

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

B E T W E E N:

**BANNERS BROKER INTERNATIONAL LIMITED and
STELLAR POINT, INC., by their receiver MSI SPERGEL INC.**

Plaintiffs

- and -

**RAJIV DIXIT, KULDIP JOSUN, DIXIT HOLDINGS INC.,
DIXIT CONSORTIUM INC., DREAMSCAPE VENTURES LTD.,
WORLD WEB MEDIA INC., and REAL PROFIT LIMITED**

Defendants

MOTION RECORD

VOLUME II OF II

(*Ex Parte* Motion for a *Mareva* Injunction)

May 30, 2016

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**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1992, c.27, s.2, AS AMENDED
AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN
THE ISLE OF MAN WITH RESPECT TO BANNERS BROKER
INTERNATIONAL LIMITED
APPLICATION OF MILES ANDREW BENHAM AND PAUL ROBERT
APPLETON, IN THEIR CAPACITY AS JOINT LIQUIDATORS OF
BANNERS BROKER INTERNATIONAL LIMITED, UNDER PART
XIII OF THE BANKRUPTCY AND INSOLVENCY ACT (CROSS-
BORDER INSOLVENCIES)**

**This is the Examination by Receiver of ROBERT JAMES
PIRIE, taken at the offices of CASSELS BROCK & BLACKWELL
LLP, Suite 2100, Scotia Plaza, 40 King Street West,
Toronto, Ontario, on the 25th day of February, 2015.**

DAVID S. WARD } -- for the Joint Liquidators
ERIN CRADDOCK } of Banners Broker
LARRY ELLIS } International Limited and
the Court-Appointed
Receiver of certain Banners
Broker Affiliated Entities

NOEL D. GERRY -- for Robert James Pirie
ALSO PRESENT:
Gillian Goldblatt

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1 And with me this morning is my colleague,
2 Erin Craddock, as well as Gillian Goldblatt, who is
3 a chartered accountant at the offices of msi Spergel
4 Inc., which is the Court-Appointed Receiver in
5 Canada. Just to get started, can you give me your
6 full name, please?

7 A. Robert James Pirie.

8 4. Q. And, Mr. Pirie, what is your date of
9 birth?

10 A. January 10th, 1981.

11 5. Q. And your current address?

12 A. It is 76 Liberty Street South,
13 Apartment 302, in Bowmanville, Ontario.

14 6. Q. How long have you lived there for?

15 A. About five years.

16 7. Q. And am I correct that you are a
17 Canadian citizen? Okay, prior to receiving the
18 notice from the Receiver, were you aware that
19 Banners Broker and the Banners Broker companies were
20 in an insolvency proceeding?

21 A. Yes.

22 8. Q. Can you just tell me how and when
23 did you discover that?

24 A. Chris Smith said that he was winding
25 up the company. And at the same time, some

R. J. Pirie - 3

1 ROBERT JAMES PIRIE, sworn

2 EXAMINATION BY MR. WARD:

3 1. Q. Good morning, Mr. Pirie.

4 A. Good morning.

5 2. Q. My name is David Ward and I am
6 counsel for the Joint Liquidators of Banners Broker
7 International Limited. And I also act for the
8 Ontario Court-Appointed Receiver of a number of
9 companies, and I will just read them out to you,
10 because we may refer to them later on in the
11 examination, okay?

12 A. All right.

13 3. Q. So my firm is also counsel for the
14 Receiver of 208736 Ontario Limited, which has
15 operated as a company called Local Management
16 Services, for Parrot Marketing Inc., which is
17 operated...which is formerly 8264554 Canada Ltd.,
18 for 2341630 Ontario Inc., for Stellar Point Inc.,
19 which was formerly Banners Broker Limited, for Dixit
20 Holdings Inc., which was formerly 8163871 Canada
21 Limited, and in addition to that, we are the
22 Investigative Receiver of any other entities
23 operating under the name Bannersbroker, Banners
24 Broker, Banners Broker Limited, Bannersmobile,
25 Banners Mobile, or Banners Broker Belize.

R. J. Pirie - 5

1 affiliates tried to, I guess, contact Appleton to do
2 the same thing and then it just...that's kind of
3 what happened.

4 9. Q. Okay, so fair to say that Chris
5 Smith told you that he was winding up the company?

6 A. Yes.

7 10. Q. And when, approximately, was that,
8 if you can remember?

9 A. Maybe, like, June of 2014. I don't
10 remember specifically.

11 11. Q. Fair enough, I won't hold you to it.
12 Are you aware that there is also a police
13 investigation into the affairs of Banners Broker...

14 A. Yes.

15 12. Q. ...and Mr. Smith, in particular?

16 A. Yes.

17 13. Q. And the same question, how and when
18 did you first become aware of that?

19 A. That, through internet chatter.

20 14. Q. And when, approximately, if you can
21 recall?

22 A. I would say about the same time.

23 15. Q. Approximately June of 2014?

24 A. Yes.

25 16. Q. Now, the Receivers asked you to come

R. J. Pirie - 6

1 in, and thank you for coming in and meeting with us,
2 because we understand that you had some sort of a
3 role with one of the Banners Broker entities...

4 A. M'hmm.

5 17. Q. ...perhaps it was Stellar Point.

6 You know, you will let us know.

7 A. M'hmm.

8 18. Q. And we will spend some time talking
9 about whichever company that may be. But before we
10 go there, can you just tell me, in big picture
11 terms, describe for us, please, what your
12 involvement was with the Banners Broker or the
13 Parrot, or the Stellar Point businesses?

14 A. Okay, November 2012, is that right?

15 I think so, November 2012, I was hired by Stellar
16 Point as the executive assistant to the director of
17 human resources and training. I worked at Stellar
18 Point in Whitby until September of 2013. At that
19 time, Stellar Point was terminating most of its
20 employees and I was contacted...I was told through
21 Raj Dixit that Chris Smith wanted me to come work
22 downtown for Parrot.

23 So I did so, and I was a communications
24 specialist under the pseudonym, Ron Anderson.

25 19. Q. And before we get into that, have

R. J. Pirie - 8

1 change to Hive.

2 26. Q. Okay, so just...before the name
3 change, when you say "Parrot" are we speaking about
4 Parrot Marketing?

5 A. Yes.

6 27. Q. And is it Parrot Marketing Inc. or
7 Limited; do you know?

8 A. No idea.

9 28. Q. Sir, please tell me again your title
10 at Parrot Marketing?

11 A. Parrot Marketing was a communi-
12 cations specialist.

13 29. Q. And if you could just describe for
14 me the Parrot Marketing name changes. Like, I
15 assume it changed to Hive Marketing, at some point?

16 A. Hive Digital.

17 30. Q. When did it change its name to Hive
18 Digital?

19 A. We talked about it in about November
20 2014. As to when the actual corporate name change
21 and forms and all of that, I don't know.

22 31. Q. Sir, are you employed now as a
23 communications specialist at Hive Digital?

24 A. I changed positions slightly, I am
25 now...I take care of project management and account

R. J. Pirie - 7

1 you met with anyone else in an official capacity
2 regarding the affairs of Mr. Smith and Banners? For
3 instance, did you meet with the Competition Bureau?

4 A. No.

5 20. Q. Did you meet with the police?

6 A. No.

7 21. Q. Does Mr. Smith know that you are
8 coming here today?

9 A. Yes.

10 22. Q. When was the last time you spoke
11 with Mr. Smith?

12 A. Thursday.

13 23. Q. Now, you mentioned that Stellar
14 Point was winding down in September of 2013, and I
15 just want to put, if we can, some timelines around
16 when you moved to Parrot. So when did you work at
17 Parrot? What was the time period that you worked at
18 Parrot?

19 A. From September 20, '13 and on.

20 24. Q. Until when?

21 A. Technically, I am still working for
22 Chris.

23 25. Q. So you are still working at Parrot?

24 A. I am not quite sure what we are
25 operating as right now, but there has been a name

R. J. Pirie - 9

1 management.

2 32. Q. At Hive Digital?

3 A. Yes.

4 33. Q. Were there any other name changes
5 apart from the name change to Hive Digital?

6 A. Not that I know of.

7 34. Q. And did you have any other titles,
8 apart from communications specialist and project
9 management and risk management?

10 A. Not risk management, account
11 management.

12 35. Q. Account management, I'm sorry.

13 A. I am fairly fluent, so I have had a
14 couple different names. Whatever needed to be done
15 at the time. I don't have a hard skill set, like a
16 programmer or a graphic designer, so I just...

17 36. Q. What were those...and I will just
18 make a list, if you can recall. What were your job
19 titles at Parrot?

20 A. So, communications specialist,
21 project logistics coordinator and account manager,
22 are the three that come to mind.

23 37. Q. Now, were these full-time positions?

24 A. Yes.

25 38. Q. And when you say "came downtown to

R. J. Pirie - 10

1 work in Parrot Marketing", what offices were you
2 working at?

3 A. 167 Church Street.

4 39. Q. And did that move at any time?

5 A. Yes. I am now at 1376 Bayview, I
6 believe.

7 40. Q. Do you recall when you moved to 1376
8 Bayview?

9 A. August 2014.

10 41. Q. When was the last time that you
11 spoke to Mr. Rajiv Dixit, if you recall?

12 A. I saw him at a Dairy Queen in, I
13 guess it would have been May of 2014. And then
14 previous to that, when I left Stellar Point.

15 42. Q. What about a Kuldip Josun?

16 A. I have never met the man.

17 43. Q. Have you ever spoken with him?

18 A. No.

19 44. Q. Have you ever heard of him?

20 A. I have heard the name. I know he
21 was involved in the beginning and then left. That
22 was before my time.

23 45. Q. So, I just wanted to talk a bit more
24 about your background, then, and then we can, I
25 suppose, talk a little bit about Parrot, in

R. J. Pirie - 12

1 approximately October 2011 and June 2012?

2 A. That seems about right. I was in
3 school at the time.

4 51. Q. So when you were hired by Parrot
5 Marketing as a communications specialist, that was,
6 after you left Extreme Pita, you became a
7 communications specialist at Parrot Marketing?

8 A. No, I went to Stellar Point.

9 52. Q. I'm sorry, yes, you were at Stellar
10 Point as the executive assistant to the director of
11 human resources and training.

12 A. Correct.

13 53. Q. Did you have any prior work
14 experience or educational experience that was
15 relevant to your job at...

16 MR. GERRY: How is this relevant,
17 Counsel, to the scope of this examination?

18 54. MR. WARD: Well, the allegation, I
19 guess, is that these companies were a
20 fraudulent, criminal Ponzi scheme and that
21 the people that operated them weren't
22 qualified to operate them and that they
23 were...and we would like to investigate
24 whether or not this gentleman brought
25 in any experience to these job

R. J. Pirie - 11

1 particular. Because I take it that you never worked
2 for an entity by the name of Banners Broker, you
3 were...

4 A. Correct, I was always with Parrot
5 Marketing.

6 46. Q. Always Parrot Marketing or Hive,
7 which is Parrot Marketing through a name change, to
8 your understanding?

9 A. Yes.

10 47. Q. Just immediately...and I am not
11 going to go into this in a lot of detail, but I see
12 from your LinkedIn profile that you had several
13 positions before. Well, your LinkedIn profile...
14 let's start with this, your LinkedIn profile says
15 that you were working at Stellar Point.

16 A. M'hmm.

17 48. Q. So I take it you didn't update it to
18 indicate that you had moved to Parrot?

19 A. I'm not a social media person at
20 all.

21 49. Q. And prior to that, where were you
22 working?

23 A. Prior to that, I was a pita slinger
24 at Extreme Pita in Port Hope.

25 50. Q. And that would have been between

R. J. Pirie - 13

1 responsibilities.

2 MR. GERRY: Okay, so we are here for you
3 to determine whether or not it was a
4 fraudulent Ponzi scheme, is that the scope
5 of this examination?

6 55. MR. WARD: I don't believe that I said
7 that. I think what we are here to do...

8 MR. GERRY: I thought we were to
9 determine if certain assets were located.

10 56. MR. WARD: Well, that's certainly part
11 of it. So in respect of all of the
12 companies that I listed at the beginning of
13 the examination, the Receiver has authority
14 to ask any questions having to do with the
15 trade, the dealings or the property of
16 those companies, or to ask questions having
17 to do with any of the matters described in
18 the Foreign Representatives' affidavits
19 that were filed when the Receiver was
20 appointed. So it's quite a broad mandate
21 that goes beyond locating assets.

22 MR. GERRY: Do you have copies of those
23 affidavits for me?

24 57. MR. WARD: I do, yes.

25 MR. GERRY: How come they weren't

R. J. Pirie - 14

1 provided earlier, before this, if that was
2 relevant to this examination?

3 58. MR. WARD: Well, I don't know that the
4 affidavits, per se, are. They have been
5 available on the Receiver's website, so,
6 presumably, you would have looked at that
7 in the course of preparing your client for
8 today.

9 MR. GERRY: No, I didn't look at those.
10 I would expect you to have provided them.

11 59. MR. WARD: Well, we didn't. Oh, they
12 were provided to your client.

13 THE WITNESS: They were?

14 60. MR. WARD: I am told that the copies of
15 the affidavit materials were provided to
16 your client.

17 MR. GERRY: In what manner?

18 61. MR. WARD: We understand, they were
19 delivered. Listen, you are welcome to take
20 a break and look at them now, but I
21 think...you can understand why, whether or
22 not...you can also decline to answer the
23 question, whether he had any...I don't know
24 if it would serve the witness well, but if
25 you want to decline to answer any questions

R. J. Pirie - 16

1 to worry about the purpose of the question,
2 but just consider the question, okay? It
3 is not the Receiver's conclusion that there
4 is a fraudulent pyramid or Ponzi scheme.
5 That is not what we have concluded. And,
6 in fact, we have no idea whether or not it
7 was, which is what I am hoping Mr. Pirie
8 can help us with today. And it would
9 assist us in understanding the trade, the
10 dealings and the property of Stellar Point,
11 if we can know whether Mr. Pirie had some
12 qualifications that would be relevant to
13 the responsibilities that he assumed.

14 MR. GERRY: I am going to stick to the
15 refusal, Counsel.

16
17 BY MR. WARD:

18 65. Q. So I would like to dial back to
19 November of 2012, when you indicated you were hired
20 by Stellar Point, okay?

21 A. Okay.

22 66. Q. Can you describe for us how it was
23 you came to be hired by Stellar Point?

24 A. I knew the director from previous
25 work. He interviewed me because of my skill sets.

R. J. Pirie - 15

1 having to do with his educational or prior
2 work experience prior to Stellar Point, we
3 can accept that as a refusal.

4 MR. GERRY: It's a refusal. /R

5 62. MR. WARD: Okay. So just for the
6 purposes of the court record, am I correct
7 that the witness is declining to answer
8 any questions having to do with his
9 qualifications...

10 MR. GERRY: That is correct.

11 63. MR. WARD: Let me just finish the
12 question...his qualifications for prior
13 educational or work experience, as such may
14 be relevant to Stellar Point?

15 MR. GERRY: Counsel, the way you
16 described it, it seems like it's only
17 relevant to a criminal investigation into a
18 fraudulent Ponzi scheme. And I am not sure
19 we are here for that purpose. So we are
20 not going to answer any of those questions
21 that serve that purpose. We will answer
22 the questions that serve the purposes of
23 the orders that I was provided.

24 64. MR. WARD: Okay, well, I think probably
25 the best way to approach it is not to try

R. J. Pirie - 17

1 I went through the entire vetting process of the
2 interview. He basically said he will give me the
3 interview, but to get the job I would have to prove
4 myself. So I like to think that I did better than
5 the other applicants and I got the position.

6 67. Q. And what were the skill sets that
7 you refer to?

8 A. Office administration,
9 presentations, both live and over the web, writing,
10 both creative and technical.

11 68. Q. Okay, and the director, what was
12 this person's name?

13 A. Grant D'Eall.

14 69. Q. Could you spell his last name,
15 please?

16 A. D-'E-A-L-L.

17 70. Q. And what was Mr. D'Eall's role in
18 Stellar Point, at the time, to your knowledge?

19 A. He was the director of human
20 resources and training.

21 71. Q. Was it Mr. D'Eall that hired you?

22 A. I guess so.

23 72. Q. Did you meet with anybody else as
24 part of the hiring process?

25 A. Yes, David Hooker.

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R. J. Pirie - 18

- 1 73. Q. Anybody else?
 2 A. Not to my recollection.
 3 74. Q. And when you were hired, what were
 4 the terms of your contract of employment?
 5 A. Forty hours. I started at 36K per
 6 year. Went up to 40, after three months.
 7 75. Q. And did it remain constant, beyond
 8 that, or did it change again?
 9 A. I think it was constant. I don't
 10 remember receiving anything that changed that.
 11 76. Q. And so do I take it that today, as
 12 an employee of the successor, or the newly named
 13 Hive Digital your compensation is still 40,000 per
 14 year?
 15 A. My compensation is 46, I would my
 16 Parrot Marketing contract.
 17 77. Q. So this is the contract that is in
 18 effect right now?
 19 A. I believe so. Again, I was hired to
 20 write blogs and talk to people. I don't worry too
 21 much about this sort of stuff.
 22 78. Q. Can I have a look at that, please?
 23 Thanks.
 24 MR. GERRY: I need a copy of that,
 25 Counsel.

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R. J. Pirie - 20

- 1 84. Q. Apart from that, are there any other
 2 changes to your terms of the nature of your
 3 employment?
 4 A. I did get a raise at one point, I
 5 believe I had two raises, that aren't part of this.
 6 85. Q. Okay, and just in terms of
 7 compensation, then, the paragraph 3 of this
 8 agreement says you are at \$46,000. You had
 9 indicated earlier that you started off at 40, and
 10 that was...
 11 A. Stellar Point.
 12 86. Q. So please describe the raises for
 13 me.
 14 A. I got one in December of 2013, and
 15 one in May of 2014.
 16 87. Q. And how much were they?
 17 A. 5,000 each.
 18 88. Q. So it went to 51 and then 56?
 19 A. Yes.
 20 89. Q. Did your responsibilities change
 21 over that time period?
 22 A. The one in December was after my
 23 three-month probation. And the one in May was
 24 because I took on some additional writing
 25 responsibilities.

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R. J. Pirie - 19

- 1 79. MR. WARD: Okay. Did you want to...we
 2 can take a copy right now, we can break and
 3 take a copy.
 4 MR. GERRY: Sure.
 5 80. MR. WARD: Sure.
 6 MR. GERRY: Okay, great.
 7
 8 --- A BRIEF RECESS
 9
 10 ROBERT JAMES PIRIE, resumed
 11 CONTINUED EXAMINATION BY MR. WARD:
 12
 13 81. Q. So, Mr. Pirie, thank you for this.
 14 You have provided me with an employment agreement
 15 dated September 19th, 2013, as between Parrot
 16 Marketing Inc. and yourself. And I take it that is
 17 your signature?
 18 A. Yes.
 19 82. Q. And this was your employment
 20 agreement beginning on September 19th, 2013, and
 21 continuing to this day?
 22 A. Yes.
 23 83. Q. Although, just to be clear, your
 24 employer has renamed itself Hive Digital?
 25 A. Yes.

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R. J. Pirie - 21

- 1 90. Q. And did those numbers that you gave
 2 me, do they reflect your total compensation
 3 inclusive of bonuses?
 4 A. Yes, no bonuses, no overtime, no
 5 commissions.
 6 91. Q. No other monetary benefits?
 7 A. No.
 8 92. MR. WARD: I would like to mark this as
 9 Exhibit P1 on the examination of Mr. Pirie.
 10 MR. GERRY: Okay.
 11 93. MR. WARD: This is the employment
 12 agreement dated September 19, 2013.
 13
 14 --- EXHIBIT NO. P1: Employment Agreement dated September
 15 19, 2013, as between Parrot
 16 Marketing Inc. and Robert James
 17 Pirie
 18
 19 BY MR. WARD:
 20 94. Q. Are there any other employment
 21 agreements that you had that were in writing prior
 22 to this?
 23 A. Prior to this one?
 24 95. Q. Right.
 25 A. With Stellar Point.

R. J. Pirie - 22

1 96. Q. There was a Stellar Point one. And
2 do you still have a copy of the Stellar Point one?

3 A. I couldn't find it.

4 97. Q. And apart from the Stellar Point one
5 that you couldn't find, did you have any other
6 employment agreements with any of Chris Smith's
7 companies?

8 A. I think I signed one when we changed
9 to Hive, but I am not sure.

10 98. Q. Okay, so just if you could, just, I
11 think now that we have got that out of the way, I
12 would just like to understand a little more
13 completely the nature of your responsibilities and
14 the reporting structure. Like, what you did,
15 starting off beginning at Stellar Point in Whitby,
16 in, I guess, it's November of 2012.

17 A. M'hmm.

18 99. Q. So why don't we just leave Parrot
19 Marketing aside for a minute and just talk about
20 the period that you worked at Stellar Point in
21 Whitby, between approximately November 2012 and
22 approximately September 2013.

23 A. Okay.

24 100. Q. So can you just describe for me who
25 you reported to and what you did, please?

R. J. Pirie - 23

1 A. I reported directly to Grant D'Eall.
2 I assisted with HR documents, so creating contracts,
3 disciplinary letters, termination, when applicable.
4 Everything I prepared was signed off by Grant. I
5 did some training. I rewrote and wrote training
6 manuals for help...to assist with the CSRs and
7 affiliates. I spent some time doing PowerPoints for
8 live presentations. I did some webinars.

9 101. Q. Okay, and anything else that you can
10 recall?

11 A. Those were the big ones. I was an
12 executive assistant, so whatever my boss needed at
13 the time, I would do.

14 102. Q. And your boss was Grant D'Eall?

15 A. Correct.

16 103. Q. Did he report to Chris Smith, do you
17 know?

18 A. Yes, or sorry, no, not to Chris
19 Smith, to Rajiv Dixit. Sorry about that.

20 104. Q. What did you understand Stellar
21 Point's business to be during this time period?

22 A. To support Banners Broker through
23 customer service, through marketing and training.

24 105. Q. Apart from that, did you believe
25 that it did anything else? Did it have any other

R. J. Pirie - 24

1 business apart from that?

2 A. Not that I know of.

3 106. Q. And when you say that you gave some
4 webinars, let's talk about that for a minute. What
5 type of webinars, how often, who were you presenting
6 to?

7 A. They were training webinars based on
8 the web application of Banners Broker. And we would
9 just go into a little bit more detail, explanation,
10 on specific elements of it to help the affiliates,
11 about once a week.

12 107. Q. And was that throughout the November
13 2012 to September 2013 period?

14 A. Grant did most of them. I recorded
15 some of them and did, kind of, backend production.
16 But I believe it ran for pretty much the entire
17 time.

18 108. Q. And apart from yourself and Grant,
19 was there anyone else involved in creating or
20 presenting these webinars?

21 A. I assume Grant got sign-offs from
22 Raj for everything. But for the most part, it was
23 what we felt was required, based on feedback. And
24 that's what we worked on.

25 109. Q. Okay. And when you refer to...you

R. J. Pirie - 25

1 used the term "affiliates" a minute ago, what do you
2 mean by affiliates?

3 A. Affiliates of Banners Broker.

4 110. Q. Are those the investors in Banners
5 Broker, the people that subscribed and contributed
6 money to the Banners Broker system?

7 A. I don't know that they are
8 investors, they would be called affiliates.

9 111. Q. Do you have some sense of where in
10 the world they were?

11 A. All over the place.

12 112. Q. Meaning all around the world?

13 A. Yes, just...many, many countries.

14 113. Q. And in terms of the numbers of them,
15 do you have some sense of how many?

16 A. The numbers changed, but in some
17 cases, hundreds of thousands.

18 114. Q. And the webinars that you
19 participated in, were they available to all of those
20 affiliates?

21 A. I assume so. We usually would only
22 have 300 or 400 people.

23 115. Q. Were there...because it's not a
24 trick question. I know, later on, on a BB blog that
25 we found there is actually summaries of the

R. J. Pirie - 26

1 webinars.

2 A. M'hmm.

3 116. Q. I think this is in the summer of
4 2014.

