7 MS. NOTINGER: All right. Good. I  
8 was going to say what state court issues?

9 MR. GANNON: Only old state court.

10 MS. NOTINGER: The old stuff.

11 MR. GANNON: The stuff disclosed in  
12 the petition for the most part.

13 MS. NOTINGER: Okay.

14 MR. GANNON: And, in fact,  
15 exclusively, as far as I know, because  
16 that's all I did.

17 Q. BY MS. NOTINGER: Okay. All right.  
18 Other than that \$30,000 payment is there  
19 any other attorney's fees that you are  
20 aware of within the past year that have  
21 been paid either by yourself or by anyone  
22 on your behalf?

23 A. Oh, I can -- there was -- there

1 is -- it's either -- I can't remember if it  
2 was 250 or \$500 that I paid to -- I can't  
3 remember his name. An attorney who  
4 referred me to Paul Twomey.

5 Q. Oh, so you paid for a consultation?

6 A. Yeah.

7 Q. Okay.

8 A. And I can't remember his name. I'm  
9 sorry.

10 Q. Okay. All right. Anything other  
11 than that?

12 A. That's it.

13 Q. Have you paid any fees or has anyone  
14 paid at your request on behalf of your  
15 husband, Scott Farah, --

16 A. No.

17 Q. -- in the last year --

18 A. No.

19 Q. -- attorney fees?

20 A. No.

21 Q. I just wanted to ask you again a  
22 little bit more detail about this. It's  
23 right on the first page --

1 A. Okay.

2 Q. -- of our Exhibit 1. The sale of  
3 the house at 199 McCrillis Hill Road.

4 A. Yes.

5 Q. Can you refresh my memory? That was  
6 a property, as I recall, that somehow  
7 involved Mr. Coyne; is that right?

8 A. Yes.

9 Q. Or am I remembering wrong?

10 A. Yes. It was one of the properties  
11 that I found out that I owned.

12 Q. When did you find out you owned it?

13 A. About the same time I found out  
14 everything else. I think it was probably  
15 again the spring of -- it was 2008.

16 Q. What was the reason that you -- I  
17 guess you didn't know before that and all  
18 of a sudden you were told about all of  
19 these things? What was the reason for  
20 that?

21 A. I was working -- I started working  
22 in the office, you know, next to Scott with  
23 Matark. And I was trying to help out with

1 some of the real estate as far as just  
2 figuring out how to sell it and stuff like  
3 that. So that's where -- that's when I  
4 found out all this stuff that I owned.

5 Q. Okay. Okay. So can you again just  
6 go back to this piece --

7 A. Okay.

8 Q. -- and tell me a little bit about  
9 that.

10 A. Okay. During the sale I received a  
11 check for -- well, a check for 2,000, which  
12 went to me, \$700 which was in my name, but  
13 it went to repairs on the house. There was  
14 a broken window and things like that.

15 Q. Mm-hmm.

16 A. And then the 3,900 went -- came from  
17 SunTrust Mortgage and it was -- it was made  
18 out to me. And it was I think part of the  
19 escrow fund to pay the insurance on the  
20 property. I think that's what it was.

21 Q. Okay. So you got a refund?

22 A. I got a refund of some escrow.

23 Q. Okay. Did Mr. Coyne -- how much

1 money did he get out of this sale, if you  
2 know?

3 A. I don't have any idea.

4 Q. Did you go to the closing?

5 A. Yes.

6 Q. Was Mr. Coyne there?

7 A. No. He was not.

8 Q. Do you remember whether there was a  
9 check there for him at the closing?

10 A. No. There was not a check there for  
11 him at the closing.

12 Q. Okay. The only checks for the  
13 seller went to you?

14 A. The only checks for the seller went  
15 to me.

16 Q. Okay. Do you know whether GCX  
17 was -- had anything to do with this  
18 property?

19 A. I'm sure it probably did because  
20 Gary Coyne put the modular house on the  
21 property. I think he -- I didn't -- by the  
22 time I saw it it was all done.

23 Q. Okay.

1           A.    I think I may have seen it when --  
2           there was a foundation on there once, but  
3           there was -- I think he developed it.