5 A. M'hmm, that is when I was...

6 117. Q. When you had moved, I guess, to
7 Parrot?

8 A. Probably, yes.

9 118. Q. But during this period that we are
10 talking about now, while you were at Stellar Point,
11 do you know if there were any notes taken or
12 transcriptions of those webinars or recordings of
13 those webinars? Were they archived in any way?

14 A. They may have been. I know I
15 recorded them at the time.

16 119. Q. Right.

17 A. And then I would upload them to the
18 company server, and what happened to them from
19 there, I don't know.

20 120. Q. So they weren't live webinars, then,
21 or were they?

22 A. No, they were live.

23 121. Q. Live, okay. So when you say
24 recorded, they are...

25 A. Recorded during the webinar and

R. J. Pirie - 28

1 that Stellar Point wound down in September 2013?

2 A. No. I assume they ran out of money,
3 mismanagement.

4 127. Q. Okay.

5 A. Raj spent a lot of money on upgrades
6 to the building where we were.

7 128. Q. The Whitby property?

8 A. Yes.

9 129. Q. What sort of upgrades were they?

10 A. How much time do you have?

11 130. Q. Well, yes, I mean, we have got...I
12 don't want to waste anyone's time, but if there's
13 anything that you think that the Receiver might be
14 interested in.

15 A. No, it's...the front lobby had...was
16 gorgeous. There was a huge granite waterfall with
17 the name "Stellar Point" in it.

18 131. Q. Right.

19 A. There were lots and lots of big TVs.
20 Raj's office was palatial, I guess, is the best word
21 that I can come up with. I could come up with a lot
22 of words.

23 132. Q. Okay.

24 A. And then the rest of the office was
25 bare concrete floors and cubicles and bad lighting

R. J. Pirie - 27

1 archived.

2 122. Q. I see, got it. You have also
3 mentioned, I think...you mentioned something about
4 Ron Anderson, which I believe was what? Who was Ron
5 Anderson?

6 A. Ron Anderson...technically, Ron
7 Anderson was the communications specialist for
8 Banners Broker.

9 123. Q. You say "technically, he was", why
10 did you qualify by that?

11 A. Well, because he was a pseudonym
12 that I assumed because there was a lot of negative
13 press on the internet. So it was Chris Smith's idea
14 to try to protect my identity, because of my family
15 and my other creative endeavours.

16 124. Q. Okay. Now, we will talk about that
17 in a bit, but I don't want to get there until we are
18 at the...I am trying to do this chronologically.

19 A. Okay.

20 125. Q. And I think we are still at the
21 Stellar Point stage. When, in relation to that, did
22 you assume the pseudonym of Ron Anderson?

23 A. Not until Parrot.

24 126. Q. Not until Parrot, okay, so that
25 comes later. Fair enough. Do you know why it was

R. J. Pirie - 29

1 and bad heating.

2 133. Q. Right. And that building was sold,
3 at some point, as well. Are you aware that it
4 was...

5 A. I assumed it was. I have gone past
6 there and I have seen a new name on it.

7 134. Q. Just in terms of your days at
8 Stellar Point and, in fairness to everyone around
9 the table, the objective here is obviously to try to
10 identify assets that we think should come within
11 the receivership. And the receivership applies
12 primarily to companies, that long list of companies
13 that...it includes Stellar Point.

14 But in terms of this time period at Stellar
15 Point, is there anything else you think that we
16 should know in terms of what Mr. Dixit or Mr. D'Eall
17 may have taken from the company or ways that they
18 spent money or not, that would be relevant to...

19 A. They may have. In the list of...
20 there are only three or four directors, but Grant
21 was the lowest.

22 135. Q. Right.

23 A. And me being male, meant I was
24 not as present as some of the female executive
25 assistants who looked far better than I do.

R. J. Pirie - 30

- 1 136. Q. Right, okay.
 2 A. So there were trips. They were
 3 called "BB World Tours", where the team would
 4 go...the Stellar Point team would go, as well, to
 5 wherever the trips were in Europe. And, I don't
 6 know, Raj had some nice-looking watches and some
 7 expensive alcohol in his office.
 8 137. Q. Right, and a service car?
 9 A. He had a Mercedes that was a
 10 business car.
 11 138. Q. Right.
 12 A. Business vehicle.
 13 139. Q. I do want to talk about the World
 14 Tours a little bit, because I know, my understanding
 15 is that it's something that continued throughout the
 16 entire Banners Broker existence. And there were
 17 conventions and mini-conventions...
 18 A. M'hmm.
 19 140. Q. Is that the same as a World Tour, or
 20 is there a distinction there?
 21 A. In name. There were a couple of
 22 trips that weren't World Tours but most of the team
 23 went. And then there were a couple that were
 24 officially World Tours.
 25 141. Q. Right, and which of the ones did you

R. J. Pirie - 32

- 1 and, I think, that you indicated that Chris Smith
 2 invited you to work downtown for Parrot Marketing?
 3 A. Correct.
 4 147. Q. As a communications specialist?
 5 A. Yes.
 6 148. Q. So just describe for us, please, how
 7 that came about? Did he call you? How did you
 8 actually get invited to work downtown. What did you
 9 do when you got there?
 10 A. So, as the...as people were being
 11 terminated, I had a couple of people tell me, some
 12 of my bosses and some of the other directors, that
 13 they knew that most of the things that came out of
 14 Grant's office were my work. So I had been
 15 recognized by the bosses that I did good work. And
 16 then as Raj was getting ready to let go of everyone,
 17 he called me into his office and said that...like,
 18 apparently, I didn't know Chris very well. Up to
 19 this point, I had met him a few times.
 20 149. Q. Right.
 21 A. But he had heard of my work ethic
 22 and, I guess, my deliverables and he wanted me to
 23 come work downtown.
 24 150. Q. Okay, and then what happened next?
 25 Was there an interview with Chris Smith, or did you

R. J. Pirie - 31

- 1 participate in, like travel along with them and
 2 actually witness?
 3 A. At Stellar Point, none of them.
 4 142. Q. Just before we close off on Stellar
 5 Point, is there anything else that stands out in
 6 your mind as significant? Things that an
 7 investigating Receiver into the business of Stellar
 8 Point or Banners Broker would like to know during
 9 this time period prior to the transformation into
 10 Parrot?
 11 A. The only thing I can think of is Raj
 12 liked money and he liked to spend money.
 13 143. Q. Right.
 14 A. So how he spent that...like, I have
 15 mentioned his office and the lobby, but I didn't
 16 spend any time with the man.
 17 144. Q. Right.
 18 A. I didn't have to, he was kind of a
 19 jerk.
 20 145. Q. Sure.
 21 A. So what he did with the money, I
 22 don't know.
 23 146. Q. Okay, so let's move on then and we
 24 will talk about...just to put a frame around it, we
 25 will talk about the time period when you left Whitby

R. J. Pirie - 33

- 1 just...one day you moved downtown?
 2 A. I don't think there was an
 3 interview. Maybe there was an unofficial one, but
 4 basically, I went downtown to train some of the team
 5 in the downtown office. So the Monday, Tuesday I
 6 worked for Stellar Point and the Wednesday,
 7 Thursday, Friday I worked for Parrot Marketing.
 8 151. Q. Okay. So there was a transition
 9 period then Stellar Point closed and you were full-
 10 time at Parrot?
 11 A. Yes.
 12 152. Q. And during the transition phase was
 13 it 167 Church Street?
 14 A. Yes.
 15 153. Q. And I think it's like a series of
 16 apartments or condos?
 17 A. It's a series of suites. They are
 18 supposed to be condos, but there were...we saw other
 19 people operating similar to the way we were, one
 20 actually right across the hall from us.
 21 154. Q. What was the reporting structure
 22 when you moved down to 167 Church Street, was
 23 Mr. D'Eall still in the picture or Mr. Dixit?
 24 A. No, Mr. D'Eall had been moved down
 25 to the Belize office, to oversee down there and I

R. J. Pirie - 34

1 reported directly to Chris.

2 155. Q. And what were your responsibilities
3 during this period, what did you do?

4 A. Training and writing.

5 156. Q. Writing...

6 A. Blogs, training materials,
7 articles. Do some social media, some tweeting, some
8 Facebooking.

9 157. Q. Okay.

10 A. Basically, I was supposed to be the
11 soft side to the technical side that there lots of
12 people to do.

13 158. Q. And how about the training side of
14 things? What were you doing on the training side?

15 A. At that point, updating training
16 manuals, as changes came down. I was supposed to
17 train the team in Toronto, but that never actually
18 happened.

19 159. Q. And were you doing webinars in
20 addition to that?

21 A. I don't think I was doing them at
22 that point. I think that may have started later.

23 160. Q. Okay, fair enough, yes, that's
24 right.

25 A. It's all kind of a blur.

R. J. Pirie - 36

1 kind of handled all of the non-technical stuff.

2 164. Q. Sure.

3 A. But I don't, to my best
4 recollection, remember contacting people and saying,
5 "You can't post this."

6 165. Q. Now, when you say "compliance
7 department", was there actually a person that was in
8 charge of the compliance department, and people that
9 worked under him or her?

10 A. At Stellar Point, yes.

11 166. Q. Okay, and who was in charge of it at
12 Stellar Point?

13 A. I would rather not say, because they
14 are not mentioned in here and...

15 167. Q. In where?

16 A. In any of these documents.

17 168. Q. Okay, well, let's...I will make the
18 request and we can perhaps deal with that off the
19 record and stuff. We would like to know...

20 A. I can say David Hooker oversaw that.

21 169. Q. Okay.

22 A. That, I can say comfortably.

23 170. Q. And he is in these documents, by the
24 way.

25 A. Yes.

R. J. Pirie - 35

1 161. Q. Now, we are interested in the social
2 media aspect of this, because what we have heard is
3 that Banners Broker would monitor the social media
4 and the negative comments would be...anything that
5 was negative, would be strictly controlled and
6 deleted, and they were creating positive postings on
7 social media. Do you know anything about that, or
8 did that happen, are you in a position to say?

9 A. There was a compliance department
10 when an affiliate signed up. Part of the terms of
11 the service were, "You can't say negative things
12 about Banners Broker online. If you have a problem,
13 please contact us directly and we can resolve it
14 that way." So there were some people at Stellar
15 Point who handled that. And then, I never actually
16 handled that. I kind of helped other people who
17 took care of that sort of thing.

18 162. Q. Okay.

19 A. But I did try to remind people that,
20 "We wanted to resolve problems. If you have this
21 problem, please contact us. Don't go to Facebook
22 and start yelling obscenities."

23 163. Q. Okay, but you were not part of the
24 compliance department, per se, or were you?

25 A. No, I might have been. Again, I

R. J. Pirie - 37

1 171. Q. Okay. So we are back to 167 Jarvis
2 (sic) Street.

3 A. Church.

4 172. Q. Church, and you were there up until
5 August 2014?

6 A. Yes.

7 173. Q. And then you moved to 1376 Bayview
8 Avenue?

9 A. Yes.

10 174. Q. And prior to August 2014, when you
11 were at Church Street, was there anything else that
12 you did in terms of job responsibilities, apart from
13 writing and training? Anything
14 significant...because we know the webinars started
15 later. Was there anything else?

16 A. I was supposed to kind of liaise
17 with some of the leaders, affiliates who had been
18 quite successful and who had large teams.

19 175. Q. Right.

20 A. So I was supposed to talk to them
21 and kind of help make them feel special and promote
22 them however I could.

23 176. Q. Is there anything else, or does that
24 pretty much summarize it?

25 A. I think that's it.

R. J. Pirie - 38

1 177. Q. And during this period, prior to
2 August 2014, while at Parrot, did you travel at all
3 with Banners Broker?

4 A. Yes, I travelled with Parrot.

5 178. Q. With Parrot.

6 A. I think in that time...

7 179. Q. And, sorry, just before I get there,
8 because I want to be clear on this, did Parrot
9 essentially assume the role, the support role that
10 Stellar Point had prior to that?

11 A. Pretty much. And a lot of that fell
12 to me.

13 180. Q. Did Parrot, to your knowledge, have
14 any business other than supporting Banners Broker?

15 A. They had some other ventures that
16 they were trying to do.

17 181. Q. Were you involved in those other
18 ventures?

19 A. Not really.

20 182. Q. Do you know whether Banners Broker
21 financed those other ventures in any way?

22 A. I have no idea how that worked. A
23 couple people on another team asked me for some help
24 writing some copy for a website or something, I
25 would help with that, but...

R. J. Pirie - 40

1 still working at Parrot, presumably, and we know
2 that Banners Broker, as a company, went into
3 liquidation in March of 2014, I believe. Is that
4 right?

5 A. In March?

6 191. Q. February, it was February the 26th.

7 A. Okay.

8 192. Q. They went into liquidation in the
9 Isle of Man, one of the parent companies did. So
10 using August 2014 as a start date, because this is
11 essentially when you moved to Bayview, when did your
12 Banners Broker-related responsibilities at Parrot
13 cease, like wrap up?

14 A. At the end of the month. At the end
15 of August.

16 193. Q. And what were you told, and by whom,
17 as to why whatever you were doing was wrapping up at
18 the end of August 2014?

19 A. All I was told is Chris wanted us to
20 change the website to say "Site temporarily closed."

21 194. Q. And, similarly, apart from the
22 website, was the other social media presence...

23 A. Everything else was put on hold.

24 195. Q. Or suspended or temporarily closed?

25 A. Sure.

R. J. Pirie - 39

1 183. Q. So, sorry, going back to travelling
2 with the Parrot team during this period, prior to
3 Bayview, just what were the conventions that you
4 attended at?

5 A. I went to one convention in
6 Trinidad, which was in July.

7 184. Q. 2014?

8 A. Yes.

9 185. Q. Anything else?

10 A. I went to Belize three times.

11 186. Q. Okay, for conventions, as well?

12 A. No, that was to meet with the CSRs
13 and with Grant, who were all down in Belize.

14 187. Q. And the Belizean entity, was that
15 Monetize Group Inc., or was it...

16 A. No idea.

17 188. Q. You don't, okay.

18 A. Again, I went down there to help
19 train the CSRs on dealing with customers, with the
20 details of the program.

21 189. Q. Any other travels during this
22 period, apart from Belize and Trinidad?

23 A. Not to the best of my knowledge.

24 190. Q. So let's just move forward, then...

25 the office moves to 1376 Bayview Avenue. You are

R. J. Pirie - 41

1 196. Q. And would people be...I don't know,
2 but were people contacting you, the affiliates from
3 around the world and asking...

4 A. They tried.

5 197. Q. And what happened, how did that go?

6 A. I had to repeat that the site is
7 temporarily closed. I was told by Chris not to say
8 anything else. And they bugged me to try to get
9 some extra information from me, and that's all I
10 could say.

11 198. Q. And later on, was there more that
12 you could say, or is that the way that it ended?

13 A. No, that was the last I was told.

14 199. Q. Okay.

15 A. That's the last I did.

16 200. Q. And what did you do after that,
17 because you are still at Parrot, although we know,
18 even later on in November, it's renamed Hive
19 Digital.

20 A. M'hmm.

21 201. Q. But what were your responsibilities
22 at Parrot after you stopped doing Banners Broker-
23 related work?

24 A. Well, that was...again, I had to
25 do...because my specific responsibilities were done

R. J. Pirie - 42

1 with Banners Broker, I just kind of helped out
2 wherever I could. So, writing articles for some
3 sites that were owned by Chris, writing copy for
4 sites, helping with social media.

5 202. Q. I mean, when you say "sites",
6 because, I mean, the Receiver's mandate, just so we
7 are clear, does extend to Parrot. What was the non-
8 Banners Broker-related business of Parrot, from and
9 after August 2014? What were the sites? Please
10 give us some names.

11 A. We had what we called the Pubsite
12 Network, which was a series of 60 WordPress sites
13 that had been created, that we were trying to
14 monetize, which never happened.

15 203. Q. Did you say "WordPress"?

16 A. Yes.

17 204. Q. Okay, go on.

18 A. We had a program called Create My
19 Suite, which was a graphic design template site, so
20 that people could do their own branding and logos.
21 We had a program called Shed Pounds, which was
22 supposed to be a weight loss hub. We had List 121,
23 which was going to be kind of a retail marketplace
24 for people to create their own digital content and
25 other people to sell it. Those were the big ones.

R. J. Pirie - 44

1 had a bookkeeper?

2 A. I have no idea.

3 213. Q. Or an accountant?

4 A. I have no idea. I assume so. I
5 hope so.

6 214. Q. In terms of the...I mean, presumably
7 you were...you can tell me if whether or not it's
8 the case, but were you doing writing and promotion
9 for these other sites?

10 A. In some cases.

11 215. Q. In which cases were you doing
12 writing and promotion for these other sites?

13 A. I think I wrote some copy for Shed
14 Pounds. I think I did some social media stuff
15 for...I can't remember. I don't know, it was...with
16 the loss of BB, everyone else had jobs to do, so I
17 was just to kind of help out.

18 216. Q. Right. Was there any training to be
19 done at this point?

20 A. Training of whom?

21 217. Q. Anybody.

22 A. Not to the best of my knowledge.

23 218. Q. So to the extent that you were and
24 are continuing to work at Parrot/Hive, you are
25 helping out with social media presence?

R. J. Pirie - 43

1 205. Q. Any other ones? I mean, it sounds
2 like there are a lot that...

3 A. Those are the big...those are the
4 ones that come to mind right now.

5 206. Q. Yes, and was Chris Smith running
6 Parrot at this point in time?

7 A. I assume so.

8 207. Q. And who were you reporting to during
9 this period?

10 A. Chris.

11 208. Q. And these ideas, the Pubsite
12 Network, the Create My Suite, the Shed Pounds, List
13 121, were these Chris' ideas, or do you know? Were
14 they somebody else's?

15 A. They may have been. I don't know.

16 209. Q. How big was the operation in terms
17 of numbers of people that were working at Bayview?

18 A. We were about 30 people.

19 210. Q. Now, you reported directly to
20 Mr. Smith?

21 A. Yes.

22 211. Q. Did anyone report up to yourself?

23 A. I had a graphic designer who
24 reported to me.

25 212. Q. Do you know whether or not Parrot

R. J. Pirie - 45

1 A. Trying to.

2 219. Q. And writing?

3 A. Yes. Less and less of that now.

4 Now I am trying to do some project management. But
5 we don't have very many projects, so...

6 220. Q. When you say "project management",
7 what does that mean?

8 A. So, basically taking the tasks to
9 get some of these programs up and running and just
10 try to get them...figure out what needs to be done,
11 what is being done, how long it takes to be done.

12 221. Q. And then reporting to Chris Smith?

13 A. Yes.

14 222. Q. What are the ongoing projects right
15 now, of the new...of Hive?

16 A. We do have some, now, external
17 clients, that we are trying to do some work for.
18 And then some of the, still, interior ideas that we
19 have had, trying to get them out the door.

20 223. Q. And what are the interior ideas that
21 are sort of going forward at this point?

22 A. Shed Pounds, Create My Suite, those
23 are the only two that are really moving forward at
24 this point.

25 224. Q. And are those sites generating

R. J. Pirie - 46

- 1 revenue?
- 2 A. I have no idea.
- 3 225. Q. But in terms of promoting them, are
- 4 you asking people to buy something or to contribute
- 5 something? Like, just from your promotional
- 6 activities, would you have any visibility on the
- 7 business model?
- 8 A. The Create My Suite, there is a
- 9 subscription, but we haven't really promoted it or
- 10 done anything with it lately, so...and the Shed
- 11 Pounds was shelved and now we are trying to re-skin
- 12 it and give it a new name.
- 13 226. Q. Did Shed Pounds ever have a
- 14 subscription associated with it?
- 15 A. No.
- 16 227. Q. Did any of the other sites, that you
- 17 are aware of, have subscriptions associated with
- 18 them?
- 19 A. Create My Suite was the only one
- 20 that I know of.
- 21 228. Q. And still does have a subscription
- 22 associated with it?
- 23 A. Yes.
- 24 229. Q. How does the subscription work?
- 25 A. People subscribe.

R. J. Pirie - 47

- 1 230. Q. And is there a cost associated with
- 2 subscribing?
- 3 A. I guess, yes.
- 4 231. Q. What is that cost?
- 5 A. I think it might be three dollars a
- 6 month, and that gives someone access to the suite of
- 7 sites.
- 8 232. Q. I take it, because we know from
- 9 Banners Broker and some of these others, that often
- 10 there are payment processors that are involved in
- 11 the sites to allow people to make contributions per
- 12 their subscriptions.
- 13 A. Okay.
- 14 233. Q. Which payment processors is Hive
- 15 working with today?
- 16 A. I believe, for that, they use
- 17 Stripe, which isn't really a payment processor, it's
- 18 an online payment portal.
- 19 234. Q. Right, it's called Stripe?
- 20 A. Yes.
- 21 235. Q. Okay, any other online payment
- 22 portals...
- 23 A. Not to the best of my knowledge.
- 24 236. Q. ...or payment processors?
- 25 A. Not to the best of my knowledge. We

R. J. Pirie - 48

- 1 severed contact with all the payment processors once
- 2 BB stopped.
- 3 237. Q. Do you have any...like, could you
- 4 ballpark...do you have any sense of the dollar value
- 5 of subscriptions that Create My Suite might have
- 6 taken in?
- 7 A. No.
- 8 238. Q. Or, activity on the website, like
- 9 hits?
- 10 A. I imagine it's negligible, but I
- 11 don't know one way or the other.
- 12 239. Q. So apart from the interior projects,
- 13 Hive has some external clients as well. What does
- 14 Hive do for the external clients?
- 15 A. Marketing, website building, graphic
- 16 design, copywriting, social media, video production.
- 17 240. Q. And who are those external clients?
- 18 A. I would rather not say.
- 19 241. MR. WARD: Counsel, is it...
- 20 MR. GERRY: One thing that I am
- 21 concerned about is I am not even...and you
- 22 never asked the question, there's just an
- 23 assumption that Parrot has become Hive.
- 24 But I don't think my client knows precisely
- 25 who owns Hive or what entity owns Hive.

R. J. Pirie - 49

- 1 242. MR. WARD: I think what his evidence was
- 2 that it was that Parrot changed its name to
- 3 Hive in November...around...he wasn't sure,
- 4 because he hadn't seen the paper, November
- 5 2014. So if it's a name change, and that's
- 6 our information as well, then ownership
- 7 wouldn't change, it's essentially the same
- 8 company. And Parrot is directly...I
- 9 mean, this is what Gillian is here to
- 10 investigate, Parrot.
- 11 MR. GERRY: Understood, I just wanted to
- 12 be certain that if he is being asked to
- 13 divulge information about Hive Digital that
- 14 it is within the scope. Your information,
- 15 it's a name change. Do you have any
- 16 evidence to support that? I mean, was
- 17 there a change in the name? Is the company
- 18 registered in Ontario or Canada?
- 19 243. MR. WARD: I don't know whether there is
- 20 a registered name change, but we have been
- 21 told that it...other business...
- 22 MR. GERRY: It's the same entity?
- 23 244. MR. WARD: It's the same entity.
- 24 MR. GERRY: Okay, well, perhaps,
- 25 Counsel...

R. J. Pirie - 50

1 245. MR. WARD: Okay, we can see. I'm not
2 sure that that would be necessarily
3 dispositive of it, but we can certainly
4 have a look to see if there is something
5 filed with the Ministry.

6 MR. GERRY: Okay.

7 246. MR. WARD: But it is our understanding
8 that it's the same business that...

9 MR. GERRY: Could you establish that
10 first, with my client? I know that he
11 casually said there was a name change, I
12 did hear that going into evidence, but to
13 me...I am just concerned he may not
14 actually know. He is not privy to
15 corporation documents, ownership,
16 shareholders. It's not something he's
17 privy to.

18 247. MR. WARD: I mean, in fairness, it's
19 probably a discussion that we best have
20 with the witness outside of the room, given
21 what you just said. I will move on, but we
22 will see what we have got by way of
23 corporate documents.

24 MR. GERRY: Okay, well, I am happy to
25 discuss that off the record, with my

R. J. Pirie - 52

1 you're absolutely right, I am not going to
2 argue.

3 252. MR. WARD: Right.

4 MR. GERRY: So that's something I need
5 to know if he really has direct knowledge
6 of that or not.

7
8 BY MR. WARD:

9 253. Q. You are aware that Parrot became...
10 or I am asking you, did Parrot become Hive in or
11 about November of 2014?

12 A. I know that as a staff, we talked
13 about a new company name. Whether that was a name
14 change or whether that was a new company, or
15 whether...that, I don't know.

16 254. Q. Were there any staff changes or
17 change in premises around this time?

18 A. No.

19 255. MR. WARD: Well, why don't we take a
20 break and you can speak to him and see
21 if...

22
23 --- A BRIEF RECESS

24
25 ROBERT JAMES PIRIE, resumed

R. J. Pirie - 51

1 client, maybe step out to the hall, and can
2 just kind of determine if...

3
4 BY MR. WARD:

5 248. Q. Why don't we do that? Let's take a
6 break anyway. So, yes, again, it obviously
7 doesn't...these are Smith issues that we are looking
8 at, and they are Parrot issues. If they are not
9 Parrot issues or Parrot successor entities, let us
10 know, and we won't go there.

11 A. I don't...like, I don't know
12 anything about the company. I don't even check what
13 name is on my pay cheque.

14 249. Q. Right.

15 A. I just show up for work, I do what
16 I'm told to do and I go home to my kids.

17 250. Q. Right.

18 MR. GERRY: We are not trying to be
19 obstructive. I am just concerned if he is
20 going to divulge the name of these external
21 clients, that that's within the scope of
22 this proceeding.

23 251. MR. WARD: Well, it certainly would be
24 if we are talking about Parrot...

25 MR. GERRY: If it's simply a name change

R. J. Pirie - 53

1 CONTINUED EXAMINATION BY MR. WARD:

2 256. Q. I think we established during the
3 break that Parrot Marketing Inc. registered a name
4 change with the Ministry of Government Services on
5 September the 10th, 2014.

6 A. Okay.

7 257. Q. The name change was to Hive Digital.
8 So on that basis, I will just...I want to put my
9 question to you again, in terms of the external
10 client business of Hive Digital at present. Can you
11 just describe that for us, please?

12 A. Describe...

13 258. Q. Hive Digital's business, apart from
14 the internal projects that we discussed before the
15 break.

16 A. Okay, so one is called Lick Mobile,
17 lickmobile.com.

18 259. Q. Okay, and what does Hive do for
19 Lick?

20 A. They built the website. They have
21 been working with them to do some social media, some
22 marketing, some promotion.

23 260. Q. And what are the other...just, I
24 don't need to know all the clients, but just what
25 are the three or four largest ones?

R. J. Pirie - 54

A. One is called Wellness Girl.

261. Q. And what does Hive do for Wellness Girl?

A. Again, video production, website creation, social media, same sort of thing.

262. Q. Okay, and give me a couple others, of the larger clients.

A. The larger ones. You don't want internal things.

263. Q. No.

A. I'm sorry, I am actually blanking. Those are the two...

264. Q. Lick Mobile, Wellness Girl.

A. We have one called Tracy B. Richards.

265. Q. Tracy?

A. T-R-A-C-Y B. Richards.

266. Q. Okay.

A. She is a relationship consultant.

We have done video production, social media, website creation for her.

267. Q. I take it there are no other big ones that are top-of-mind?

A. The one that...I can't believe I forgot it, it's called...or it was called Smoke

R. J. Pirie - 56

A. Again, it's not listed, so I would rather not name her.

275. MR. WARD: Counsel, I am not going to press you now on the record, but perhaps if you could speak to your client and decide if you will let us know that after.

MR. GERRY: Okay, thank you. U/T

THE WITNESS: The person who is the VP of sales didn't start when any of this was going on. She came in after.

BY MR. WARD:

276. Q. Brea Hardowa, was she working at Hive?

A. Yes, no. No? Yes? No, I can't remember when she left, whether we had made the change to Hive at that point or not.

277. Q. What was her responsibility at Parrot, to your knowledge?

A. She was the executive assistant to Chris, and she was also the office manager.

278. Q. Do you know when she left? Do you recall approximately when?

A. After September but before Christmas.

R. J. Pirie - 55

Euphoria. It's going through its own series of name changes right now. As of right now, that's what I think it's going as.

268. Q. And same question, doing the same thing for Smoke Euphoria as the others?

A. Yes, website building, video production, social media.

269. Q. How many people are working at Hive currently?

A. Currently, I think there are about 13 of us.

270. Q. Including Mr. Smith?

A. Maybe.

271. Q. About 13, do you mean that to include Mr. Smith?

A. Yes. I just mean that that may not be an exact number.

272. Q. Who is second-in-charge to Mr. Smith?

A. No one, really. I guess the team is small enough that...

273. Q. Right.

A. We do have kind of an overseeing project manager. We have a VP of sales.

274. Q. Right, who is the VP of sales?

R. J. Pirie - 57

279. Q. Do you have any knowledge as to why she left?

A. She was stressed out and she wanted a job that wasn't so stressful.

280. Q. We are looking for contact information for her, we want to meet with Brea.

A. Okay.

281. Q. We were in contact with her and then we fell out of contact with her.

A. Okay.

282. MR. WARD: Can you, again, take this under advisement, but we would like...do you have contact information for Ms. Hardowa?

MR. GERRY: I do.

283. MR. WARD: Okay, can you provide it to us?

MR. GERRY: Do you want to hold that until the end? U/A

284. MR. WARD: Sure, yes, we will. So we will take that as an under advisement.

BY MR. WARD:

285. Q. Okay, just a couple other things in terms of Parrot. During this period of time when

R. J. Pirie - 58

1 you were at Banners, when you were at Bayview, I
2 understand that...well, you tell me, was there some
3 additional travel that was done, while you were
4 working out of the Bayview property, travels in
5 relation to Banners Broker?

6 A. Not to the best of my knowledge.

7 286. Q. Okay, so in terms of the totality of
8 your world travels having to do with this business,
9 it would have been the trips to Belize, the...

10 A. And the trip to Trinidad.

11 287. Q. ...trip to Trinidad. And one to
12 Trinidad, and that's it?

13 A. M'hmm.

14 288. Q. And just before I forget, the
15 Bayview property is involved in our court
16 proceeding...

17 A. Okay.

18 289. Q. ...because the owner of the property
19 is subject to the receivership, Counsel. In fact,
20 the Receiver has a Certificate of Pending Litigation
21 as against that property that was given to us, as
22 well, by a judge.

23 MR. GERRY: Okay.

24
25 BY MR. WARD:

R. J. Pirie - 60

1 different note, I have some questions about
2 Mr. Smith and Banners Broker assets, to the extent
3 that you ever had any visibility on that, right?

4 A. Okay.

5 296. Q. And we will talk about Mr. Dixit in
6 a minute, and you told us about Mr. Dixit's watches
7 and his office and things like that. We were aware
8 of that, we understand that he likes those things.
9 But just in respect of Mr. Smith, can you comment,
10 can you describe his lifestyle for us, as you
11 witnessed it while you were working with Mr. Smith
12 at the Banners Broker service providers?

13 A. He likes his clothes. He has also
14 got a couple fancy watches, he has got a couple
15 fancy bottles of alcohol, but beyond that,
16 it's...from what I saw, he leads a very different
17 lifestyle compared to Rajiv. He lived in an
18 apartment with his two kids and his wife. He just
19 seemed not as concerned with the money.

20 297. Q. And in terms of your...while you
21 were at Stellar Point and then after you moved to
22 Parrot, and during the time period in which those
23 businesses were supporting Banners Broker, did you
24 deal at all with business model issues, like receipt
25 of payments from affiliates or payouts to

R. J. Pirie - 59

1 290. Q. So apart from...and I have never
2 been by the property. Are there tenants in there
3 now apart from Hive?

4 A. No. There is...one of the gentlemen
5 from Lick, does rent a back room, or uses a back
6 room, or sits in the back room.

7 291. Q. Okay, and apart from that, it's just
8 the 13-or-so employees from Hive?

9 A. To the best of my knowledge.

10 292. Q. Do you recall a time when there ever
11 were other tenants of Bayview?

12 A. I have no knowledge of before we
13 went in there. I know that we had...we may have had
14 a couple people stay there overnight.

15 293. Q. Right.

16 A. But I don't know if they were
17 tenants, per se.

18 294. Q. Okay. And similarly, you don't know
19 whether or not Hive or Parrot has a lease for the
20 property?

21 A. No idea.

22 295. Q. Now, I want to...there are a few
23 other documents that...do we have copies of these?
24 Okay, why don't we make copies of these? Okay, so
25 just while she is making the copies, let's, on a

R. J. Pirie - 61

1 affiliates?

2 A. No.

3 298. Q. Do you know who did address those
4 issues?

5 A. That sort of thing was all taken
6 care of by Chris. Whether it did it or whether he
7 had someone else do it, I don't know. But that was
8 never anything that I dealt with.

9 299. Q. And did you hear rumours or not
10 rumours but...in the course of working at Stellar
11 Point and Parrot, did employees comment? Did your
12 fellow employees comment to you on bank accounts
13 around the world, offshore banks, affiliated...was
14 there any discussion or office chatter about topics
15 like that?

16 A. No, not to the best of my knowledge.

17 300. Q. Right, and so you have no knowledge
18 as to whether or not Banners Broker has assets in
19 jurisdictions outside of Canada?

20 A. No idea.

21 301. Q. And the list of companies that I
22 read you at the beginning of the examination this
23 morning, apart from Banners Broker and Stellar Point
24 and Parrot, had you heard of the other ones? And I
25 can go through the list again, but Dixit Holdings,

R. J. Pirie - 62

1 for example?

2 A. That, I heard of. I know that that
3 was Raj's second attempt after Stellar Point, at
4 least that's what I thought.

5 302. Q. Were any of the numbered companies
6 on the list that seem to ring a bell to you?

7 A. I don't know.

8 303. Q. No?

9 A. No.

10 304. Q. Similarly, with respect to
11 Mr. Josun, who I understand you have never met
12 and you have never spoken to, but you had heard of
13 him.

14 A. M'hmm.

15 305. Q. Was there anything else that you
16 heard about him in terms of his lifestyle or money
17 that he may have taken from the Banners Broker
18 company?

19 A. This is hearsay, but I do seem to
20 remember there being a story that he was taking
21 money directly from affiliates, not putting it
22 through the system, and then just creating...because
23 it was digital materials that we were working with,
24 he would just create it and give it to the people,
25 but then he would keep the money.

R. J. Pirie - 64

1 Tarantino-esque. So he said, "Go nuts." So BFD,
2 Big "Effing" Deal, was doing to be the name of it.
3 I have been working on it as a side project for a
4 year-and-a-half now.

5 Renaissance Jones was going to be the name
6 of the production company, but nothing ever happened
7 with that. We did some casting at one point, but
8 this was more of just a lark.

9 312. Q. So was Renaissance...do you know
10 whether or not Renaissance...whose company...was
11 Renaissance Jones ever set up as a company?

12 A. I have no idea. I don't know.

13 313. Q. We understand that Renaissance
14 Jones...was the work done while you were at the
15 Bayview property?

16 A. No, it was before we moved into the
17 Bayview property.

18 314. Q. Because we have seen a sign on the
19 Bayview property that says...

20 A. Yes, RJP.

21 315. Q. RJP, is that...RJP for Renaissance
22 Jones Productions?

23 A. Yes. The fact that it's my initials
24 is a complete fluke.

25 316. Q. That hadn't occurred to me.

R. J. Pirie - 63

1 306. Q. But apart from that, there wasn't
2 anything else that you recall about that...

3 A. Not specifically.

4 307. Q. ...Mr. Josun, that the Receiver
5 might be interested in? What about Tara Josun, did
6 you meet with his daughter, Tara?

7 A. No.

8 308. Q. Have you heard of her?

9 A. I heard her mentioned.

10 309. Q. So let's talk about these blog
11 printouts. Have you got copies of them? Let's deal
12 with this one first. Take a minute, please. So
13 just for the record I have passed the witness and
14 his counsel a three-page document, with the first
15 page that says, "Renaissance Jones Productions".

16 A. Yes.

17 310. Q. Do you recognize this?

18 A. Yes.

19 311. Q. What are we looking at here,
20 Mr. Pirie?

21 A. A couple of years ago, Chris came to
22 me because I have some experience with writing and
23 directing and acting. And he said that he wanted to
24 make a movie. So he didn't have anything beyond
25 that except that he wanted some sort of dark comedy

R. J. Pirie - 65

1 A. Okay, well, then ignore that.

2 317. Q. All right. How was the name
3 Renaissance Jones...you have never gone by that
4 name?

5 A. Never. No, that's not me. No, we
6 were sitting around, we were talking about the idea
7 for the movie. We decided we needed a company name,
8 and actually, one of the people that I used to work
9 with, threw out "Renaissance Jones" as a name.

10 318. Q. So on the third page of the Big
11 "Effing" Deal document that I provided you with, was
12 this to be the movie poster?

13 A. A promotional poster. Maybe not the
14 movie poster, because we hadn't filmed anything or
15 picked locations or had a script or characters. So
16 it was just something one of our graphic designers
17 did on the side.

18 319. Q. Do you know whether or not the
19 contributions of the subscription proceeds of
20 Banners Broker affiliates was ever used in relation
21 to this?

22 A. I have no idea.

23 320. Q. One way or the other?

24 A. I don't know.

25 321. Q. Do you know whether or not there

R. J. Pirie - 66

1 were any costs associated with this project?

2 A. The only costs that would have been
3 associated with this was, as I said, the casting.

4 322. Q. And so when you were auditioning
5 people, they would be paid?

6 A. No, it was just a...we had kind of
7 an open house evening. We had some food. We had
8 some music. We invited people to come in. The
9 property is two floors, so the upstairs was kind of
10 the mingling area, the downstairs was the audition.

11 323. Q. But in terms of magnitude of costs,
12 that wouldn't have been a large number?

13 A. No. I am still working on the
14 script. I would like to develop it one day, but...

15 324. MR. WARD: Let's mark this, if we could,
16 please as Exhibit P2.

17 --- EXHIBIT NO. P2: 3-page printout from Renaissance
18 Jones Productions re: film entitled
19 "Big Fucking Deal"

22 BY MR. WARD:

23 325. Q. Was Chris Smith going to have a role
24 in this movie?

25 A. I don't think he wanted one.

R. J. Pirie - 68

1 A. No, this was actually...one

2 affiliate who, apparently, types really quickly, she
3 would take her own notes after the webinars and then
4 I would review them just for spelling and make sure
5 that everything was appropriate, and then we would
6 post it.

7 332. Q. So in terms of what Mr. Smith said,
8 do you know whether or not this is an accurate of
9 what he said during the webinars?

10 A. To the best of my knowledge.

11 333. Q. And, similarly, in terms of where
12 it's indicated that Ron Anderson was speaking, that
13 was yourself, I assume?

14 A. Yes.

15 334. Q. Do you know whether the transcript
16 of the Ron Anderson speaking portions of this
17 document are accurate?

18 A. I believe so.

19 335. Q. How would you prepare for these
20 webinars?

21 A. I would talk to Chris before the
22 webinar, we would discuss what sort of topics we
23 were going to talk about and then just talk.

24 336. Q. And you would take questions?

25 A. Yes. The questions were in the form

R. J. Pirie - 67

1 326. Q. Was someone going to play Chris
2 Smith in the movie?

3 A. No, it has nothing to do with that.

4 327. Q. So the next document I am passing
5 across the table. Please take a moment to look at
6 it. It's a printout of a BB blog.

7 A. M'hmm.

8 328. Q. So take a minute and familiarize
9 yourself with it, and then I'm just hoping you can
10 describe for the record what it is.

11 A. Do you want specifics on these
12 particular blogs, or do you just want generics?

13 329. Q. Was it one blog or multiple blogs?

14 A. It's one blog with multiple entries.

15 330. Q. Okay, fair enough. And what do we
16 see here? What does this represent? Is this a
17 transcript of a webinar?

18 A. This is the sum of two different
19 things. One is a series of transcripts of the
20 weekly webinars, that was delivered either by Chris
21 or myself. And second, were articles or blogs or
22 things that I would write to communicate to the
23 BB affiliateship.

24 331. Q. Now, you say "transcript". Is this
25 an actual transcript or is it prepared from notes?

R. J. Pirie - 69

1 of a chat window. So that's why you never see a
2 transcript of someone speaking.

3 337. Q. These were weekly webinars that
4 continued until, it looks like, August the 22nd,
5 2014?

6 A. Okay.

7 338. Q. Which would seem to accord with what
8 you said earlier, in terms of the business winding
9 down. Do you know, were there any webinars after
10 August the 22nd, 2014?

11 A. Not to the best of my knowledge.

12 339. Q. There are references to World
13 eWallet as having a set of challenges. And you
14 fielded questions or Chris did in respect to World
15 eWallet. Can you tell me about what Banners'
16 relationship with World eWallet was to your
17 knowledge?

18 A. As I know, World eWallet was going
19 to be a payment provider, much like STP and Payza.
20 And it just...they kept running into issues, some
21 were internal programming, some were external
22 business-related.

23 340. Q. Right.

24 A. And it just never got off the
25 ground.

R. J. Pirie - 70

- 1 341. Q. Were you involved, at all, in World
2 eWallet?
3 A. Nope.
4 342. Q. Do you know a gentleman by the name
5 of Michael Kraemer?
6 A. Yes.
7 343. Q. And was World eWallet his company?
8 A. To the best of my knowledge.
9 344. Q. And what were your dealings, if any,
10 with Mr. Kraemer? How do you know of him?
11 A. He knew Chris. He was in the office
12 a few times. And I met him, I talked to him. He
13 was in Trinidad because he did a presentation as
14 well.
15 345. Q. I take it Banners Broker had
16 problems...difficulties finding payment processors
17 over the years?
18 A. I guess so.
19 346. Q. Why was that?
20 A. I don't know. I was just told
21 either that payment processors didn't want to work
22 with us anymore or that we weren't working with
23 payment processors, and I was to communicate that to
24 the affiliateship.
25 347. Q. Right.

R. J. Pirie - 71

- 1 A. The relationships that Chris had
2 with these people and how things came to be, was
3 never part of my...
4 348. MR. WARD: Yes, let's mark this as
5 Exhibit P3.
6
7 --- EXHIBIT NO. P3: Printout of a BB blog including
8 series of transcripts of weekly
9 webinars, blogs, et cetera
10
11 BY MR. WARD:
12 349. Q. I have some photographs that I am
13 going to show you actually. Do you recognize this
14 gentleman?
15 A. Yes.
16 350. Q. Who is this?
17 A. That is me.
18 351. Q. Okay, so just describe it...now, it
19 doesn't look like you.
20 A. It doesn't? Lots of people were
21 able to make the connection.
22 352. Q. For the record, the photograph that
23 I am showing describes a gentleman with a lot of
24 hair. So, Mr. Pirie, just please tell us...
25 A. It was a toupee.

R. J. Pirie - 72

- 1 353. Q. And where are you, what are you
2 doing, why are you wearing a toupee?
3 A. That's in Trinidad. That is just
4 before the BB World Tour.
5 354. Q. And are you presenting to somebody?
6 A. At that time, no. That was just a
7 pose.
8 355. Q. Okay.
9 A. But the presentation would come
10 later.
11 356. Q. And that came later, during the same
12 trip in Trinidad?
13 A. Yes.
14 357. Q. And how many affiliates were there?
15 Can you give me an estimate?
16 A. 300 to 500, maybe.
17 358. Q. And you spoke to them on what
18 topics?
19 A. I did a presentation on...our
20 introductory presentation. So if someone wants to
21 introduce someone else to the Banners Broker
22 program, we provide a PowerPoint presentation and
23 the talking points for them to do that. So this new
24 presentation emphasized social media.
25 359. Q. Did you present on anything else?

R. J. Pirie - 73

- 1 A. No.
2 360. Q. There is a sign on the podium it
3 says, "No cameras or photography allowed."
4 A. Yes.
5 361. Q. Do you know why that was?
6 A. Part of it was, as it was explained
7 to me by Chris, that he wanted people to come to the
8 presentation so that they could be part of the
9 presentation. He didn't want people to see it
10 afterwards and get all the meat and potatoes without
11 actually having been there.
12 362. Q. And why were you wearing a toupee?
13 A. Again, to protect my identity.
14 363. Q. And I need you to elaborate on that,
15 why did you feel that your identity needed to be
16 protected? This goes to the pseudonym again?
17 A. Yes.
18 364. Q. You were Mr. Ron Anderson?
19 A. This is Ron Anderson, yes.
20 365. Q. And you are wearing a toupee and you
21 were doing that throughout the entire trip?
22 A. Unfortunately.
23 366. Q. So just tell me how that came to be?
24 A. So when I first started working for
25 Parrot, Chris wanted to protect my identity because

R. J. Pirie - 74

1 at that time, there was a lot of negative press.
 2 There had been death threats. There had been
 3 threats of assault and abuse against Chris, Raj,
 4 their families. So he wanted to try to same me
 5 that. As I mentioned, I am working on a screen
 6 play, I have written some other things. So the idea
 7 was to protect my name, as much as possible, from
 8 the people who were saying horrible, horrible things
 9 online.

10 367. Q. We heard as well that there were
 11 some threats that were made against some of the
 12 principals of this organization around that time.

13 A. I received some too.

14 368. Q. Tell me about that. Why was it that
 15 these people were being threatened, and by whom?

16 MR. GERRY: Sorry, Counsel, what is the
 17 relevance to the scope of this examination
 18 ...of this particular line of questioning?

19 369. MR. WARD: Well, I mean, he is an
 20 employee of the debtor, and he is wearing a
 21 disguise and he's speaking to 500 investors
 22 in the debtor. Now, you may disagree...you
 23 may have some view that that's not
 24 relevant, but it is an investigatory
 25 receivership and the fact that an officer

R. J. Pirie - 76

1 wearing a toupee in Trinidad

2 BY MR. WARD:

3 373. Q. I have just passed the witness
 4 another colour photocopy of four people. Can you
 5 tell me what it is that we are looking at, sir?

6 A. That would be me.

7 374. Q. Are all the photographs of yourself?

8 A. Yes.

9 375. Q. Do you know where they were taken?
 10 Just describe the circumstances in which they were
 11 taken.

12 A. So the ones with the hair were taken
 13 in Trinidad, and the one without the hair was a
 14 photo...a picture, actually, Mr. D'Eall took of me
 15 for my website, for my writing.

16 376. Q. Have you seen this particular
 17 photograph before, with the four overlays?

18 A. Yes.

19 377. Q. And where did you see it?

20 A. On facebook.com/banners-broker-
 21 ponzi-scam. Either that or Tara Talks BlogSpot.

22 378. MR. WARD: Thank you. So let's mark
 23 this as Exhibit P5.
 24
 25

R. J. Pirie - 75

1 of the debtor would disguise his identity
 2 and give presentations to 500 creditors, I
 3 think is relevant.

4 MR. GERRY: He has answered your
 5 question with respect to whether or not it
 6 was him and what he was doing there, but I
 7 think it's a refusal from hereonin. /R
 8

9 BY MR. WARD:

10 370. Q. Is there anything else that you can
 11 tell us in terms of why you were disguising your
 12 identity during this period of time?

13 MR. GERRY: He is refusing to answer
 14 that question, Counsel. /R
 15

16 BY MR. WARD:

17 371. Q. Was there anyone else that
 18 disguised their identity that was involved in
 19 this organization, to your knowledge?

20 A. No.

21 372. MR. WARD: Let's mark this as the next
 22 exhibit, P4.
 23

24 --- EXHIBIT NO. P4: Colour photocopy of colour
 25 photograph depicting Robert Pirie

R. J. Pirie - 77

1 --- EXHIBIT NO. P5: Colour photocopy of 4 colour photos-
 2 in-one of Robert Pirie with
 3 different appearances
 4

5 BY MR. WARD:

6 379. Q. I am just passing another one-page
 7 colour photograph of three faces. Are any of these
 8 yourself?