4           Q.    Do you know who paid for the modular  
5           home?

6           A.    No.

7           Q.    Have you ever heard of a company  
8           called Home Sweet Homes?

9           A.    No.

10          Q.    Having to do with Larry Baldi?

11          A.    Oh, Larry Baldi works with a modular  
12          home company.

13          Q.    Okay.

14          A.    But I don't -- maybe that's the --

15          Q.    You don't know anything about Home  
16          Sweet Homes?

17          A.    Maybe that's the company he works  
18          for or works with.

19          Q.    Sorry I'm jumping around a little  
20          bit, but --

21          A.    No.   That's okay.

22          Q.    Other than what we've discussed here  
23          today are there any other real estate

1 projects or properties, anything like that  
2 other than what we've discussed that you  
3 are aware of that involve yourself and Mr.  
4 Coyne in any way?

5 A. I'm trying to -- trying to think if  
6 there's anything else.

7 MR. GANNON: Just take a minute  
8 and think.

9 Q. Just take a minute.

10 A. We talked about that one. Not that  
11 I'm aware of. No. I can't think of  
12 anything.

13 Q. All right. Here's a question out of  
14 left field.

15 A. Okay.

16 Q. Did you place an ad on craigslist to  
17 rent your house or your former house at 35  
18 Hatch Corner Road?

19 A. No. Where did that come from?

20 Q. Do you have any idea who might have  
21 placed such an ad?

22 A. No. I didn't even know it was  
23 there.

1 Q. When was the last time you went to  
2 the Hatch Corner Road property?

3 A. The last time I went? I'm trying to  
4 think. Can I ask you a question, and it  
5 will help me figure it out.

6 Q. Well, --

7 A. I know this sounds little strange.

8 Q. Well, let me move -- since you  
9 filed -- well, since -- you turned your  
10 keys over to me; is that right?

11 A. Yes.

12 Q. Or to the trustee?

13 A. I haven't been there since.

14 Q. Okay.

15 A. Okay.

16 Q. That's fine.

17 A. Is that --

18 Q. Do you still have a key to the  
19 property?

20 A. No.

21 Q. Okay. And you have not been holding  
22 yourself out as someone who's able to rent  
23 the property out --

1 A. Oh, no.

2 Q. -- at this point, right?

3 A. No.

4 Q. Okay. Do you know whether your  
5 husband has an e-mail address,  
6 scottfarah@yahoo.net or .com? I don't know  
7 which one it is.

8 A. I don't know.

9 Q. You have never communicated with him  
10 at an e-mail address at that address?

11 A. I don't know.

12 MS. NOTINGER: Okay. Well, let's go  
13 off the record for a second.

14 (Discussion held off the record.)

15 MS. NOTINGER: We're suspended.

16 (Deposition was suspended at 4:29 p.m.)

17

18

19

20

21

22

23

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

CERTIFICATE OF WITNESS

I, Susan G. Farah, have read the foregoing transcript of deposition taken on July 14, 2010, at the law offices of DONCHESS & NOTINGER, P.C., Nashua, New Hampshire, and do hereby swear/affirm it is an accurate and complete record of my testimony given under oath in the matter of Susan G. Farah, including any and all corrections that may appear on those pages so denoted as "Corrections."

\_\_\_\_\_

Susan G. Farah

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

Subscribed and sworn to before me this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_

Notary Public \_\_\_\_\_ J.P. \_\_\_\_\_

My Commission Expires \_\_\_\_\_

## 1 C E R T I F I C A T E

2 I, Kimberly A. Kerwin, a Certified  
3 Shorthand Reporter and Notary Public of the  
4 State of New Hampshire, do hereby certify that  
5 the foregoing is a true and accurate transcript  
6 of my stenographic notes of the deposition of  
7 Susan G. Farah, who was first duly sworn, taken  
8 at the place and on the date hereinbefore set  
9 forth.

10 I further certify that I am neither  
11 attorney nor counsel for, nor related to or  
12 employed by any of the parties to the action in  
13 which this deposition was taken, and further  
14 that I am not a relative or employee of any  
15 attorney or counsel employed in this case, nor  
16 am I financially interested in this action.

17 THE FOREGOING CERTIFICATION OF THIS TRANSCRIPT  
18 DOES NOT APPLY TO ANY REPRODUCTION OF THE SAME  
19 BY ANY MEANS UNLESS UNDER THE DIRECT CONTROL  
20 AND/OR DIRECTION OF THE CERTIFYING REPORTER.

21

22

---

KIMBERLY A. KERWIN, CSCR

23