9 A. The two on the right.

10 380. Q. And who is the gentleman on the
 11 left?

12 A. His name is David Ledressay.

13 381. Q. Okay, and who is he?

14 A. He worked at Stellar Point...started
 15 out as social media and then became a CSR.

16 MR. GERRY: Sorry, someone just entered
 17 the room, could they identify themselves?

18 382. MR. WARD: Let's go off the record for a
 19 sec.
 20

21 --- DISCUSSION OFF THE RECORD
 22

23 BY MR. WARD:

24 383. Q. So, sorry, you were saying before
 25 you were interrupted, just in terms of who the

R. J. Pirie - 78

1 individuals are.

2 A. He worked at Stellar Point. He did
3 social media.

4 384. Q. Was this his photograph taken in
5 Trinidad?

6 A. No, that's mine.

7 385. Q. Just yours, the one in the middle?

8 A. Yes.

9 386. Q. And have you seen this particular
10 sequence of photographs before?

11 A. Yes.

12 387. Q. And where did you see them?

13 A. Again, online, either the Facebook
14 or the Tara Talks BlogSpot.

15 388. MR. WARD: Okay, thank you. Let's mark
16 this as the next exhibit. This will be P6.

17
18 --- EXHIBIT NO. P6: Colour photocopy with 3 colour
19 photos; two of Robert Pirie, one of
20 David Ledressay
21

22 BY MR. WARD:

23 389. Q. And, lastly, I have just passed the
24 witness a photograph entitled "Banners Broker
25 Wedding". Sir, can you identify yourself and just

R. J. Pirie - 80

1 A. Yes.

2 395. Q. And can you...

3 A. I would rather not.

4 396. Q. You don't know why this is called
5 "Banners Broker Wedding"?

6 A. I know why it's called...

7 397. Q. Okay, so just let's...I have asked
8 him to let us know who the other Banners Broker
9 employees are in this photograph, Counsel, and I'll
10 take his refusal...

11 A. Okay, may I...none of them are
12 Banners Broker employees. The people who are there
13 are Parrot employees.

14 398. Q. Is Mr. Driscoll in the photograph?

15 A. No.

16 399. Q. Is Brea Hardowa in the photograph?

17 A. No.

18 400. Q. Stephanie Schlacht?

19 A. No.

20 401. Q. Michael Kraemer?

21 A. No.

22 402. Q. Williamson, Chris Smith's cousin, is
23 he in the photograph?

24 A. Peter Williams?

25 403. Q. Peter Williams.

R. J. Pirie - 79

1 describe the circumstance in which this was taken
2 and why it's titled "Banners Broker Wedding", if you
3 know.

4 A. Because an affiliate gave it that
5 name. This was a photo of a buddy programmer who
6 got married in the Dominican Republic. We went down
7 there to celebrate with him.

8 390. Q. And was this part of a Banners
9 Broker convention?

10 A. No. This is a programmer and his
11 friends.

12 391. Q. So when you say "we", it's not
13 restricted to Banners Broker people?

14 A. No.

15 392. Q. Are the Banners Broker people
16 that are identified in this photograph, are they
17 correctly identified, to your knowledge?

18 A. Yes. This one makes me sick.

19 393. Q. Why is that?

20 MR. GERRY: You don't have to answer
21 that question. /R
22

23 BY MR. WARD:

24 394. Q. Are there any other Banners Broker
25 people in this photograph, sir?

R. J. Pirie - 81

1 A. No.

2 404. MR. WARD: Thank you. So let's mark
3 this as the next exhibit. This is Exhibit
4 P7.

5
6 --- EXHIBIT NO. P7: Colour photograph entitled "Banners
7 Broker Wedding"
8

9 405. MR. WARD: Okay, I think we are done,
10 but let me just take a few minutes and
11 review my notes and then we will bring you
12 back to finish off, if that's all right.
13

14 --- DISCUSSION OFF THE RECORD
15

16 BY MR. WARD:

17 406. Q. Have you heard the term "super
18 affiliates"?

19 MR. GERRY: Super what?
20

21 BY MR. WARD:

22 407. Q. Super affiliates.

23 A. No.

24 408. Q. Okay, independent contractors?

25 A. Yes.

R. J. Pirie - 82

- 1 409. Q. In the context of the Banners Broker
2 organization, obviously.
3 A. Yes.
4 410. Q. So what does that terminology
5 describe, to be an independent contractor? What
6 does that mean, to your knowledge?
7 A. I am not entirely sure. It was
8 something that they were doing while I was still at
9 Stellar Point. It wasn't anything that I really
10 dealt with. As far as I knew, it just meant they
11 ran a support centre in different countries, that
12 could provide support in a language other than
13 English.
14 411. Q. So going back to the concept of
15 affiliates, which is something that you had
16 mentioned yourself at the beginning of the morning.
17 A. Yes.
18 412. Q. Was there a hierarchy of affiliates
19 in any way, were some affiliates bigger than others?
20 A. What do you mean by "bigger"?
21 413. Q. Well, it goes back to the concept of
22 super affiliates, affiliates who were more involved
23 in the organization. Part of what you told us
24 before the break is that you would liaise with
25 affiliates?

R. J. Pirie - 84

- 1 Waterman, is that possibly one?
2 A. Yes, I think so.
3 423. Q. Okay, I will make a note of it.
4 A. Jamie, Mark and Gino were kind of
5 the three most involved. There were some other ones
6 who had large teams who were less involved. Alan
7 Sills was one, Al Baker.
8 424. Q. Alan Sills?
9 A. A-L-A-N S-I-L-L-S.
10 425. Q. Yes.
11 A. Al Baker.
12 426. Q. Okay.
13 A. And I feel like there are a few
14 more, but I can't think of their names right now.
15 427. Q. And, I mean, you described them as
16 big affiliates...
17 A. No, you described them as big
18 affiliates.
19 428. Q. Can you tell me why...I described
20 them as "super affiliates", and you hadn't heard
21 that expression before.
22 A. No.
23 429. Q. But why have you given me these
24 names, in what sense are they...
25 A. These people had large teams of

R. J. Pirie - 83

- 1 A. M'hmm.
2 414. Q. And were there some affiliates that
3 you were liaising with more than others?
4 A. Yes.
5 415. Q. And who were those?
6 A. The big ones were Mark Ghobril,
7 Jamie Waters, Gino Van DeWalle.
8 416. Q. I just need...I want you to...I am
9 going to make a note of these names, so if we could
10 just go through them slowly. We are talking about
11 the big affiliates now?
12 A. Yes.
13 417. Q. So who were they?
14 A. So, Mark Ghobril.
15 418. Q. And how do you spell the last name,
16 please?
17 A. G-H-O-B-R-I-L.
18 419. Q. Okay, next?
19 A. Jamie Waters, spelt like it sounds.
20 420. Q. Okay.
21 A. Gino Van DeWalle, G-I-N-O V-A-N D-E-
22 W-A-L-L-E.
23 421. Q. Okay.
24 A. Martin Water...maybe.
25 422. Q. There is a Jamie Waters. Martin

R. J. Pirie - 85

- 1 affiliates working with them, so they invited,
2 invited a number of people, and the people they
3 invited a number of people, so they helped to work
4 with their teams, I guess, provide additional
5 training, provide assistance.
6 430. Q. And part of your job responsibility,
7 as we reviewed it this morning was to assist these
8 people who had the teams, you liaised with them?
9 A. I liaised with them, basically
10 ...because these people were so much closer to the
11 affiliates than we were, they knew what the
12 affiliates were struggling with, they knew
13 what...they were doing well, what they didn't like.
14 So by talking to them, it helped us to stay abreast
15 of what was going on with the individual people.
16 431. Q. And just...I need you to expand on
17 that. Let's take Mark Ghobril, for instance. What
18 type of contacts would you have with him, in the
19 course of carrying out your responsibilities for
20 Stellar Point?
21 A. Primarily, if he had someone on his
22 team who had a problem and he wasn't getting
23 appropriate answers from the CSRs in Belize, he
24 would contact me directly and say, "This is the
25 issue, can you help me fix it?"

R. J. Pirie - 86

- 1 432. Q. Okay, so these people could escalate
2 things to you...
3 A. Yes.
4 433. Q. ...from the CSRs?
5 A. Yes.
6 434. Q. And you dealt with them on a regular
7 basis?
8 A. Yes.
9 435. Q. And you were problem-solving for
10 them, essentially?
11 A. I tried to.
12 436. Q. Right. Do you have a sense of what,
13 you know, their financial contribution was to the
14 Banners Broker business?
15 A. I have no idea.
16 437. Q. And were you involved, or do you
17 have knowledge of any payouts that may have been
18 made to these individuals in the course of the
19 Banners Broker business?
20 A. No.
21 438. Q. So would they approach you with
22 concerns having to do with payouts, for example?
23 A. A couple of them would.
24 439. Q. And what would happen?
25 A. I would tell Chris.

R. J. Pirie - 88

- 1 country or what jurisdiction?
2 A. Okay.
3 448. Q. Because I take it that they were not
4 all Canada.
5 A. No.
6 449. Q. So Mark Ghobril?
7 A. U.S.
8 450. Q. Where in the U.S.?
9 A. New York.
10 451. Q. New York City?
11 A. New York State.
12 452. Q. Where, do you know?
13 A. A word that I can never remember.
14 453. Q. Just...it would simplify things, do
15 you have contact information for these people?
16 A. No.
17 454. Q. How can the Receiver find out where
18 these people are?
19 A. I don't know.
20 455. Q. How did you...if you had to contact
21 them, how would you contact them when you were at
22 Stellar Point?
23 A. When I was at Parrot, I used Skype
24 to talk to them, Skype and e-mail.
25 456. Q. And when you were at Stellar Point,

R. J. Pirie - 87

- 1 440. Q. And then what would happen?
2 A. I have no idea.
3 441. Q. So your area of responsibility did
4 not extend to discussing financial matters with
5 these people, is that your evidence?
6 A. Correct.
7 442. Q. And you have given me a list of
8 names, and most of them are familiar to me.
9 A. Yes.
10 443. Q. There is another one, I will ask you
11 if you have heard of, which is Ian Driscoll?
12 A. Yes.
13 444. Q. Should he be on that list as well?
14 A. No. He was...things happened, like
15 there was a...things happened between him and Chris.
16 I know that...I have heard both sides of the
17 stories, but it was before my time.
18 445. Q. So why shouldn't he be on this list
19 of, sort of, higher up affiliates?
20 A. Because I never...I never talked to
21 him or liaised with him.
22 446. Q. I see. And you have never met him?
23 A. No.
24 447. Q. I am just going to go through the
25 list of names you gave me and please tell me what

R. J. Pirie - 89

- 1 the same way?
2 A. I didn't talk to them when I was at
3 Stellar Point. I met Mark once, when I was at
4 Stellar Point, but it was just...he came up for a
5 visit and he was kind of there in the background.
6 457. Q. But you don't have contact
7 information for any of them now?
8 A. No.
9 458. Q. Do you know how we could get it?
10 A. No.
11 459. Q. Jamie Waters?
12 A. He is in the U.K.
13 460. Q. And if possible, can you give a
14 city?
15 A. If I can, I will specify. I don't
16 know.
17 461. Q. Gino Van DeWalle.
18 A. Van DeWalle, I believe he is
19 actually deceased.
20 462. Q. Where was the gentleman?
21 A. Portugal.
22 463. Q. Mark Waterman?
23 A. I am actually not sure if he was
24 U.S. or U.K.
25 464. Q. Alan Sills?

R. J. Pirie - 90

1 A. He was U.S., Montana or Colorado, I
2 believe.

3 465. Q. And Al Baker?

4 A. I believe he was France, Paris.

5 466. Q. Are any of these gentlemen pictured
6 in the Banners Broker Wedding picture?

7 A. No.

8 467. Q. And is there anyone else that is not
9 on this list that we have reviewed, that you had a
10 significant level of dealings with as an employee of
11 Stellar Point and Parrot?

12 A. Martin Wilde (phon.) is another name
13 that comes to me, and he's U.K.

14 468. Q. Did these people ever complain to
15 you about losing money in Banners Broker?

16 A. About losing money?

17 469. Q. Yes.

18 A. I don't think so.

19 470. Q. Did they ever tell you how much
20 money they made in Banners Broker?

21 A. No.

22 471. Q. Do you have any sense of whether or
23 not they did well?

24 A. Yes, they all did well.

25 472. Q. Okay, and you sound convinced of

R. J. Pirie - 92

1 479. Q. Why did you chose not to participate
2 in Banners Broker?

3 A. I am not allowed to. I would be an
4 employee. That would be a conflict of interest.

5 480. Q. Was that in the contract that you
6 showed us or was it something you were told
7 separately? I didn't see it in there.

8 A. I don't think it was in there.

9 481. Q. But regardless, you were told?

10 A. Yes.

11 482. Q. By who?

12 A. I was probably told while I was
13 still at Stellar Point.

14 483. Q. Right.

15 A. And I just assumed that that would
16 carry on.

17 484. Q. Right. Do you know whether or not
18 Brea Hardowa or Stephanie Schlacht or any of the
19 other employees of these companies that we have
20 talked about were involved as affiliates in the
21 organization?

22 A. I would assume not, but I don't
23 know. I think Raj was also an affiliate.

24 485. Q. Raj Dixit?

25 A. M'hmm, but, again, that's hearsay.

R. J. Pirie - 91

1 that, why is that? How do you know that? How do
2 you know they did well?

3 A. Because that's part of why they were
4 the leaders.

5 473. Q. Now, would it surprise you if I told
6 you that the leaders in this organization, the
7 Receiver's information is they were taking out
8 hundreds of thousands or dollars and perhaps
9 millions of dollars?

10 A. That wouldn't surprise me.

11 474. Q. And your compensation, as you told
12 us, relative to that was quite low; correct?

13 A. Yes.

14 475. Q. In the range between \$46,000 and, I
15 think, \$56,000?

16 A. M'hmm.

17 476. Q. Did that become an issue at any
18 point, as between yourself and Mr. Smith?

19 A. No.

20 477. Q. You were prepared to accept...

21 A. I asked for a raise, but I think
22 that's what we negotiated.

23 478. Q. And did you ever participate in
24 Banners Broker as an affiliate?

25 A. No.

R. J. Pirie - 93

1 I never saw anything that said one way or the other.

2 486. Q. Just...in terms of all the webinars
3 that you gave, and you started giving them when you
4 were at Stellar Point...

5 A. M'hmm.

6 487. Q. ...and continued right up until
7 essentially the end of August 2014.

8 A. M'hmm.

9 488. Q. Did you develop a sense of the
10 Banners Broker business model?

11 A. Yes.

12 489. Q. And can you just describe for me
13 what your understanding of the business model was?

14 A. Affiliates would buy ad impressions.
15 They would use it on panels that they could also
16 purchase and panels represented advertising space.
17 As people saw that space online, affiliates earned
18 revenue, and then when their time was up, they got
19 paid out on their money they have earned.

20 490. Q. So that's the way it was supposed to
21 work, correct?

22 A. Yes.

23 491. Q. And did it work that way?

24 A. I assume it did. I don't know...I
25 never had any dealings with all the backend

R. J. Pirie - 94

1 providers who were actually providing us advertising
2 space, what the cost of the advertising space was.
3 I just knew how the system was designed to work, and
4 that's what I taught to people when they asked.

5 492. Q. I mean, you say that you assume it
6 did.

7 A. That didn't work well, because, then
8 we wouldn't be here.

9 493. Q. Well, yes. And, in fairness, you
10 have also told us about the compliance department
11 and the negative comments and the negative social
12 media buzz and even death threats against
13 principals...

14 A. M'hmm.

15 494. Q. ...which we didn't get into. But
16 having said all that, you can't have believed, at
17 the time, that the business model was working?

18 A. I thought it was flawed, but I think
19 lots of business models are flawed.

20 495. Q. Even Chris Smith takes the position
21 that the business model was flawed. Subject to hack
22 attacks, for instance?

23 A. M'hmm.

24 496. Q. What do you know about flaws in the
25 business model?

R. J. Pirie - 96

1 a sense...did you not have a sense of the growing
2 level of dissatisfaction with the business model at
3 Banners Broker?

4 A. Yes.

5 501. Q. And just describe for me how you
6 came to appreciate that things weren't working at
7 Banners?

8 A. There was lots of negative talk
9 online. There was also lots of positive talk, but
10 it seemed like the negative was outpacing the
11 positive.

12 502. Q. And who was primarily responsible
13 for controlling the negative talk? You were not in
14 the compliance department, you told us, and I think
15 you told us it was Hooker, but I just want to be...

16 A. Yes, originally, Hooker was
17 responsible for compliance.

18 503. Q. Okay, and then...it was Hooker. Was
19 there anybody after Hooker, or anyone other than
20 Hooker that was responsible for the compliance side
21 of things?

22 A. I know that Jamie Waters also helped
23 with compliance.

24 504. Q. What about the payout mechanism?
25 Because the business model had an earning structure,

R. J. Pirie - 95

1 A. Specifically...

2 497. Q. Hack attacks, for example?

3 A. There were...I know that there were
4 people who were able to infiltrate the system and
5 basically create themselves inventory that would
6 generate revenue that they never paid for. I know
7 people stole money from other people saying that
8 they would give them things. I know...there were
9 loop...like in any technical system, there were
10 loopholes that people would find out and exploit.
11 Ways to earn money faster or up the amount or make
12 it faster how they earned their money.

13 498. Q. Right, and you knew that was
14 happening a lot in the Banners Broker case,
15 unfortunately?

16 A. I didn't know that it was happening
17 a lot, I just knew that it did happen.

18 499. Q. Did you have some sense of how
19 frequently it was happening?

20 A. No clue.

21 500. Q. Judging by the levels of complaint
22 that you were experiencing while you were monitoring
23 the social media department and through fielding
24 escalations from CSRs, and from having people in the
25 compliance department come to you, did you not have

R. J. Pirie - 97

1 as I understand it.

2 A. M'hmm.

3 505. Q. And then there was also a payout
4 mechanism.

5 A. M'hmm.

6 506. Q. What do you know about the payout
7 mechanism for Banners Broker, in terms of efficiency
8 with which that operated?

9 A. I know that there were a lot of
10 people complaining that they weren't receiving
11 their payouts, near the end. I know that Chris
12 singlehandedly took care of all of that.

13 507. Q. So if someone complained to you, or
14 you had heard that someone had complained about not
15 being able to be paid out, where would you go? What
16 would you do?

17 A. If it was a standard affiliate, then
18 I would just tell them to follow the system, follow
19 the steps as they were originally told. If it was
20 one of these super affiliates, I would talk to
21 Chris.

22 508. Q. And the super affiliates, because
23 those are the big affiliates that we listed a couple
24 of minutes ago...

25 A. M'hmm.

R. J. Pirie - 98

1 509. Q. ...and you would tell Chris to what,
2 to handle it?

3 A. No, I would just say that they were
4 asking.

5 510. Q. And then how did you advance the
6 issue further?

7 A. I didn't. Because all of these
8 people had direct lines to Chris...

9 511. Q. Right.

10 A. ...on their own. And they
11 circumvented me quite a bit, to talk to him
12 directly.

13 512. Q. Do you know whether or not Chris
14 could resolve those issues?

15 A. I don't know.

16 513. Q. I dropped in during the break and I
17 mentioned that I wanted to talk a bit about
18 documents. Because the Receiver, obviously, has an
19 interest in bringing in documents, to the extent
20 that they exist, and they can be in paper form or
21 electronic form. You have given us a copy of an
22 employment agreement...

23 A. M'hmm.

24 514. Q. ...thank you for that. Is there
25 anything else, in addition to that, let's talk about

R. J. Pirie - 100

1 the garbage or deleting it or chucking it out the
2 door?

3 A. I didn't see any of those things. I
4 know that I...like, I had a bunch of webinars that I
5 had recorded, gigs, hundreds of gigs of stuff, so
6 just to free up space on my machine, I just deleted
7 them all.

8 520. Q. Right.

9 A. And since I was deleting that, I
10 decided to delete everything else, because I didn't
11 really foresee we were going to need it anymore.

12 521. Q. Did anyone ask you to delete those
13 materials?

14 A. No.

15 522. Q. Did you tell anyone at the time that
16 you were going to delete those materials?

17 A. I may have mentioned it.

18 523. Q. But you don't recall?

19 A. Not that I can recall, no.

20 524. Q. And did you tell anyone prior to
21 telling me just now, that you had deleted those
22 gigabytes of materials?

23 A. I may have.

24 MR. GERRY: Besides discussions with
25 counsel, of course.

R. J. Pirie - 99

1 paper documents first, that you have in relation to
2 any of the companies that we talked about today? Is
3 there anything else that you have?

4 A. I have a training manual from
5 Banners Broker before...when I was still doing that,
6 but that is about all I have got left. I got rid of
7 everything else once everything went...stopped.

8 515. Q. That was late August of last year?

9 A. I probably did it closer to the end
10 of September.

11 516. Q. Okay, and when you said "did it",
12 because I am trying to picture in my mind, you are
13 up at Bayview, at this point.

14 A. M'hmm.

15 517. Q. And you are all aware that the
16 company is in an insolvency proceeding?

17 A. M'hmm.

18 518. Q. And up until then, a lot of people's
19 time had been spent on Banners Broker matters, and
20 then you moved to doing non-Banners Broker work at
21 Parrot. So what happened to all of the...not just
22 yours, but other people's...what happened to the
23 Banners Broker records, the software, the servers?

24 A. I have no idea.

25 519. Q. Did you see people throwing it in

R. J. Pirie - 101

1 525. MR. WARD: Right, okay.

2 BY MR. WARD:

3 526. Q. Were you aware that Banners Broker
4 was in an insolvency proceeding at that time?

5 A. I knew that...yes.

6 527. Q. And what about the paper records
7 that you would have had, how were they handled? The
8 Banners Broker, Stellar Point, Parrot records
9 relating to Banners Broker, what happened to them?

10 A. I have a stack of the manual...I
11 have got 30 copies of the manual at home that my
12 kids use for scrap paper.

13 528. Q. Right.

14 A. Because I printed it off, and then
15 we ended up not doing the training, so I just
16 brought it home. But there really weren't a lot of
17 paper documents, to the best of my knowledge.

18 529. Q. But apart from the manuals, there
19 must have been something, though, right?

20 A. Such as? My blogs were all
21 online...

22 530. Q. Notes of calls, lists of affiliates,
23 contact information for affiliates. Like, on your
24 desk, presumably there was something other than the
25

R. J. Pirie - 102

1 training manual, right, when you were full-time BB?

2 A. Just about everything I did, I did
3 from my computer.

4 531. Q. And that was all deleted?

5 A. Yes.

6 532. Q. Is there anything that is still
7 available, in electronic form, related to the
8 businesses that we talked about that you are aware
9 of?

10 A. Not to the best of my knowledge.
11 There might be some old, old stuff from Stellar
12 Point on one of my computers, but it would be
13 training materials...

14 533. MR. WARD: Okay, so, Counsel, could I
15 just, while we are on it, have an
16 undertaking to produce a copy of that, the
17 training manual that the witness has?

18 MR. GERRY: Sure. U/T

19 534. MR. WARD: Thanks, and to check to see
20 whether or not there is any old Stellar
21 Point archived, electronic-form documents,
22 that can be recovered?

23 MR. GERRY: Okay, we will give you that
24 undertaking. U/T
25

R. J. Pirie - 104

1 their communicating with affiliates and with each
2 other?

3 A. I assume so.

4 541. Q. You didn't see any others?

5 A. Some people used their personal
6 e-mails, but that was discouraged.

7 542. Q. Okay, and who, at Stellar Point, and
8 then you can tell me at Parrot, would know the most
9 about how e-mails were archived and might be
10 recovered?

11 A. I imagine Chris would know.

12 543. Q. But was there an IT person there,
13 like I am dealing with Stellar Point now.

14 A. There was...

15 544. Q. You have got Raj at the top. Who
16 was the IT person that we could speak to to try to
17 recover the e-mails?

18 A. At Stellar Point, that e-mail was
19 still handled by the Toronto office, so, Parrot.

20 545. Q. At Stellar Point it was still
21 handled by Parrot, the e-mail...

22 A. Yes.

23 546. Q. So e-mail was always handled by
24 Parrot?

25 A. To the best of my knowledge.

R. J. Pirie - 103

1 BY MR. WARD:

2 535. Q. My colleague has just passed me a
3 note to try to understand from you how the...you
4 know, what e-mail system Stellar Point and Parrot
5 used when they were servicing the Banners Broker
6 business, and whether or not that was through, for
7 instance, an e-mail service provider, such that
8 those e-mails could be recovered. Because you can't
9 permanently delete an e-mail, I wouldn't think.

10 A. We used webmail, so all of the
11 e-mails that went in and out were kept on a server
12 somewhere. I don't know if it was local or
13 somewhere else. And then I just deleted my access
14 once, when I was deleting the rest of this.

15 536. Q. Webmail, what is webmail?

16 A. Do you know what gmail is?

17 537. Q. So it's like a cloud-based e-mail
18 service?

19 A. Yes.

20 538. Q. And you had an e-mail account?

21 A. Yes.

22 539. Q. And was it...

23 A. I had a couple of accounts.

24 540. Q. And was that the e-mail system that
25 all of the Stellar Point and Parrot people used for

R. J. Pirie - 105

1 547. Q. Interesting. And so who was the
2 Parrot person, apart from Mr. Smith, that had IT
3 knowledge that we can speak to with a view to
4 recovering the e-mail accounts?

5 A. It's another person not listed in
6 the document.

7 548. Q. Who was it? What was the person's
8 name? You can tell us, I mean, that's what we are
9 here for, right?

10 A. Okay.

11 MR. GERRY: We are not objecting. You
12 can answer.

13 THE WITNESS: Okay. Back when Banners
14 ...when Parrot Marketing and Banners Broker
15 were winding down, the name was Martin
16 Korych.

17 BY MR. WARD:

18 549. Q. Do you know how to spell the last
19 name?

20 A. K-O-R-Y-C-H, I believe.

21 550. Q. Okay.

22 A. And now, currently, it would be Greg
23 Meloche.

24 551. Q. M-E-L-O-C-H-E?

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A. Correct.

552. Q. When did Greg take over Martin's responsibilities, approximately?

A. I want to say, maybe November, December.

553. Q. Of?

A. 2014.

554. Q. We have talked about your Banners Broker electronic records and paper records and what happened to them, what about, you know, the paper records of the people that worked beside you in the office, you must have some sense of how those people disposed of them.

A. These are programmers. Most of the stuff that they do is online or is on the computer. Even if they take notes, they take notes on their computer.

555. Q. Okay, well, let's assume that it was on the computer, then. Did Martin or Chris Smith ever instruct them to delete their electronic files?

A. Not to the best of my knowledge.

556. Q. Do you know whether or not they did delete their electronic files?

A. I don't know one way or the other.

557. Q. And the people working at Parrot

R. J. Pirie - 108

many people no long had jobs?

A. About 20.

563. Q. Twenty, okay. So, first of all, what happened to their...to your knowledge, was there any instruction that was given to them with respect to preserving records, Banners Broker records?

A. Not that I heard.

564. Q. And you continued on...

A. M'hmm.

565. Q. ...so when they left, can you tell me what happened to their office space, their computers?

A. They were there.

566. Q. And are they still there?

A. To the best of my knowledge.

567. Q. And we are talking, "there" being the Bayview premises, right?

A. Yes.

568. Q. And when was the last time you were at the Bayview premises?

A. On Monday.

569. Q. Did you see the computers on Monday?

A. M'hmm.

570. Q. And are there any servers or other

R. J. Pirie - 107

reduced itself at some point, around, I guess it would be late August/September 2014, to about 13 people; correct?

A. M'hmm.

558. Q. So the people that left, what happened to their...

A. They were laid off.

559. Q. No, but what happened to any files that were Banners Broker-related that they might have had?

A. I know they left their computers behind. I don't know what would have been done with them, what was on them when they left.

560. Q. And we are talking about 30-or-so people, or is it more than that?

A. No...now, the people, most of whom were in that photo, those were the ones who worked on Banners Broker, of the 20-or-so that were let go, that's only four or five. Most of the other people worked on other projects.

561. Q. Right, but I mean, when Parrot stopped doing the Banners Broker support services, a lot of people left, right?

A. M'hmm.

562. Q. Give me an approximate number of how

R. J. Pirie - 109

computer hardware that was used as part of the Banners Broker operation, that is still at Bayview?

A. I think so.

571. Q. Like what, apart from the monitors?

A. A lot of them used Macs, so it's the iMacs, and the MacBooks. A couple of guys used towers, PCs.

572. Q. Was there an intranet system there at all?

A. Yes.

573. Q. And is that still there?

A. I guess so, yes.

574. Q. I mean, it was there...certainly it was there as of Monday?

A. Yes, certain as of Thursday, because I put in a vacation request.

575. Q. And you are going to be going back to Bayview tomorrow or...

A. That's the plan.

576. Q. Can you speak to Mr. Smith? You see him at Bayview from time-to-time?

A. Yes.

577. Q. And is he in charge of the Bayview property?

A. As far as I know.

R. J. Pirie - 110

1 578. Q. Can you speak to him and ask him not
2 to remove those computers and towers?

3 MR. GERRY: No, he is not going to do
4 that, Counsel. /R

5 579. MR. WARD: Okay.

6 MR. GERRY: You can certainly contact
7 Mr. Smith yourself with any requests you
8 have.

9
10 BY MR. WARD:

11 580. Q. Can you let your lawyer know if you
12 see anybody removing the records of Banners Broker?

13 MR. GERRY: Again, I am not sure what
14 jurisdiction you have to ask my client to
15 enforce your orders.

16 581. MR. WARD: It's the Receivership Order.

17 MR. GERRY: But...

18 582. MR. WARD: There is a duty to cooperate
19 with the Receiver, and we are talking about
20 records.

21 MR. GERRY: You know, he will do
22 whatever...whatever he has possession of,
23 he will turn over to you. But I don't know
24 he can control other people's actions.

25 583. MR. WARD: Just so you know, all we are

R. J. Pirie - 112

1 Justice Matheson's order of August the
2 22nd.

3
4 BY MR. WARD:

5 587. Q. Just a couple other things before we
6 finish off. The trip to the...your travel, let's
7 start with that. Because we know that you had a
8 couple trips to Belize.

9 A. Three.

10 588. Q. One to Trinidad.

11 A. M'hmm.

12 589. Q. Did you pay for any of those trips
13 personally?

14 A. No.

15 590. Q. Do you know who paid for those
16 trips?

17 A. No. I was given a ticket and told
18 to be at the airport.

19 591. Q. Did you pay any expenses at all
20 relating to any of that travel, yourself,
21 personally?

22 A. No.

23 592. Q. And similarly, with the trip to the
24 Dominican Republic for the wedding, did you pay for
25 that trip personally?

R. J. Pirie - 111

1 asking at this point is that he let you or
2 me know if he sees someone removing the
3 Banners Broker hardware. It's covered
4 directly by the Receivership Order. Okay,
5 so I will leave that with you, because I
6 think it's clear enough, that you can read
7 the Receivership Order and see that. And
8 if that disappears, now, with us knowing
9 that it's there as recently as Monday...

10 MR. GERRY: I don't think it's his
11 obligation to preserve that material. He
12 can only preserve what's his.

13 584. MR. WARD: I will ask one more time, the
14 request is that you let either myself or
15 your counsel know if you see anyone
16 removing the Banners Broker hardware at
17 1376 Bayview.

18 MR. GERRY: And, Counsel, if he lets me
19 know, what is my obligation?

20 585. MR. WARD: You would need to let the
21 Receiver know.

22 MR. GERRY: We are not going to agree to
23 that, that's fine, thanks. /R

24 586. MR. WARD: So I would ask you to have a
25 look, when we break, Counsel, at Madam

R. J. Pirie - 113

1 A. No.

2 593. Q. Why didn't you pay for that
3 personally?

4 A. Because I couldn't afford to at the
5 time. So Chris and I had a separate deal where I
6 would do some extra writing on top of what I was
7 already doing, and he would loan me the money to go
8 down.

9 594. Q. How much money did he loan you?

10 A. I am not sure, he took care of the
11 ticket.

12 595. Q. And have you repaid him?

13 A. I am not sure. I don't think so, I
14 haven't given him a lump sum, but...

15 596. Q. You haven't repaid him anything,
16 correct?

17 A. Correct, but the...I was working it
18 off. It wasn't so much of a...he was going to
19 loan...give me money and I had to give it back to
20 him. I just took on extra responsibilities to
21 offset the cost.

22 597. Q. But you don't know what the cost
23 was?

24 A. Correct.

25 598. Q. And sitting here, you can't tell me

R. J. Pirie - 114

1 how much of that has been repaid?

2 A. Yes, I believe it was about \$1,300.

3 599. Q. Do you believe that it was...so I
4 assume it was Mr. Smith that paid for the trip, that
5 is your understanding?

6 A. I assume so.

7 600. Q. And when you say "Mr. Smith", do you
8 mean him personally or are you referring to the
9 Banners Broker company?

10 A. I assume Chris Smith personally.

11 601. Q. Earlier on, at the very beginning
12 of the day, when we were dealing with your
13 compensation, I asked you specifically whether or
14 not...

15 A. You did and I forgot, I'm sorry.

16 602. Q. Okay, just for the record, I had
17 asked...I am going to ask again, because I want to
18 make sure that nothing else is forgotten, but we
19 really need to have a clear understanding of all
20 aspects of your compensation, including monetary and
21 non-monetary benefits, and I would include some of
22 these trips that we are talking about as benefits.

23 A. Okay.

24 603. Q. Okay, so thinking back on it now,
25 was there anything else that you received by way of

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1 THE WITNESS: They may be.

2 MR. GERRY: If they are still in his
3 possession, we will undertake to provide
4 them. U/T

5 607. MR. WARD: Okay. And if we needed to
6 make inquiries of CRA to get them, then the
7 undertaking would extend to asking for an
8 appropriate written consent limited to that
9 tax statement, Counsel?

10 MR. GERRY: Limited to provision of the
11 T4s, not the returns.

12 608. MR. WARD: That's correct.

13 MR. GERRY: Okay, we will give that
14 undertaking, to provide authorization if we
15 can't provide them ourselves. U/T

16 609. MR. WARD: And we would make that...the
17 authorization would be from the CRA. Okay,
18 I have no further questions. Does anyone
19 else have any questions? No. Thank you
20 for your time.

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1 compensation for the work that you did at Stellar
2 Point or Parrot, apart from the salaries that are
3 documented in the employment agreement and that you
4 described for me, and these trips?

5 A. I can't think of any gifts. I can't
6 think of any...like, there was no Christmas bonus.
7 There was the trip to the Dominican. No hardware,
8 no...I can't think of anything.

9 604. Q. So, is it fair, then, to say that
10 all of the Banners Broker-related compensation
11 ...well, you tell me. I mean, were these amounts
12 that you did receive, did someone issue a T4, for
13 example, that would reflect what you received from
14 the company?

15 A. Yes.

16 605. Q. Okay, and you filed them with your
17 income tax returns?

18 A. Absolutely.

19 606. MR. WARD: We would like to have copies
20 of the Stellar Point and the Parrot
21 Marketing issued T4s in relation to the
22 witness' compensation from Banners Broker,
23 Counsel?

24 MR. GERRY: Are those still in your
25 possession?

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P4.	Colour photocopy of colour photographs depicting Robert Pirie wearing a toupee on trip to Trinidad giving a PowerPoint presentation	75
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REPORTER'S NOTE:

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I hereby certify the foregoing to be a true and accu transcription of the above-noted proceedings held before me 25TH DAY OF FEBRUARY, 2015, and taken to the best of my skill, ability and understanding.

Certified Correct:

Greg Vaughan
Verbatim Reporter

Court File No. CV-14-10663-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1992, c.27,s.2, AS AMENDED
AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE ISLE
OF MAN WITH RESPECT TO BANNERS BROKER INTERNATIONAL LIMITED
APPLICATION OF MILES ANDREW BENHAM AND PAUL ROBERT
APPLETON, IN THEIR CAPACITY AS JOINT LIQUIDATORS OF BANNERS
BROKER INTERNATIONAL LIMITED,
UNDER PART XIII OF THE
BANKRUPTCY AND INSOLVENCY ACT (CROSS-BORDER INSOLVENCIES)

GV/jlk

Examination by Receiver of TARA KAUR REEVES (nee
 Josun), taken at the offices of Cassels Brock & Blackwell,
 Suite 2100, Scotia Plaza, 40 King Street West, Toronto,
 Ontario, on the 26th day of February, 2015.

APPEARANCES:

DAVID S. WARD
ERIN CRADDOCK
LARRY ELLIS

} -- Joint Liquidators of
 } Banners Broker
 } International Limited

and the Court-
 Appointed Receiver
 and all Banners
 Broker affiliated
 entities

ALSO PRESENT:**Gillian Goldblatt**

-- Representative of
 Trustee In Bankruptcy

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- 1 A. My full name is Tara Kaur Josun. My
2 married name is Tara Kaur Reeves.
3 5. Q. And Kaur, how do you spell that?
4 A. K-A-U-R.
5 6. Q. K-A-U-R. And what is your date of
6 birth, please?
7 A. December 14th, 1989.
8 7. Q. '89?
9 A. '89.
10 8. Q. Okay. And your current address?
11 A. 2922 Gulfstream, G-U-L-F-S-T-E-A-M
12 Way, Mississauga, Ontario.
13 9. Q. Mississauga, Ontario. Okay. And
14 how long have you lived there for?
15 A. I have been there since after my
16 husband and I got married. Since June, end of June?
17 10. Q. Okay. Sure. Of last year?
18 A. Correct. Of 2014.
19 11. Q. Okay. And prior to that where were
20 you living?
21 A. I was living with my mom.
22 12. Q. Okay. And what was that address?
23 A. 62 William Stephenson...
24 13. Q. Right.
25 A. ...Drive in Whitby, Ontario.

T. Josun - 3

- 1 TARA KAUR REEVES (nee Josun), sworn
2 EXAMINATION BY MR. WARD:
3 1. Q. Good morning, Ms. Josun.
4 A. Good morning.
5 2. Q. Just let me introduce who we have in
6 the room today. Erin Craddock and I are counsel for
7 the joint liquidators of a company called Banners
8 Broker International Limited...
9 A. M'hmm.
10 3. Q. ...and we are also counsel for the
11 Canadian Receiver of Banners Broker International
12 Limited and we are also counsel for the Canadian
13 investigatory Receiver of Parrot Marketing Inc.,
14 Local Management Services, 2341620 Ontario
15 Corporation, Stellar Point formerly operating as
16 Banners Broker Limited, Dixit Holdings and any other
17 entity operating under the business names, Banners
18 Broker, Banners Broker Limited, Banners Mobile or
19 Banners Broker Belize and so part of what we want
20 to talk about today is those companies and so thank you
21 for agreeing to come and meet with us today.
22 A. No problem.
23 4. Q. Okay. So just by way of
24 introductory information, could you please state
25 your full name for the record?

T. Josun - 5

- 1 14. Q. Okay. And then last question in
2 terms of addresses. Between February of 2012 and
3 July 2012 when I understand that you were involved
4 in Banners Broker, do you recall where you were
5 living?
6 A. I was living at home in Whitby.
7 15. Q. At home? And what was the address
8 of the Whitby property?
9 A. 62 William Stephenson.
10 16. Q. I got it. Okay. Okay. Thank you
11 for that. And then finally, in terms of your
12 education or college certificates or qualifications,
13 can you just briefly tell me what you did in school?
14 A. Okay. So I finished highschool and
15 then I went to university for a little bit for a
16 business degree. Dropped out. It wasn't what I
17 wanted to do.
18 17. Q. Okay.
19 A. I finished about three semesters and
20 then I took 6 months off, worked full time at Tim
21 Hortons. That's where I was working through school
22 anyway and then I went to a private college, CDI and
23 I did a 12 month paralegal program.
24 18. Q. Okay. And is it CDI College?
25 A. Correct.

- 1 19. Q. And where is that?
- 2 A. The campus I went to was located in
- 3 Ajax just off of the 401 and Westney.
- 4 20. Q. And when did you complete that
- 5 designation?
- 6 A. That was the early February. I
- 7 graduated in February.
- 8 21. Q. Of what year?
- 9 A. 2012.
- 10 22. Q. 2012.
- 11 A. M'hmm.
- 12 23. Q. Okay. Thank you for that. Okay. So
- 13 that takes care of the introductory questions.
- 14 What I want to turn to now is I just want
- 15 to understand a little bit about your involvement
- 16 with Banners Broker and I'm aware that you were
- 17 cooperating with the Competition Bureau and that you
- 18 gave an interview to the Competition Bureau on April
- 19 the 11th of 2013?
- 20 A. Yes, that sounds about right.
- 21 24. Q. Okay. And in fact I'll show you in
- 22 a minute the evidence of what you told them...
- 23 A. M'hmm.
- 24 25. Q. ...and it's very much the same
- 25 questions that I'm going to have for you today so

- 1 they should be familiar to you but I want to put
- 2 some timelines first of all around the period in
- 3 which you were involved...
- 4 A. Yes, please.
- 5 26. Q. ...with Banners. Okay.
- 6 A. It's been so long.
- 7 27. Q. Okay. So I have a note that you may
- 8 have started at Banners Broker in February of 2012?
- 9 A. Correct. It was the job I got right
- 10 out of school.
- 11 28. Q. Okay.
- 12 A. Can I say names or...
- 13 29. Q. Yes, please. Yes.
- 14 A. Okay. So I was employed by Raj. He
- 15 was the one who interviewed me and he was the one
- 16 who hired me.
- 17 30. Q. Okay. And Raj, you mean Raj Dixit?
- 18 A. Rajiv Dixit. Correct.
- 19 31. Q. And so again, just thinking about
- 20 timelines, this was February 2012.
- 21 A. M'hmm.
- 22 32. Q. Which company were you hired by?
- 23 A. I'm pretty sure it was Banners
- 24 Broker International that I was hired with.
- 25 33. Q. Okay. And I believe that you were

- 1 with Banners Broker until about July of 2012?
- 2 A. That is correct. I would say, if
- 3 anything, towards the end of July. We did an
- 4 international convention in Portugal for two
- 5 weeks...
- 6 34. Q. Okay.
- 7 A. ...and when we returned that's when
- 8 I quit.
- 9 35. Q. Okay.
- 10 A. So I would say, if anything, at the
- 11 end of July, beginning of August at the latest.
- 12 36. Q. Okay. So it was a period of just
- 13 about six months...
- 14 A. Correct.
- 15 37. Q. ...that you were working there? And
- 16 throughout that six month period did you believe
- 17 that you were working exclusively for Banners Broker
- 18 International Limited or did your employer change at
- 19 some point?
- 20 A. The employer did change. It was
- 21 still Banners Broker. I went from working in our
- 22 Toronto office to working at our Oshawa office with
- 23 Raj. He was the head of that office and it was
- 24 called Banners Broker Canada.
- 25 38. Q. Okay. And when did you make that

- 1 office change approximately?
- 2 A. Not too long into my employment.
- 3 I'd say at the most maybe two and a half, three
- 4 months in?
- 5 39. Q. Is it fair to say around the Spring?
- 6 A. Yes. It was around summertime, May,
- 7 June.
- 8 40. Q. Okay. And in May or June your
- 9 office moved from which address in Toronto?
- 10 A. I honestly could not tell you the
- 11 exact address.
- 12 41. Q. Sure.
- 13 A. It was just off of Jarvis. Queen
- 14 and Jarvis...
- 15 42. Q. Okay.
- 16 A. ...do they cross?
- 17 43. Q. Was it on Jarvis Avenue your office?
- 18 A. It was the Jazz building so it was
- 19 like in a...
- 20 44. Q. Okay. But you think it was on
- 21 Jarvis Street?
- 22 A. For sure it was off of Jarvis and
- 23 Queen. I would say there's the Second Cup in the
- 24 corner there, the church, the hospital and the
- 25 Eaton's Centre just...

1 45. Q. Okay.
 2 A. ...a couple intersections down.
 3 46. Q. Okay. Could it have been 167
 4 Church?
 5 A. All I remember was the Jazz
 6 building. I'm terrible with directions.
 7 47. Q. Okay. Yes. Okay. And then the
 8 office moved to which location?
 9 A. In Oshawa off of Wellington?
 10 48. Q. Okay.
 11 A. Just off of Wellington. That was
 12 the major street.
 13 49. Q. Off the record for a sec.
 14
 15 --- DISCUSSION OFF THE RECORD
 16
 17 BY MR. WARD:
 18 50. Q. Was the Oshawa address 1019 Nelson?
 19 A. Correct.
 20 51. Q. And you mentioned that you thought
 21 the name of your employer changed around that time
 22 as well.
 23 A. Just from Banners Broker
 24 International to Banners Broker Canada. Correct.
 25 52. Q. Okay. Did you at any point have a

1 hired you in February, 2012...
 2 A. M'hmm.
 3 58. Q. ...were you hired for a specific
 4 position?
 5 A. So initially when I was hired it was
 6 to strictly just work out of the Toronto office. My
 7 hours were just shortly after rush hour traffic,
 8 like ten to 6:00...
 9 59. Q. M'hmm.
 10 A. ...because I was commuting all the
 11 way from Whitby.
 12 60. Q. Right.
 13 A. And I was basically just sitting in
 14 front of a computer and I was doing tech support,
 15 customer service, that type of thing, all strictly
 16 through e-mail.
 17 61. Q. Were you a CSR? Was that your job
 18 title at that point?
 19 A. CSR, customer service...
 20 62. Q. Customer Service Representative?
 21 A. Yes. You could put that as the
 22 title.
 23 63. Q. So I take it nobody gave you a
 24 particular job title?
 25 A. At that point, no. There was no

1 written employment contract?
 2 A. There was an HR gentleman that they
 3 brought on when the Banners Broker Canada office
 4 opened up. His name is Grant. I can't remember the
 5 last name. It's so long ago.
 6 53. Q. Dell? Start with a "D"?
 7 A. I can tell you what he looks like.
 8 54. Q. Right.
 9 A. I don't remember the name. He was
 10 the HR gentleman they brought on and he was the one
 11 who implemented the policies, procedures, employee
 12 contracts, jobs, duties, titles and that type of
 13 stuff, so I believe that's when I signed paperwork.
 14 Before then I don't think I signed any paperwork.
 15 55. Q. Okay. But at some point you signed
 16 employment paperwork?
 17 A. I did.
 18 56. Q. And do you have that employment
 19 paper work? No?
 20 A. I don't keep it. There were
 21 employee files. There were two ladies, secretaries
 22 and assistants of Raj's that kept all the paper work
 23 filed, orders, all that kind of stuff.
 24 57. Q. Okay. So next I just want to
 25 understand what you were hired to do. When Raj

1 particular job title.
 2 64. Q. At some point was there a particular
 3 job title that you were assigned?
 4 A. When I moved to Banners Broker
 5 Canada...
 6 65. Q. Right.
 7 A. ...the Oshawa office, I was a staff
 8 trainer.
 9 66. Q. Staff trainer.
 10 A. That office was strictly 24 hour
 11 customer service.
 12 67. Q. Okay.
 13 A. Three shifts, morning, afternoon,
 14 evening.
 15 68. Q. Okay. And when you left in the end
 16 of July 2012 when you quit, were you still employed
 17 as a staff trainer?
 18 A. Was I employed at that...yes. I was
 19 employed as a staff trainer. We went and did the
 20 convention in Portugal, came back.
 21 69. Q. Right.
 22 A. I finished off my last training
 23 session, like I say was about four or five business
 24 days I was there, I think I went on the Thursday.
 25 70. Q. Okay. Okay. So when you quit you

- 1 were a staff trainer?
 2 A. Correct.
 3 71. Q. Okay. And when you began at the
 4 beginning in Toronto at the Church Street office,
 5 the Jazz building...
 6 A. M'hmm.
 7 72. Q. ...I just want to understand what
 8 your responsibilities were, like everything you did
 9 at that time. So you mentioned that you were
 10 working from a computer?
 11 A. M'hmm.
 12 73. Q. And just describe for me the types
 13 of things that you would do.
 14 A. So they had two rooms down the hall
 15 from each other. I was in one. Then the
 16 programmers and...can I name drop?
 17 74. Q. Sure. Yes. Yes.
 18 A. So there were the programmers,
 19 Matthew, Lynn and Harrison. I cannot remember his
 20 last name.
 21 75. Q. Sure.
 22 A. He was only there for a short while
 23 while I was there. And then, Chris Smith. They
 24 worked out of that one...
 25 76. Q. Okay.

- 1 A. ...and then myself, Christelle and
 2 Johnny worked out of this one. Basically, there
 3 were like the fold out plastic tables, two of them
 4 side-by-side, back-to-back.
 5 77. Q. Right.
 6 A. She sat on one side. She was the
 7 one who trained me. I sat on the other side right
 8 across from her and Johnny was the graphic designer.
 9 Her was the one who sat beside me.
 10 78. Q. Okay.
 11 A. And then basically, as the enquiries
 12 came in...the majority of the stuff was
 13 regarding...oh, my gosh. I don't even know all the
 14 proper terminology. I can't remember any of it.
 15 79. Q. M'hmm.
 16 A. The bars weren't moving...
 17 80. Q. Sure.
 18 A. ...or they weren't seeing anything
 19 getting produced or anything like that wasn't coming
 20 in, or the thing froze, or they got locked out of
 21 the account, how do they get back in. Anything that
 22 was like that, we had scripts, I guess...
 23 81. Q. I see. Sure. Sure.
 24 A. ...like answers already that were
 25 preconstructed from the programmers and...

- 1 82. Q. Okay.
 2 A. ...then we basically...
 3 83. Q. And was it...
 4 A. ...just gave them the information.
 5 84. Q. And so the people that were
 6 contacting you, were they affiliates?
 7 A. Yes.
 8 85. Q. Okay.
 9 A. Affiliates from around the world?
 10 86. Q. Correct.
 11 A. All over the...
 12 87. Q. All over the world.
 13 A. ...world.
 14 88. Q. Okay.
 15 A. Internationally.
 16 89. Q. And were they contacting you by
 17 phone or over the e-mail?
 18 A. I would say at least 90 percent was
 19 strictly e-mail.
 20 90. Q. I see.
 21 A. The odd phone call would come in.
 22 91. Q. Okay. E-mails. Great. And so
 23 apart from that customer affiliate servicing that
 24 you did, was there anything else that was involved
 25 in your job at this time?

- 1 A. So I probably there for about a
 2 month, two months and then I did some traveling
 3 where I was on the road tech support I guess you
 4 could say. Basically what I did was when I traveled
 5 I would sit at the back of the seminars...
 6 92. Q. Right.
 7 A. ...and as questions were being asked
 8 during the seminar I was writing them down...
 9 93. Q. M'hmm.
 10 A. ...go straight back to my hotel
 11 room. I would e-mail Johnny, Matthew, Harrison,
 12 Chris, all the programmers, being like, "Listen, 80
 13 percent of the problem is this, 20 percent of the
 14 problem's this, 10 percent of the problem is this."
 15 so and so forth and they would just...and the next
 16 webinar would come up the next they, then they would
 17 address those questions.
 18 94. Q. Got it. Okay. And during the
 19 period that you were traveling, how long did that
 20 last for?
 21 A. Didn't last long.
 22 95. Q. Okay.
 23 A. I was probably doing at the most
 24 maybe...I think I two rounds of...the first one was
 25 the longest one.

- 1 96. Q. Right.
 2 A. I think it was a three week trip.
 3 Came back. Went back again. I think at the most it
 4 was about six or seven weeks I was...
 5 97. Q. Okay.
 6 A. ...overseas.
 7 98. Q. Six or seven weeks...
 8 A. And then I stopped.
 9 99. Q. ...overseas. Okay.
 10 A. I had a long term boyfriend and
 11 everything like that. I just wasn't ready for
 12 traveling...
 13 100. Q. Okay.
 14 A. ...and being away that long.
 15 101. Q. Yes. Six or seven weeks is quite
 16 a...
 17 A. M'hmm.
 18 102. Q. ...trip. So the first of the trips,
 19 tell me about who went with you and where you went.
 20 A. The first of the trips was...oh, my
 21 goodness. We went to Portugal, Ireland and U.K..
 22 103. Q. Right. Okay.
 23 A. We had hosts there. They were the
 24 ones that set up the presentations, the seminars I
 25 guess you could say.

- 1 104. Q. Sure.
 2 A. And then that would be about it.
 3 105. Q. Okay. And who traveled with you?
 4 A. Kuldip Josun.
 5 106. Q. Sorry. Could you repeat?
 6 A. Kuldip Josun, K-U-L-D-I-P.
 7 107. Q. Okay. Josun. Anybody else?
 8 A. For that first trip, no. Nobody.
 9 108. Q. Okay. And Kuldip Josun is your
 10 father?
 11 A. Correct.
 12 109. Q. Okay. And now for the second trip,
 13 where did you go and who traveled with you?
 14 A. The second trip was...okay, I'm
 15 trying to remember here. Cypress, Belgium, went
 16 back to Portugal. Sorry. I'm just thinking.
 17 110. Q. No. That's fine. It's not a test.
 18 Just...
 19 A. It was...
 20 111. Q. ...as best as you can remember.
 21 A. ...so long ago.
 22 112. Q. Just as best as you can remember,
 23 right?
 24 A. Belgium, Cypress, Portugal. I'm
 25 sorry. That's all I can...

- 1 113. Q. Okay. And who traveled with you the
 2 second time around?
 3 A. Again, it was Kuldip Josun.
 4 114. Q. Okay. And anybody else?
 5 A. There was my brother. He just had
 6 vacation time off.
 7 115. Q. Okay. And what's your brother's
 8 name?
 9 A. Arjun Josun.
 10 116. Q. A-R...
 11 A. J-U-N.
 12 117. Q. ...J-U-N. Okay. And was Arjun
 13 employed by Banners Broker...
 14 A. No. No. No.
 15 118. Q. ...at that time?
 16 A. Not at all.
 17 119. Q. Okay. All right. And I know later
 18 on you were involved in organizing a convention in
 19 Portugal?
 20 A. That would be my third overseas
 21 trip...
 22 120. Q. Okay.
 23 A. ...was for the convention. It was
 24 the company convention.
 25 121. Q. Okay. But the company conventions

- 1 are different from the first two trips where I take
 2 it they were seminars? What exactly was going on
 3 the first two trips when you traveled around to
 4 these countries?
 5 A. From my understanding, what it was
 6 was that the affiliates overseas wanted to speak
 7 with somebody, wanted somebody to come and talk to
 8 them and explain the program and just make sure it
 9 was real...
 10 122. Q. Sure.
 11 A. ...I guess. You know what I mean?
 12 Like something that was...just not like somebody's
 13 pulling it out of there...
 14 123. Q. Sure. Sure.
 15 A. ...behind.
 16 124. Q. Right. Okay.
 17 A. So that's where Kul, as the
 18 affiliates know him...
 19 125. Q. Right.
 20 A. ...that's where he was the face
 21 of...
 22 126. Q. Banners Broker?
 23 A. M'hmm.
 24 127. Q. Okay.
 25 A. He was that person that they could

T. Josun - 22

1 touch and feel and actually talk to and they knew it
2 was real. And then, Chris was the behind the scenes
3 guy. He never wanted to be seen. He was only
4 heard...

5 128. Q. Sure.

6 A. ...over the webinars. That was it.

7 129. Q. Sure. So when you went with your
8 dad, Kul, to for instance, Portugal or Ireland,
9 would there be one seminar in each country that was
10 organized and people would come or would you travel
11 around the country having the seminars with the
12 affiliates?

13 A. No. Not too much over the country
14 there would be the hosts, mainly where they lived in
15 that city. There would be one or two venues and one
16 or two seminars and that was it. It was three, four
17 days, three, four days, three four days and then
18 that was it.

19 130. Q. Okay.

20 A. And then back for a week and then
21 back out again, three, four days, three, four days,
22 three, four days, three, four days.

23 131. Q. Okay. So in terms of understanding
24 what your job responsibilities were when you were at
25 the Jazz building, there was the affiliate

T. Josun - 24

1 provide any legal advice, I couldn't, I just was
2 little bit more savvy I guess in that sense...

3 138. Q. Sure.

4 A. ...and he just wanted to...

5 139. Q. Okay.

6 A. ...pick my brain a little bit, have
7 me around.

8 140. Q. So tell me what a staff trainer at
9 the Nelson office did. Like what did you do every
10 day when you came in to the Nelson office as a staff
11 trainer?

12 A. It was strictly customer service
13 based. It was, again, dealing with...as the
14 affiliate base grew, more and more enquiries were
15 coming to the point where two girls couldn't handle
16 thousands or e-mails, hundreds or e-mails coming in.
17 Right?

18 141. Q. Right.

19 A. There was no way. So that's when
20 the 24 hour came into play. I can't even remember
21 the number of employees. By the time I left it was
22 probably, between all three shifts, probably twenty
23 to twenty-five at the most I would say.

24 142. Q. In total?

25 A. In total between all three shifts

T. Josun - 23

1 servicing, the tech support?

2 A. Correct.

3 132. Q. And then there was the travel
4 component?

5 A. Where I was on the road...

6 133. Q. On the road.

7 A. ...tech support. M'hmm.

8 134. Q. Yes. Was there anything else that
9 you did for Banners during this time frame?

10 A. Other than the Jazz building, the
11 traveling and the staff trainer, that was it.

12 135. Q. Okay. And you became a staff
13 trainer later on when you moved to 119 Nelson.
14 Right?

15 A. So again from my understanding, what
16 happened was Raj became in a managerial position...

17 136. Q. Sure.

18 A. ...I guess you could say and they
19 wanted more of a corporate head office where people
20 could come and actually visit if they wanted to so
21 that's where the Nelson office came into play.

22 137. Q. M'hmm.

23 A. And that's where I moved with Raj.
24 Because of my schooling, more a legal background I
25 guess you could say, even though I didn't obviously

T. Josun - 25

1 including myself, the staff trainer and the two
2 girls that worked with Raj as...

3 143. Q. Okay.

4 A. ...assistants, executive assistants,
5 receptionist, that type of role.

6 144. Q. And this was all out of the Nelson
7 office, right?

8 A. Correct.

9 145. Q. And did you, as a staff trainer, did
10 you supervise the staff that were actually having
11 the contacts with the affiliates?

12 A. Initially in the beginning...

13 146. Q. Right.

14 A. ...obviously I was overlooking them
15 when we finished the training and then they started
16 and I was just...

17 147. Q. Right.

18 A. ...kind of a floater just walking
19 around making sure if they had any questions or if
20 they came into a road bump, if I could answer the
21 question I would. Again, obviously materials were
22 all provided to me. There was a booklet given.
23 Materials or pop quizzes during the training.
24 Everything was there and whatever I couldn't answer
25 I would approach Raj and then he would...

- 1 148. Q. Sure.
 2 A. ...he either call Chris or the
 3 programmers and get the answer and if there was no
 4 answer to give then...
 5 149. Q. Okay. Okay. And so I understand
 6 that and in addition to that sort of supervision,
 7 was there anything else that you did as a staff
 8 trainer when you were at Nelson? Were you involved
 9 in any other aspect of Banners Broker's business?
 10 No?
 11 A. No.
 12 150. Q. Okay. So you didn't deal with
 13 determining who would be paid out from their
 14 investments in the Banners Broker business?
 15 A. Paid out?
 16 151. Q. Well, maybe we should start this
 17 way. What did you understand the Banners Broker
 18 business to be at this time?
 19 A. At the time? Sorry.
 20 152. Q. Well let's begin at the start then
 21 when you are in the Jazz building...
 22 A. M'hmm.
 23 153. Q. ...on Church.
 24 A. M'hmm.
 25 154. Q. What did you think the business of

- 1 the company was?
 2 A. Very difficult concept. Very
 3 difficult concept to even comprehend, to understand.
 4 It just seemed too good to be true. If you really
 5 just looked at the broad picture it was like this is
 6 too good to be true. Anything that's too good to be
 7 true is always in real life, in society, that's not
 8 how...you go to work, you work 9 to 5, all that kind
 9 of stuff.
 10 155. Q. Right. Right.
 11 A. But the way that the set up was they
 12 had offices, they had employees, they had the
 13 programmers, they had everybody. They had all this
 14 type of stuff. It took me a while to understand it
 15 a little bit and again, everything else was given to
 16 me. It was all written down paperwork, answers to
 17 say, explanations for this, for that, all that kind
 18 of stuff so I didn't really have to learn it too too
 19 much or understand it beyond a certain point really.
 20 156. Q. M'hmm.
 21 A. Where I got to a point where I had
 22 no answers for something I would obviously go to
 23 Chris and be like, what's the answer?
 24 157. Q. Right.
 25 A. Like I need to know.

- 1 158. Q. Right.
 2 A. They're asking this, they're asking
 3 that. He's like, don't worry, I'll take care of it.
 4 I'll...
 5 159. Q. Sure.
 6 A. ...address it on the webinar. I'll
 7 take care of it. I'll address it on the webinar.
 8 So then...
 9 160. Q. Right.
 10 A. ...that's what I would say, like
 11 please tune into the webinar...
 12 161. Q. Right.
 13 A. ...blah blah blah and that was my
 14 answer over and over and over and over again.
 15 162. Q. But more fundamentally, like what
 16 was being sold? What did the company do? What did
 17 it produce?
 18 A. So the way it was explained was that
 19 it is advertising where, you know, when you go onto
 20 Facebook. The way the company works, the majority
 21 of the money comes in is from...
 22 163. Q. Right.
 23 A. ...and banners and the advertising.
 24 164. Q. Right.
 25 A. So basically Banners Broker was

- 1 supposed to be for the average Joe, somebody who
 2 wanted to...either an entrepreneur of kind of grow
 3 their business without spending too much money but
 4 also getting some revenue back from it, as well,
 5 well they were able to upload...
 6 165. Q. M'hmm.
 7 A. ...their designs and of course it
 8 all went through the programmers where they
 9 approved, obviously, so no explicit...
 10 166. Q. Sure.
 11 A. ...information like medication or
 12 pornography or...
 13 167. Q. Right.
 14 A. ...anything like that was being let
 15 through.
 16 168. Q. Right.
 17 A. And then if they approved your
 18 banner it would get uploaded and then you had...
 19 169. Q. Okay.
 20 A. It worked and so I'm trying to...
 21 170. Q. No. That's fine.
 22 A. ...talk with my hands and nobody
 23 can...
 24 171. Q. Yes.
 25 A. The way it would work was that when

1 the blank space comes and each time you moved to a
 2 different link or a different web page your banner
 3 would come up...
 4 172. Q. Okay.
 5 A. ...and then the next link then this
 6 person's banner would come up. So each one got a
 7 little bit, little bit, little bit. And then there
 8 were the visuals, the bars. I don't even remember
 9 the names and terminology.
 10 173. Q. Did you go on and try it yourself?
 11 A. No.
 12 174. Q. No?
 13 A. Employees were not allowed to have
 14 accounts.
 15 175. Q. Okay. And did you believe it to be
 16 a real business?
 17 A. Well I mean it was all there in
 18 front of me. Like I said...
 19 176. Q. Right.
 20 A. ...originally the way it was
 21 explained to me just talking face-to-face, I'm like
 22 that's too good to be true.
 23 177. Q. Right.
 24 A. How does it just happen? But then
 25 again, when I saw the process and I met the

1 186. Q. That it was in the nature of a ponzi
 2 scheme or a pyramid scheme.
 3 A. Okay.
 4 187. Q. Did you ever personally come that
 5 conclusion that it may have been...
 6 A. I honestly was so...
 7 188. Q. ...a ponzi scheme?
 8 A. ...naive. I was a student. I was
 9 young. I was probably 20 years old. This was my
 10 first, I guess you could say, full time real job
 11 other than fast food.
 12 189. Q. Right.
 13 A. So I was a little naive I guess you
 14 could say in that sense...
 15 190. Q. Sure.
 16 A. ...where again I just saw...
 17 191. Q. Right.
 18 A. ...people coming and going. There
 19 was an office. There was this and I was working in
 20 the city and...
 21 192. Q. Yes. Yes.
 22 A. ...all that kind of stuff.
 23 193. Q. So right up until the time that you
 24 quit did you ever have a strong sense that something
 25 was off?

1 programmers and then you just...
 2 178. Q. Right.
 3 A. It was there. There was the
 4 website.
 5 179. Q. Sure.
 6 A. There were people actually joining.
 7 180. Q. Sure.
 8 A. There was this, there was that.
 9 181. Q. I mean you know obviously there's an
 10 insolvency proceeding that's going on now?
 11 A. I do now, yes.
 12 182. Q. Right. Yes.
 13 A. That's why I'm here.
 14 183. Q. And as well, we understand that Mr.
 15 Smith is the subject of a police investigation as
 16 well. Were you aware of that?
 17 A. I've not...I was very rude when I
 18 left. We'll leave it at that.
 19 184. Q. Okay. Well, we'll come to that in a
 20 minute but he hasn't been charged yet there is an
 21 ongoing police investigation that we're aware of...
 22 A. M'hmm.
 23 185. Q. ...and the allegation is that it was
 24 too good to be true.
 25 A. Okay.

1 A. So again we'll go back to the
 2 customer service job. The biggest complaint, I
 3 would say about 80 percent of it, was the payments.
 4 Nobody was getting paid out.
 5 194. Q. Right.
 6 A. Nobody was getting paid out. So
 7 then again I'm sitting at the back of the seminar
 8 writing everything down, go to my hotel room. It's
 9 3:00 o'clock in Portugal, it's 8:00 o'clock here.
 10 Wake up at 3:00 o'clock in the morning, I'm Skyping
 11 with the programmers here and I'm telling them,
 12 like, "Listen, this group of people in Portugal they
 13 said they're not getting paid. What's going on?
 14 Address it on the webinar. Do this, do this, do
 15 this."
 16 195. Q. M'hmm.
 17 A. And that's where my...
 18 196. Q. Okay.
 19 A. ...job...
 20 197. Q. Okay.
 21 A. ...ended. Like that was it.
 22 198. Q. Okay.
 23 A. That's all I did.
 24 199. Q. So I take it then that the answer to
 25 my question is no. Like up until the time you left

1 in late July of 2012 you knew that there were
 2 problems or complaints but you didn't believe...
 3 A. Like I...
 4 200. Q. ...the business to be...
 5 A. ...didn't have any...
 6 201. Q. ...a scam?
 7 A. ...understanding or grasp of what...
 8 202. Q. Okay.
 9 A. ...that ponzi...
 10 203. Q. Okay.
 11 A. ...or anything like that really
 12 truly was.
 13 204. Q. Now after you left, between end of
 14 July 2012 and like now...
 15 A. M'hmm.
 16 205. Q. ...did you ever come to a conclusion
 17 as to whether or not it was a ponzi scam or a
 18 scheme?
 19 A. I've read blogs. There were blogs
 20 that were written even during my employment...
 21 206. Q. Right.
 22 A. ...but that's when Raj would
 23 just...basically you could say that was Raj's role
 24 in Canada at Banners Broker Canada, if anybody was
 25 badmouthing Banners Broker he would lock their

1 213. Q. Why you just quit.
 2 A. Of course.
 3 214. Q. Yes.
 4 A. So what happened was I was on a
 5 family vacation with my mother, my step-brother and
 6 my step-dad and my brother in Italy...
 7 215. Q. Okay.
 8 A. ...so I was there for two weeks with
 9 them and then from there I met everybody from
 10 Banners Broker at Portugal. We were...
 11 216. Q. For the convention, right?
 12 A. For the convention. Correct. I
 13 just made sense because I was already in Europe and
 14 then the timing with everything it was just hop,
 15 skip and jump away. So I did the family trip with
 16 my mother, went over there to the convention for
 17 another two weeks. The first week, perfect. Went
 18 off no hitches. So there were two presentations I
 19 guess you could say, two big presentations and then
 20 the rest of the time was just dinners and meetings
 21 and all that kind of stuff.
 22 217. Q. M'hmm.
 23 A. So the first presentation in the
 24 first week went perfect, went smooth.
 25 218. Q. M'hmm.

1 account.
 2 207. Q. Okay. Raj...
 3 A. Lock their account, lock their
 4 account, lock their account. You had no access to
 5 withdrawing money. You had no access to this, you
 6 had no access unless you...you have 24 hours to take
 7 down the blog...
 8 208. Q. All right.
 9 A. ...that's badmouthing Banners. But
 10 other than those blogs there was no...during my
 11 employment, no.
 12 209. Q. Right. And after your employment,
 13 obviously there's been a lot of blogs. Like have
 14 you seen what's on the internet about this company?
 15 A. Again, after I left it was very
 16 nasty so I just separated myself completely.
 17 210. Q. Right.
 18 A. The way it ended, which I would like
 19 to explain to you guys as well...
 20 211. Q. Go ahead.
 21 A. It was just I was just over it. I
 22 was done with it. I moved on with my life and...
 23 212. Q. I mean, I'd like to know everything
 24 about why you left when you did.
 25 A. M'hmm.

1 A. Sorry, excuse me. Oh, sorry.
 2 Excuse me. They were launching Banners Broker 2.0
 3 or 2.5...
 4 219. Q. M'hmm.
 5 A. ...or whatever it was.
 6 220. Q. Right. Right.
 7 A. That was the whole thing. Raj and
 8 Chris came. Finally decided to show his face.
 9 221. Q. Right. Chris Smith.
 10 A. Yes.
 11 222. Q. Yes.
 12 A. So anyway, they brought their
 13 families. It was more of just like just a huge
 14 family type of a thing.
 15 223. Q. Sure.
 16 A. The affiliates were all there,
 17 whoever could obviously afford to come and purchase
 18 tickets and all that kind of stuff. There were some
 19 giveaways where they offered to pay for one lucky
 20 affiliate and their guest for the two week stay...
 21 224. Q. M'hmm.
 22 A. ...all their expenses at the hotel
 23 and then there was also a car giveaway at the end of
 24 the two weeks.
 25 225. Q. M'hmm.

1 A. So again the first week went
2 perfect. No problems, no hiccups. Everything went
3 as smooth as possible. That was like my first time
4 ever organizing anything at that scale.
5 226. Q. M'hmm.
6 A. Second week was where the poop hit
7 the fan. I have no idea what happened. I left the
8 hotel with one of the affiliates who's a very good,
9 I guess you could say, family friend or something
10 like that. She was just...
11 227. Q. What's her name?
12 A. Manuela. I can't remember her last
13 name.
14 228. Q. Right.
15 A. I went and stayed with her at her
16 apartment. I just needed to get away. There was a
17 lot of rumors going around. There was a lot of this
18 happening, a lot of that happening. I stayed over
19 one or two nights and then she brought me back to
20 the hotel.
21 229. Q. M'hmm.
22 A. When I came back to the hotel...
23 230. Q. M'hmm.
24 A. ...I saw Lorenzo publicly
25 humiliating my two aunts who had come down for a

1 let me get through to him. I told them to move out
2 of my way. They moved.
3 238. Q. M'hmm.
4 A. Went straight to Raj and I said,
5 "What the hell is going on? What is happening? Why
6 are they being escorted out?" Next thing I know my
7 dad is there being escorted out by body guards as
8 well in front of everybody.
9 239. Q. M'hmm.
10 A. Publicly humiliated, kicked out of
11 the hotel.
12 240. Q. M'hmm.
13 A. I think that was a day or two before
14 the second presentation I guess you could say for
15 the second group of people, like the people who
16 couldn't make it for the first week because of
17 timing, scheduling, they came to the second one.
18 241. Q. Right.
19 A. It was about a day or two before
20 then. So I just locked myself up in my room.
21 People were like whispering, talking, whatever. I
22 just didn't listen to anything or anybody. I had no
23 phone. I had no nothing.
24 242. Q. Right.
25 A. I was overseas. I didn't have any

1 vacation. They were just there for a vacation.
2 They were not part of the Banners Broker or anything
3 like that. They were just there for vacation.
4 231. Q. M'hmm.
5 A. The entire time they went to Spain
6 on their own. Like they just crossed over to
7 Mallorca. Like they were just doing their own
8 thing. He is in their face screaming at them,
9 calling them names in the middle of the main lobby.
10 232. Q. M'hmm.
11 A. Raj is standing there...
12 233. Q. M'hmm.
13 A. ...guarded by six body guards...
14 234. Q. M'hmm.
15 A. ...and I basically walked over to
16 him and I cussed him out and I said, "Why is he
17 having hands on my aunts? Why are they being kicked
18 out of the hotel? Why are they..."
19 235. Q. You went to Raj or Lorenzo?
20 A. Oh, I went to Raj.
21 236. Q. Yes, sure.
22 A. If I went to Lorenzo that wouldn't
23 have been pretty.
24 237. Q. Right. Right.
25 A. I went to Raj. Body guards wouldn't

1 personal phone...
2 243. Q. M'hmm.
3 A. ...or anything like that. Second
4 convention comes.
5 244. Q. Second week of the convention.
6 A. Sorry. The second presentation.
7 Yes.
8 245. Q. Oh, I said...
9 A. Sorry. Second presentation. I go
10 downstairs, see everything is set up okay. We're
11 good, we're good, we're good. Obviously, I'm not
12 all happy and everything like that. I'm very upset.
13 So the way it worked was kind of like if you could
14 imagine like a hotel banquet hall...
15 246. Q. Right.
16 A. ...I guess. It was basically a
17 banquet hall and then they had like the foyer and
18 then they had a side door kind of corridor where
19 they had personal rooms, I guess like bridal
20 suites...
21 247. Q. M'hmm.
22 A. ...if you could imagine that. So
23 you had that corridor blocked off with body guards
24 and what not. Raj hired the body guards for...
25 248. Q. M'hmm.

1 A. ...whatever reason. I have...
 2 249. Q. M'hmm.
 3 A. ...no idea. It was so unnecessary.
 4 So that's where we had access, myself, Raj and his
 5 family, Chris and his assistant Kyra and Stephanie
 6 Schlacht. I don't...
 7 250. Q. M'hmm.
 8 A. I think that's how you pronounce her
 9 name.
 10 251. Q. M'hmm.
 11 A. So all of a sudden I am called back
 12 to that corridor area. The hall is filling up with
 13 affiliates and what not and Raj and Chris are pacing
 14 back and forth...
 15 252. Q. M'hmm.
 16 A. ...back and forth, back and forth,
 17 back and forth and I'm like, "What is going on? Why
 18 are you freaking out? What is happening?"
 19 253. Q. Right.
 20 A. And they're talking about how the
 21 cops are coming down like to arrest them. Interpol
 22 is coming. "Can you make sure our families make it
 23 home safe?" And I'm just looking at them laughing
 24 in their faces. I'm like, "Your families can take
 25 care of themselves." I'm like, "Calm down. You

1 258. Q. Right.
 2 A. So that day he confirmed it...
 3 259. Q. Right.
 4 A. ...Chris. Sorry. Chris...
 5 260. Q. Yes.
 6 A. ...confirmed. Made a public
 7 announcement, all this, all that. And seminar
 8 finishes, I go straight up to my room. I don't
 9 associate...
 10 261. Q. M'hmm.
 11 A. ...myself with any of them. I don't
 12 talk to any of them.
 13 262. Q. M'hmm.
 14 A. Raj and Chris call me into Raj's
 15 room. I go in and they basically just were giving
 16 me like, "Good job." Like, "Thank you..."
 17 263. Q. M'hmm.
 18 A. ...for doing all of this. Like
 19 we're heading home tomorrow. When are you leaving?"
 20 264. Q. M'hmm.
 21 A. "I'm not leaving until the day after
 22 you guys" ...
 23 265. Q. Right.
 24 A. ...and all that kind of stuff and
 25 they basically said, "Well, if you want you're more

1 guys are being drama queens." They said they'd got
 2 death threats. They said that people are going to
 3 shoot them if they stand up on the stage. All this
 4 kind of nonsense.
 5 So, they begin the seminar, the
 6 presentation and Chris goes up on stage and he
 7 publicly announces that "Kuldip Josun is not a
 8 manager, not a CEO. He was just a face of the
 9 company. We sent him out to meet with you people.
 10 I am the sole owner of Banners Broker. I am the
 11 CEO. I'm this, I'm that."
 12 254. Q. All right.
 13 A. Then everybody's gasping.
 14 Everybody's like...because there are a lot of...
 15 255. Q. Sure.
 16 A. I guess, you know, this is person
 17 you see. This is the man you see. This is the
 18 man...
 19 256. Q. Right.
 20 A. ...you talk to. That they just
 21 assumed Kul...
 22 257. Q. Kul. Right.
 23 A. ...that he was given all these
 24 titles from these people but it was never confirmed
 25 by anybody.

1 than welcome to stay employed with us." You know,
 2 like, "Whatever happened between us and your dad has
 3 nothing to do with you." Blah, blah, blah. And I'm
 4 like, "Whatever, I don't care. I still need a job
 5 obviously when I go back home so whatever, I'll just
 6 deal with it and I'll just stay working with you."
 7 266. Q. Right.
 8 A. We leave, come home and that's when
 9 I trained my last group of people. I think there
 10 were four or five...
 11 267. Q. Sure. Sure.
 12 A. ...employees that they had hired and
 13 it was the Thursday. I went into Raj's office and
 14 we had a screaming match...
 15 268. Q. M'hmm.
 16 A. ...and I quit.
 17 269. Q. Okay. So tell me about that. A
 18 screaming match, right, because you're back now and
 19 you've been there for a week and then something...
 20 A. So before I even got home he was
 21 already home for a day...
 22 270. Q. Right.
 23 A. ...so who knows what he had told...
 24 271. Q. Sure.
 25 A. ...the office, the other girls that

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1 were working there. When I came back it was that
 2 sense of like I was not welcome.
 3 272. Q. M'hmm.
 4 A. I was being judged. I was being
 5 criticized, all that kind of stuff and so I was
 6 being the bigger person. I was dealing with it,
 7 dealing with it...
 8 273. Q. M'hmm.
 9 A. ...dealing with it and then come
 10 that last day I was like, you know what, it's not
 11 worth it.
 12 274. Q. Sure. So what were the words that
 13 were exchanged between you and him?
 14 A. Do I really have to say them?
 15 275. Q. That's okay. You can say exactly
 16 what was said, like verbatim. You don't need to
 17 hold anything back. I think it's better that way.
 18 A. So I never liked Raj from the
 19 get-go. Always thought he was sneaky...
 20 276. Q. M'hmm.
 21 A. ...something shady about him.
 22 277. Q. Yes.
 23 A. I found him very creep-like. Very
 24 creepy. The way he treated his one assistant Amber,
 25 oh my goodness, was ridiculous. Treated her like

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1 she was a dog. But apparently they've known each
 2 other from before. She was employed with him before
 3 or they worked together before, so she seemed to be
 4 fine with the way he treated her.
 5 278. Q. M'hmm.
 6 A. So when I went to Raj's office, in
 7 the beginning he was very sympathetic. It's like,
 8 "Okay. Like I understand. I understand. I
 9 understand." And then, I just kind of just had it
 10 all pent up. Like I'd just seen my aunts being
 11 escorted out.
 12 279. Q. M'hmm.
 13 A. Like seeing my father kicked out.
 14 Like I guess it just all came back...
 15 280. Q. M'hmm.
 16 A. ...and I just went off on him. So I
 17 told him to go "F" himself...
 18 281. Q. Right.
 19 A. ...and all that kind of stuff.
 20 282. Q. And you quit?
 21 A. I quit.
 22 283. Q. And...
 23 A. I was like, "I'm done. I quit. You
 24 can go tell Chris to go "F" himself."
 25 284. Q. Sure.

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1 A. "You can "F" yourself", and that
 2 was...
 3 285. Q. Right.
 4 A. ...it.
 5 286. Q. And how did he respond to that?
 6 A. He would never talk back to me. He
 7 never talked back to me.
 8 287. Q. Okay.
 9 A. He just sat there and took it.
 10 288. Q. Now I just want to go back to
 11 Portugal and when you came into the hotel lobby and
 12 your two aunts were being sort of berated by this
 13 Lorenzo guy.
 14 A. Oh, what a pig. He's a pig.
 15 289. Q. So tell me, who's Lorenzo?
 16 A. Lorenzo was brought on, I believe,
 17 by Raj. Again I believe that they had some history
 18 and I'm not sure what his specific role was to be
 19 quite honest. He would just kind of come and go.
 20 He was like that person that was just always
 21 lingering...
 22 290. Q. M'hmm.
 23 A. ...around.
 24 291. Q. Right.
 25 A. He was never a part of any of our

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1 staff training. He was never really a part of any
 2 meetings I had with Raj, like regarding the staff
 3 and their training and the quizzing and the
 4 questions, that kind of stuff.
 5 292. Q. M'hmm.
 6 A. But he was always around. He was
 7 always there.
 8 293. Q. Right. Okay. And...
 9 A. But I don't know what his
 10 specific...
 11 294. Q. Do you recall what he was saying
 12 about your aunts and...
 13 A. He called them terrorists and he
 14 called them the "B" word.
 15 295. Q. Right.
 16 A. And he is in their face...
 17 296. Q. Right.
 18 A. ...like screaming at them.
 19 297. Q. Right.
 20 A. The bodyguards even came up to me
 21 and they were like, "Tara, we are so sorry. We're
 22 driving them. We're taking them to another hotel."
 23 Like the...
 24 298. Q. M'hmm.
 25 A. ...bodyguards were so kind...

- 1 299. Q. M'hmm.
 2 A. ...and were so polite and were so
 3 nice. They took care of my aunts. They got them
 4 into the car. They were not rude.
 5 300. Q. Right.
 6 A. The bodyguards were not rude.
 7 301. Q. Yes.
 8 A. Lorenzo was rude.
 9 302. Q. Yes.
 10 A. Got them in the car and took them to
 11 a different hotel somewhere else.
 12 303. Q. Okay.
 13 A. And then...yes.
 14 304. Q. And your father was escorted out as
 15 well?
 16 A. M'hmm.
 17 305. Q. What happened there? Did he speak
 18 to you as he was leaving or like did you have an
 19 understanding as to why they were...
 20 A. No.
 21 306. Q. At the time you didn't but
 22 subsequent to that?
 23 A. Like after the fact?
 24 307. Q. Yes. Yes.
 25 A. Like I said, second I left that

- 1 office I asked no further questions.
 2 308. Q. Right.
 3 A. I was absolutely done.
 4 309. Q. But I mean it must have been pretty
 5 traumatic because you stayed in the hotel I know for
 6 a couple more days...
 7 A. M'hmm.
 8 310. Q. ...and you actually went to the
 9 second presentation.
 10 A. M'hmm.
 11 311. Q. But you'd seen your aunts and your
 12 father being escorted out and publicly humiliated so
 13 I mean, what were you thinking? Like why were they
 14 being escorted out?
 15 A. I didn't know who I could trust.
 16 Like anybody that was there, everybody that was
 17 there...I was gone for two days. I was gone for a
 18 day or two days. I have no idea what happened in
 19 that time.
 20 312. Q. Right.
 21 A. I had no idea who I could trust.
 22 The other assistant, Stephanie, who is also a "B"
 23 word...
 24 313. Q. Right.
 25 A. ...she was very sneaky and very

- 1 shady. Manuela was driving me back to the hotel and
 2 Stephanie's texting me. She's like, "Oh, Tara, we
 3 heard from everybody that you've left, that you've
 4 gone home. Like don't worry about it. I'll take
 5 care of the second seminar. Like I've already been
 6 working with Raj and Chris", and I'm like, "I'm
 7 outside the hotel."
 8 314. Q. Right.
 9 A. "I have not left."
 10 315. Q. Right.
 11 A. "I am coming back."
 12 316. Q. But did you ask your aunts or Kul
 13 why they'd been escorted out?
 14 A. My one aunt had a very traumatic
 15 response to the whole thing. She was actually
 16 hospitalized after that...
 17 317. Q. Right.
 18 A. ...so they were in the hospital and
 19 I didn't leave. Like I was...
 20 318. Q. Sure.
 21 A. ...still employed. My employer is
 22 still here, you know. They are they ones that paid
 23 for my...
 24 319. Q. Right.
 25 A. ...plane ticket. They're the ones

- 1 that are paying. Like the last thing I wanted
 2 was...I guess you could say I was looking out for
 3 number one.
 4 320. Q. Right.
 5 A. Last thing I wanted was them to tell
 6 me to go "F" myself.
 7 321. Q. Right.
 8 A. They'd be like, oh yes, by the way.
 9 Here you are. You're stuck with a two week hotel
 10 bill and here you are, you're stuck with a plane
 11 ticket home.
 12 322. Q. What about Kul though, did you ask
 13 Kul why he'd been escorted out?
 14 A. I didn't see my dad.
 15 323. Q. Now are you close to your dad or
 16 what's the...I'm just wondering why you didn't see
 17 him particularly at this time?
 18 A. At that time?
 19 324. Q. Yes. Yes.
 20 A. As he was walking out he's like,
 21 "Just stay." He's like, "Just be calm. Like I'm
 22 fine. Everything's good."
 23 325. Q. But did you contact him later that
 24 day or...
 25 A. I didn't have a phone. I didn't

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- 1 have anything. I didn't know what hotel they had
 2 gone to at that point. Then by the time the
 3 bodyguards got back to me, it's already the seminar
 4 time. Like it was just...
- 5 326. Q. Right.
 6 A. ...a whirl wind of chaos and mayhem
 7 and emotions and everything. It was just...
- 8 327. Q. Right.
 9 A. ...a crazy, crazy, crazy, couple
 10 days.
- 11 328. Q. But I mean at some point I guess you
 12 spoke to him. Right? Like sometime between then
 13 and now, right, you spoke to him?
 14 A. I do not talk to him about BB at
 15 all.
- 16 329. Q. And why is that?
 17 A. Why would I want to relive
 18 something? Even when I was talking to Erin on the
 19 phone I'm like, "I can't believe this bullshit is..."
- 20 330. Q. Right.
 21 A. ...still happening."
- 22 331. Q. Right. So when was the last time
 23 that you spoke to Kul Josun about anything to do
 24 with Banners Broker?
 25 A. I believe it was after I screamed at

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- 1 Smith?
 2 A. The last contact I believe I had
 3 with Chris was the day they checked out of the
 4 hotel.
- 5 338. Q. Okay.
 6 A. Like I said, they left the 3:00
 7 o'clock in the morning time. They called me because
 8 they were stuck with this ridiculously huge bill...
- 9 339. Q. Right.
 10 A. ...and they called me down and there
 11 were like, "Tara, what are we paying for, what are
 12 we not paying for", and I was just like, "Whatever."
 13 Went to the concierge, I got the bill and I'm
 14 basically sitting there and I'm like, "We pay for
 15 this, we pay for this but we don't pay for that."
- 16 340. Q. M'hmm.
 17 A. "We're paying for this, we pay for
 18 this, we pay for this. These are the charges that
 19 you guys agreed to."
- 20 341. Q. Sure.
 21 A. As I had stated that they agreed to
 22 pay for a lucky affiliate and a guest all expenses
 23 included within the hotel but then I guess other
 24 people were saying, "Oh, yes. Just put it on.
 25 We're here with Banners Broker", so I guess a tab

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- 1 Raj. I walked out. I'm crying driving home and I
 2 told my dad I quit. He was like, "Okay. If that's
 3 what you wanted to do, that's it."
- 4 332. Q. Right.
 5 A. And I'm like, "I feel good doing it"
 6 and he's like "all right"...
- 7 333. Q. Right.
 8 A. ...and that was it.
- 9 334. Q. And you haven't discussed Banners
 10 Broker with him ever since then?
 11 A. No.
- 12 335. Q. Okay. And did you ever discuss with
 13 him why it was that he was escorted out from the
 14 hotel?
 15 A. No. And I mean I know what my dad's
 16 answer would be. I mean, if I were to ask him he
 17 would just tell me not to worry. He's a dad.
- 18 336. Q. Right.
 19 A. He's a typical dad.
- 20 337. Q. Right. So just the two main
 21 principals are I guess Mr. Smith, Mr. Dixit and then
 22 you mentioned that Kul was involved as the face of
 23 Banners Broker for a period of time. Taking them
 24 one at a time, in terms of Mr. Chris Smith, when was
 25 the last time that you had any contact with Chris

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- 1 started and it just was accumulating. So I
 2 cancelled out all those charges for them. They paid
 3 what they owed and then I went back upstairs to my
 4 room and went to bed.
- 5 342. Q. That's the last time you saw Chris?
 6 A. That's the last time I saw Chris.
- 7 343. Q. Or that you had any contact with
 8 him?
 9 A. Any contact with him.
- 10 344. Q. Do you remember what the tab was
 11 from the hotel?
 12 A. I would say roughly around 3
 13 million.
- 14 345. Q. Three million dollars?
 15 A. Three million.
- 16 346. Q. Three million dollars? Wow.
 17 A. Euro.
- 18 347. Q. Oh, Euro?
 19 A. We're in Portugal. We're in Algarve
 20 Portugal.
- 21 348. Q. It's an expensive tab.
 22 A. Oh, yes. This was not...
- 23 349. Q. How did it get so...
 24 A. ...a hotel.
- 25 350. Q. ...expensive?

1 A. Pardon?
 2 351. Q. How did it get so expensive?
 3 A. Oh, let's see. Because Raj and
 4 Chris had to fly first class, number one...
 5 352. Q. Okay.
 6 A. ...with family and kids.
 7 353. Q. Right.
 8 A. Their wives. So both Chris and
 9 Raj's wives came.
 10 354. Q. Right.
 11 A. Raj's mother came and then their
 12 children, all under the age of 12...
 13 355. Q. Yes.
 14 A. ...all flew first class. They both
 15 stayed in the presidential suites.
 16 356. Q. M'hmm.
 17 A. They had cars. Like you name it,
 18 this hotel was decked out. Like it was...
 19 357. Q. Right.
 20 A. ...amazing.
 21 358. Q. Yes.
 22 A. They did the golfing there. They
 23 did the amenities. They used up everything they
 24 possibly could. Raj was very power hungry. I guess
 25 that's the best way.

1 359. Q. Okay.
 2 A. He's a power hungry creep.
 3 360. Q. Now when you and your father flew
 4 did you guys fly first class?
 5 A. Never. Actually, sorry. When I was
 6 booking the tickets...
 7 361. Q. Right.
 8 A. ...they were always coach.
 9 362. Q. Right.
 10 A. Coach. If anything, at the
 11 most...my dad's a tall guy, I'm a tall girl.
 12 363. Q. Right.
 13 A. We would get the extra leg room...
 14 364. Q. Right. Right.
 15 A. ...which is like \$200 extra per
 16 person. The one time we flew to England, Raj booked
 17 our trips for us and they were first class. I
 18 believe that was \$10,000 per ticket.
 19 365. Q. So that answers the question when
 20 you last saw Smith. What about Dixit, Raj? When
 21 was the last time you had any contact with Raj?
 22 A. So I had quit, left. I still had
 23 the company phone though...
 24 366. Q. Right.
 25 A. ...my Rogers phone and I called him

1 and asked him...I was like, "What do I do with this
 2 phone? Do I bring it back? Do you want it?" He's
 3 like, "I'm not in the office tomorrow if you want to
 4 come by and drop it off." So I went back the next
 5 day and I dropped it off. So the last time I saw
 6 him was the day I quit. The last time I had any
 7 contact with him was the next day when I spoke to
 8 him over the phone about my company phone.
 9 367. Q. Okay. Okay. And then your father
 10 Kul Josun, I take it you see him on a regular basis
 11 to this day or when was the last time that you saw
 12 Kul?
 13 A. The last time I saw him, probably
 14 about three or four weeks ago?
 15 368. Q. Okay.
 16 A. We went out for dinner with my
 17 husband, my brother.
 18 369. Q. So your father lives in Toronto?
 19 A. Brampton.
 20 370. Q. Brampton. Okay. But he doesn't
 21 live with you?
 22 A. No.
 23 371. Q. No.
 24 A. I'm married. I live on my own.
 25 372. Q. Right. Okay. And is your father

1 still living with your aunt?
 2 A. He lives in her basement, yes.
 3 373. Q. Okay. Okay. So you see your father
 4 on a regular basis but you just don't talk about
 5 Banners Broker?
 6 A. Never.
 7 374. Q. Okay. All right. And your father
 8 has still not gone back to work for Banners Broker
 9 at all?
 10 A. No.
 11 375. Q. No?
 12 A. From what I know.
 13 376. Q. Okay. Okay. Is he working in a
 14 business similar to Banners Broker, like do you know
 15 what he's doing?
 16 A. I have no idea. To be quite honest,
 17 that was a huge learning process for me. After that
 18 I was like, okay, reality, Monday to Friday, 9:00 to
 19 5:00 job. Anything above and beyond that, like I'm
 20 strictly tunnel vision. Like...
 21 377. Q. Right.
 22 A. ...that's how money is supposed to
 23 be earned. That's how you're supposed to work.
 24 Anything beyond that I just don't care...
 25 378. Q. Right.

1 A. ...like I don't...
 2 379. Q. Right.
 3 A. ...ask questions.
 4 380. Q. So sitting here today you don't know
 5 what your dad is doing?
 6 A. No.
 7 381. Q. Now I want to talk a bit about your
 8 employment terms, Tara.
 9 A. M'hmm.
 10 382. Q. So when you were hired by Dixit in
 11 February of 2012, I know there was no employment
 12 papers at that point but like how were you paid?
 13 What was your salary?
 14 A. My starting salary?
 15 383. Q. Yes.
 16 A. I believe it was like minimum wage
 17 starting, like \$30,000, \$35,000.
 18 384. Q. Thousand...
 19 A. Yes.
 20 385. Q. ...a year?
 21 A. Annually, yes.
 22 386. Q. Yes. Okay. And then did that ever
 23 change?
 24 A. When I became a staff trainer I
 25 believe it went up to \$60,000.

1 387. Q. Okay. \$60,000 a year?
 2 A. Correct.
 3 388. Q. And did that change again?
 4 A. No.
 5 389. Q. Okay. And in addition to the base
 6 salary were you paid any bonuses?
 7 A. Like monetary bonuses?
 8 390. Q. Yes. Like a Christmas bonus or a...
 9 A. No.
 10 391. Q. Nothing like that or...
 11 A. No.
 12 392. Q. ...no type of bonus whatsoever?
 13 A. No.
 14 393. Q. Were there any like job benefits
 15 associated with what you did? Like were there any
 16 gifts or anything that's non monetary?
 17 A. Like a company...
 18 394. Q. Like cell phones, cars, trips. You
 19 know, anything that you...
 20 A. I know you can't spell it out for
 21 me...
 22 395. Q. Thank you. Yes. Yes.
 23 A. Okay. So obviously the trips were
 24 covered...
 25 396. Q. Right.

1 A. ...company bill. Receipts from
 2 traveling or anything like that were brought back
 3 and given to Jeanette and Amber and Raj. Raj had
 4 his own accountant who took all of our receipts.
 5 397. Q. Was that Mary, the accountant?
 6 A. I can't remember her name. I...
 7 398. Q. Was it a woman?
 8 A. I believe it was a female but I'd
 9 never seen her, I've never talked to her. I would
 10 just come in and drop off. "Here are the receipts
 11 from this trip"...
 12 399. Q. Sure.
 13 A. ...and then that was it.
 14 400. Q. Okay.
 15 A. But I never talked to her. That's
 16 not true. I'm sorry. Like...
 17 401. Q. Now it's a long time ago. I
 18 appreciate that.
 19 A. There was a woman who came in and
 20 she took books from Jeanette. Maybe...
 21 402. Q. Was there a Liberty Tax Service that
 22 was involved or...
 23 A. Yes. That does sound familiar.
 24 403. Q. Right.
 25 A. Either she was employed with them or

1 she used to work for them and then she went on her
 2 own or this was a side job for her, I don't know but
 3 that does sound familiar.
 4 404. Q. Okay. Okay. All right. So going
 5 back to my question.
 6 A. I'm sorry.
 7 405. Q. I'm just trying to get...
 8 A. Yes.
 9 406. Q. ...an idea of your total
 10 compensation in terms of like gifts. If they gave
 11 you car. If they paid like your rent or...
 12 A. Oh, no. No. No. So nothing like
 13 paying my rent or anything like that. They never
 14 paid my gas, like my commute to and from, especially
 15 when I worked in Toronto there was nothing like
 16 that.
 17 407. Q. Right.
 18 A. Nothing for like food or lunch or
 19 anything like that. Nothing like an allowance or
 20 anything like that. But the trips were covered and
 21 then I had a company phone which I also used for
 22 personal as well.
 23 408. Q. Sure.
 24 A. I cancelled my personal phone...
 25 409. Q. Sure. Sure.

1 A. ...and I just did everything off the
2 one phone. And then I had the laptop but that just
3 strictly stayed at the office but that was my
4 laptop.
5 410. Q. Right.
6 A. It's a brand new laptop.
7 411. Q. Sure. Right.
8 A. And then I did get an Audi.
9 412. Q. Okay.
10 A. I don't know how to pronounce it.
11 It was a 2014.
12 413. Q. What kind of Audi was it?
13 A. 2014 IS4.
14 414. Q. IS4. Okay.
15 A. It was a beauty.
16 415. Q. What colour?
17 A. It was a dark grey colour. Very
18 dark grey.
19 416. Q. Okay. Anything else that you can
20 think of along those lines?
21 A. That was it.
22 417. Q. Okay. So I can see where you'd need
23 the cell phone and the computer but what about the
24 car? What was the deal there?
25 A. That was a complete shock. That was

1 a surprise. I was completely blind sided by that.
2 Raj signed off on the money order. He had a
3 corporate account with Audi. He signed off on the
4 money order and he was like, "Here you go". And I'm
5 like, "Are you kidding me?" "Like this is crazy,
6 this is insane."
7 418. Q. M'hmm.
8 A. "What is going on?" And then when
9 my father got his T4, the cost of that vehicle was
10 added on as...
11 419. Q. To your father's T4?
12 A. To my father's T4.
13 420. Q. And when did you receive the Audi
14 IS4?
15 A. That was purchased at a dealership
16 in Whitby so that when I worked in the Oshawa office
17 so around that time frame there.
18 421. Q. Okay.
19 A. I can't give you a specific time
20 or...
21 422. Q. Right.
22 A. ...date or anything like that.
23 423. Q. And I'm just trying to picture
24 myself. Like I want to understand the incident that
25 you received the car. Did he say like, "Good job,

1 Tara or you're going to need this for work?" Like
2 what was his thinking behind?
3 A. He loved dropping money.
4 424. Q. He loved what?
5 A. He loved dropping the money.
6 425. Q. Right.
7 A. Loved spending.
8 426. Q. Okay. Hmmm. Did he do that for
9 anyone else that you're aware of?
10 A. Any other employee?
11 427. Q. Yes.
12 A. No.
13 428. Q. Okay.
14 A. Other than himself.
15 429. Q. Did you ask him why he was doing it
16 for you?
17 A. I only assumed so because I was
18 Kul's daughter.
19 430. Q. Right. Right.
20 A. I was a staff trainer. I was doing
21 a lot of stuff. I was helping him out a lot but I
22 mean...
23 431. Q. Sure. And what about Kul, from what
24 you can see? I mean I take it he had things like
25 that? He was able to have the advantages of some of

1 the Banners Broker money?
2 A. In what sense?
3 432. Q. Well, for instance, did Kul have an
4 Audi as well or?
5 A. Did he have a car?
6 433. Q. A company car.
7 A. Yes.
8 434. Q. Okay. And the IS4, did you consider
9 this to be a company car or was it a gift to
10 yourself?
11 A. It was under my name...
12 435. Q. Okay.
13 A. ...but like Raj signed off on the
14 money order and he's like, "Oh yes, here you go."
15 436. Q. So it was a gift I take it? You
16 understood it to be a gift?
17 A. I guess, yes.
18 437. Q. Okay. And my question then in
19 relation to Kul was, would he similarly get gifts
20 like a car?
21 A. I don't know if it was a gift or if
22 it was...I don't know.
23 438. Q. Okay.
24 A. That would be something you'd have
25 to ask him.

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- 1 439. Q. But he had a car though presumably,
2 right?
3 A. He did, yes.
4 440. Q. Okay. And was it from Raj as well,
5 do you know?
6 A. I can't...
7 441. Q. Okay.
8 A. I don't know.
9 442. Q. All right. I think you said it was
10 a 2014. Right?
11 A. M'hmm.
12 443. Q. I don't think it could be a 2014
13 vehicle.
14 A. Oh, sorry. 2012.
15 444. Q. 2012.
16 A. Oh my goodness.
17 445. Q. Okay. And so what happened to the
18 car?
19 A. To the car?
20 446. Q. Yes. The one that...
21 A. The one in my name?
22 447. Q. Yes, the one they gave you.
23 A. It was under my name so I'm 21 years
24 old. I have no use for an Audi. It sucked during
25 that winter.

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- 1 of the programmers. I don't know if there were four
2 or five guys in the car.
3 453. Q. M'hmm.
4 A. They were driving on the 401 coming
5 to Oshawa and Raj is like, "Don't freak out.
6 Everybody's okay." I'm crying on the phone
7 hysterically, like "Tell me..."
8 454. Q. Right.
9 A. ...how it happened", and all I know
10 is that it was an accident with an 18 wheeler.
11 455. Q. And everyone was okay?
12 A. Everyone was okay.
13 456. Q. And the car was totaled?
14 A. The car was written off. It was
15 like mangled.
16 457. Q. Right. Right. And that was your
17 dad's car?
18 A. He drove it. I don't know...
19 458. Q. Right. Okay.
20 A. ...if it was...
21 459. Q. Okay.
22 A. ...his but...
23 460. Q. Right.
24 A. ...he...
25 461. Q. Right. And the car that you traded

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- 1 448. Q. Right.
2 A. It was the worst vehicle to have
3 ever. And then I just got engaged in the January,
4 obviously my husband now and we always talking about
5 having kids and stuff like that and I was like,
6 "What am I doing driving a stupid car around, it's
7 ridiculous?"
8 449. Q. M'hmm.
9 A. So I traded it in and I got an SUV.
10 450. Q. Okay. Now I've heard somewhere
11 along the lines and I could be mistaken, but that
12 the car was in an accident or something, that it was
13 in a crash? Was that the case?
14 A. Not mine.
15 451. Q. No? Was there another Audi that was
16 in a crash somewhere relating to this Banners
17 Broker?
18 A. That would've been my dad's.
19 452. Q. Okay. And what happened there
20 because I heard something about that and it was on
21 my list of things to ask?
22 A. I was not in town. I was in Niagara
23 Falls for a weekend trip with my fiancée. Got a
24 call from Raj saying that they were in an accident.
25 It was my dad, Chris, Chris' cousin and one or two

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- 1 in that Raj Dixit gave to you, you traded it in for
2 an SUV. And do you still have that SUV?
3 A. Yes.
4 462. Q. And what kind of SUV is that?
5 A. It's a 2014 Chevy Equinox.
6 Q. Equinox. So 2014?
7 A. M'hmm.
8 463. Q. Okay. And what colour is that?
9 A. It's black.
10 464. Q. All right. Can you pass me the
11 Competition Bureau statement? So just to make
12 things easier for the next part of this cause I
13 think it's going to save us some time, I just need
14 those pages 34 to 37. Thanks.
15 So what this is and you may not have seen
16 it but if you look at paragraph 50 you'll see your
17 name above it.
18 A. M'hmm.
19 465. Q. And this is an extract from an
20 affidavit that was filed by the Police...
21 A. M'hmm.
22 466. Q. ...sometime after you were
23 interviewed by the Competition Bureau.
24 A. Okay.
25 467. Q. And so if you look at paragraph 50

1 it says:

2 "On April 11th, Tara Josun, daughter of
3 Kuldip Josun attended at the Competition
4 Bureau, 151 Yonge Street, Suite 1402 to
5 provide a voluntary statement. Ms. Josun's
6 statement was video and audio recorded
7 under oath. Leading the interview with Ms.
8 Josun was Competition Law Officer, Isabelle
9 Sauve...

10 A. M'hmm.

11 468. Q. ...accompanied by myself, Kathleen
12 McCoy."

13 A. Yes. There were two women in the
14 room with me.

15 469. Q. Okay. And so you remember that?

16 A. I remember going there...

17 470. Q. Yes.

18 A. ...and I remember their questions
19 were more technical based.

20 471. Q. Right. Okay. Well they made a
21 statement actually and I thought we could just walk
22 through it...

23 A. Sure.

24 472. Q. ...and kind of refresh your memory
25 and it will answer some questions that we have. So

1 481. Q. Florida?

2 A. That makes sense because they were
3 looking to do something with Florida. They were
4 looking to payments or something...

5 482. Q. Okay.

6 A. ...like that or...

7 483. Q. All right. So who could make
8 payments to affiliates apart from Smith, Peter?

9 A. Again, I wouldn't be able to confirm
10 actually 100 percent. I know Peter was getting
11 trained on it.

12 484. Q. Right.

13 A. He was working side-by-side with
14 Chris but again, that was when I was just leaving...

15 485. Q. Right.

16 A. ...this office to go to the Oshawa
17 office. Peter had just come in.

18 486. Q. I see. So paragraph 55 said that,
19 "Ms. Josun states that Chris Smith is the only
20 person who could make payments to affiliates. She
21 would get lists from Smith." So did you ever get
22 lists from Smith?

23 A. So what that was was when I was
24 overseas and people were complaining about not
25 getting paid and what not, I was taking down their

1 just take a minute and read through it and then I'll
2 ask some questions to you. Okay. So yes, take a
3 minute. Some of this we've already covered, Tara.

4 A. M'hmm.

5 473. Q. I think the first new part and maybe
6 we can approach it that way is paragraph 55...

7 A. M'hmm.

8 474. Q. ...and just take a minute and read
9 paragraph 55 and then I have a question for you.

10 A. Okay.

11 475. Q. So apart from Chris Smith, was there
12 anyone else who could make payments to affiliates?

13 A. He brought his cousin on board,
14 Peter.

15 476. Q. Peter Williams?

16 A. As I was just about to say, I can't
17 remember the last name...

18 477. Q. Okay.

19 A. ...but the first name was Peter.

20 478. Q. And was he from...

21 A. The States.

22 479. Q. Okay.

23 A. I can't remember again where but...

24 480. Q. Okay.

25 A. ...he was from the States.

1 ID number...

2 487. Q. Right.

3 A. ...and their first name and last
4 name. I had my list, he had his and then we would
5 compile. And basically, the only purpose for me
6 having a copy of that list was to make sure he
7 didn't miss anybody that was having problems with
8 payments.

9 488. Q. I see. Okay.

10 A. More of a cross reference making
11 sure the information that I was sending to him, he
12 was receiving and he was on the same page as me and
13 basically we would just go through and make sure
14 that yes, these were a list of the people that were
15 complaining, take care of it.

16 489. Q. So you would give him lists, right?
17 He wouldn't give you lists? Just so I understand.

18 A. Again, when I was working overseas I
19 would send him by e-mail...

20 490. Q. Right.

21 A. ...the affiliate code, however it
22 went, the name of the affiliate and whatever other
23 information he needed as to codes. Like the ID of
24 the package or the ID of the bar that...

25 491. Q. M'hmm.

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- 1 A. ...wasn't earning, I guess you would
2 say the revenue. I would make that list. When I
3 would arrive back here he would have it printed and
4 I was just cross referencing what I had sent to him
5 and then what I had on my written list.
6 492. Q. Okay. Okay. But did that have
7 something to do with payouts then, just so I
8 understand?
9 A. It had something to do with payouts.
10 493. Q. With making payments to affiliates?
11 A. If that's what you're talking about.
12 494. Q. Okay.
13 A. ...then yes, that would be the
14 payout.
15 495. Q. Okay.
16 A. But I didn't actually have anything
17 to do with the money aspect.
18 496. Q. Okay.
19 A. I was taking the complaints from
20 people who weren't receiving the money and making
21 sure he had their information...
22 497. Q. Sure. Okay.
23 A. ...to pay them.
24 498. Q. And then the paragraph goes on to
25 say that you said:

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- 1 would pass it off to the guy who would take care of
2 that stuff.
3 503. Q. Okay. Then in the next paragraph it
4 says, "Affiliates could only withdraw 50 percent of
5 their earnings no matter how long they were in the
6 program. Was that your understanding?
7 A. Yes, from the get-go that's what I
8 was trained.
9 504. Q. Okay. Okay. So to me that means
10 that they had to leave 50 percent of their earnings
11 in the company?
12 A. I believe so. So it didn't go
13 dormant. Like it didn't just...there was still
14 something in there to keep it. Their package.
15 Sorry. Their own account, I guess you could say, to
16 keep it going so it just didn't go dormant.
17 505. Q. Then on the next, paragraph 57,
18 actually at the top of the next page it talks about
19 training sessions every Tuesday evening in the
20 Oshawa office?
21 A. What that was the...I only attended
22 one. Chris couldn't make it. Chris was the one, I
23 believe, who normally did them or Raj. It was in
24 the evening and what it was was...again, I don't
25 know where these people came from. They were either

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- 1 "...Affiliates had to have accounts with
2 SolidTrust Pay to make and receive
3 payments. Banners Broker had tried Payza
4 but it was not working out. And then
5 Banners parted with pre-paid Mastercard
6 around July of 2012 at the time of the
7 Portugal conference..."
8 A. M'hmm.
9 499. Q. So just help us to understand the
10 relationship with these companies, SolidTrust Pay
11 and Payza and Mastercard. What did you know about
12 the payment processors?
13 A. I only knew what they told me. I
14 was the staff trainer. I only had to know enough to
15 train the staff. These were our partners. These
16 were the payments.
17 500. Q. Right.
18 A. Like instead of PayPal it was Payza.
19 501. Q. Right.
20 A. Worked similarly.
21 502. Q. Right.
22 A. We would get complaints about Payza
23 not working, or Payza not taking this, or Payza
24 asking for this, or whatever. Again, we would get
25 the complaints. We would get the information and I

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- 1 local or they had flown in.
2 506. Q. M'hmm.
3 A. These were people that were the guys
4 who had owned the bigger accounts...
5 507. Q. I see.
6 A. ...that had put in more money and
7 that they were the ones having the problems.
8 508. Q. Okay.
9 A. So they basically would just call
10 them in and then address their issues face-to-face
11 at those evening ones.
12 509. Q. Right. You only went to one of
13 them?
14 A. I presented one.
15 510. Q. Oh.
16 A. Like I did like a training.
17 Basically what I would do training, like I did the
18 training session for one.
19 511. Q. At night?
20 A. At night, one time.
21 512. Q. Right. And so it goes on and it
22 says...I think it's quoting you but in the same
23 paragraph it says, "The question that always arose,
24 was it a ponzi scheme, was it a pyramid scheme? The
25 answer was always no because you can still make

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1 revenue if you are not recruiting." So tell me
2 about that? What was your understanding in that
3 respect?

4 A. Again, that's what I was trained
5 from the get-go. That's what I was taught. That's
6 what I was shown. Then what they had in this head
7 office...

8 513. Q. Right.

9 A. ...in the Toronto office was the
10 programmer showing me the proof that the money
11 wasn't being recycled...

12 514. Q. Sure.

13 A. ...it was coming from a third party,
14 but nobody knew who that third party was.

15 515. Q. Right. Okay. And then in paragraph
16 59, "Ms. Josun named many key individuals."

17 A. M'hmm.

18 516. Q. It says, "She described her father
19 as having been the face."

20 A. M'hmm.

21 517. Q. Just on that point, does Kul know
22 that you're coming here to meet with us today?

23 A. Does he? I haven't talked...I don't
24 talk to him.

25 518. Q. So you haven't told him that you're

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1 525. Q. Can you give me some examples
2 because I mean there's...and I'll tell you why.
3 There's a suggestion that he did this with Banners
4 Broker money.

5 A. M'hmm.

6 526. Q. Okay? Was that your understanding
7 as well that he was paying for this lifestyle with
8 Banners Broker money?

9 A. Not my understanding.

10 527. Q. First of all, what did you see him
11 doing? How did he spend his money to your
12 knowledge? How did you see him?

13 A. Like the trainers. Like the staff
14 that he would hire, we would go out to Milestones
15 for lunch and he would just like pay for 12 people
16 to go out for...

17 528. Q. Right.

18 A. ...lunch. And I remember Jeanette,
19 I don't know her last, I cannot remember her last
20 name, I remember her always going up and asking him,
21 "Where are the accounting books? Like how I do log
22 this? How do you want to me do this? How do you
23 want me to take care of that?" I would say yes, it
24 always had to be expensive lunches. It always just
25 had to be...

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1 coming here?

2 A. No.

3 519. Q. You describe Dixit as the manager
4 and Lorenzo Guarini as the right-hand man. Is that
5 the same Lorenzo that you saw in the lobby at the
6 hotel in Portugal?

7 A. M'hmm. He was just always around
8 and he was always hovering over Raj but I don't,
9 like...

10 520. Q. Okay. Did you have a lot of contact
11 with Raj Dixit...

12 A. A lot of contact?

13 521. Q. ...when you were at Banners? You'd
14 see him every day presumably or?

15 A. I would say the majority of like
16 every day throughout the week. Yes.

17 522. Q. Right.

18 A. If he was there.

19 523. Q. And I'm interested in how he...you
20 talked about him throwing money around, right, or
21 splashing money around. Is that fair to say?

22 A. M'hmm.

23 524. Q. Dixit. Can you give...

24 A. Always have to go to the most
25 expensive restaurant. Always had to go...

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1 529. Q. M'hmm.

2 A. ...that kind of stuff.

3 530. Q. Anything else? Like what about
4 jewellery, cars, trips, houses? What did you see
5 there?

6 A. I'm not sure about that stuff. I do
7 know that he was looking at an Audi SUV. I'm not
8 sure again if he went through with the purchase.
9 That's when I had left.

10 531. Q. M'hmm.

11 A. In regards to jewellery, his wife
12 never came by. Like...

13 532. Q. Right.

14 A. ...I don't know if it bought it for
15 her or anything like that. Like that stuff...

16 533. Q. Sure.

17 A. ...I don't know. It was just...

18 534. Q. Sure.

19 A. ...the stuff within the office
20 itself was just the lunches and that kind of stuff.

21 535. Q. Okay. Okay. And then...

22 A. And any time he flew it always had
23 to be first class.

24 536. Q. Okay. But you knew that because
25 somebody told you or how did you know that?

1 A. How did I know what?
 2 537. Q. That he was flying first class.
 3 A. Oh, Amber. She worked in the same
 4 office that I did and she was the one that booked
 5 his flights.
 6 538. Q. Okay. Got it.
 7 A. I know for sure he flew his entire
 8 family first class from Toronto to Portugal.
 9 539. Q. M'hmm.
 10 A. That I know for sure because she
 11 messed up Chris' wife's last name...
 12 540. Q. Right.
 13 A. ...on the passport and there was a
 14 whole issue with that and she had called me freaking
 15 out saying that Raj yelled at her and all that kind
 16 of stuff.
 17 541. Q. Right.
 18 A. So that's the only reason how I knew
 19 that. And then the only other trip I think he went
 20 on, again from what I can remember, was he went to
 21 go visit India.
 22 542. Q. Right. Okay. And do you know
 23 Amber's last name?
 24 A. I want to say it's Renison.
 25 543. Q. Okay. And then Raj is married to

1 basically like, "Just you know, show her. She's
 2 going to start booking some trips for us. She's
 3 going to start doing this and that and whatever
 4 else." I said, "That'll be fine."
 5 So her and I probably worked together maybe
 6 two or three weeks at this office here...
 7 549. Q. Right.
 8 A. ...and then I went to Oshawa.
 9 550. Q. Okay. Okay.
 10 A. And then I hardly saw her but she
 11 was a part of my last group of people that I was
 12 training so I knew she was only there because when I
 13 left...
 14 551. Q. M'hmm.
 15 A. ...she was going to take over.
 16 552. Q. Right.
 17 A. That's the only reason and I knew
 18 that. Gut feeling, woman's intuition, call it
 19 whatever you want, I knew the second I saw her face
 20 in my training room...
 21 553. Q. Right.
 22 A. ...it was because she was just there
 23 to learn as much as she possibly could so she could
 24 just pick up where I was leaving off.
 25 554. Q. Okay.

1 Stephanie Schlacht. Did you ever meet Raj's wife or
 2 hear of her?
 3 A. I've met her once before and then at
 4 the convention. Again, are they married?
 5 544. Q. Are they? Yes.
 6 A. Shut up. Gold digging "B" word.
 7 That's all I'm going to say. Oh, my goodness. The
 8 wife I met was Jen and she had his two kids, a boy
 9 and a girl. They were young, like they were babies.
 10 545. Q. Right. Right.
 11 A. Oh, my God. I can't believe that.
 12 546. Q. What did Stephanie do at Banners
 13 Broker?
 14 A. Oh, she was a snake. She wanted my
 15 job. She wanted me out of the picture as soon as
 16 possible. That was her main duty. She was
 17 basically hired because she was pretty.
 18 547. Q. Right. Right.
 19 A. She worked at the restaurant here
 20 downtown, Joey's by the Eaton Centre there, attached
 21 to the Eaton Centre.
 22 548. Q. Okay.
 23 A. She was the waitress/hostess
 24 whatever there. Again, I'd come into the office and
 25 there's this tall, thin, blonde girl and they're

1 A. I can't get over that. Wow. Wow.
 2 Wow. Wow.
 3 555. Q. Okay.
 4 A. What a pig. Oh, my god. What a
 5 pig.
 6 556. Q. Okay. We'll take a break in a
 7 second. There's this one other person I want to ask
 8 you about. Paragraph 59, it's Lorenzo's brother,
 9 Frank Guarini. Did you ever meet him? Oh, there it
 10 is. We've got Amber's name right there. Amber
 11 Renison, do you see that in paragraph...
 12 A. It is. Okay.
 13 557. Q. Yes. Okay. And then Frank Guarini,
 14 G-U-A-R-I-N-I.
 15 A. I'm seeing the name here but I am
 16 honestly drawing such a blank.
 17 558. Q. Okay. So you don't recall meeting
 18 the gentleman?
 19 A. Right here in front of you right now
 20 at this time it's a blank.
 21 559. Q. Okay. Okay. Let's go off the
 22 record for a minute.
 23 --- A BRIEF RECESS
 24
 25

1 TARA JOSUN, resumed

2 CONTINUED EXAMINATION BY MR. WARD:

3 560. Q. Just during the break I was thinking
4 about and I just want to go back quickly to rewind
5 to the Portugal conference.

6 A. M'hmm.

7 561. Q. Right. When there was this incident
8 when your aunts were being escorted out and then you
9 attended for the second presentation but you
10 basically hold up in your room and then you left a
11 couple of days later?

12 A. It was like at the most, maybe 30,
13 36 hours later.

14 562. Q. Right.

15 A. Like just over a day.

16 563. Q. Okay. Okay.

17 A. I left first thing in the morning.

18 564. Q. And did you say that during that
19 period you did not have like any communication or a
20 cell phone or something? Did I hear you say that
21 you didn't have a cell phone that worked?

22 A. I had my personal cell phone but I
23 didn't use it. Like I just didn't...I can't afford
24 for those extra charges.

25 565. Q. Okay. Because I guess what I'm

1 person responsible for that entire conference. I
2 locked myself in my room, cried, watched TV, didn't
3 eat.

4 570. Q. Right.

5 A. Went to bed, woke up, went to the
6 conference.

7 571. Q. But I mean weren't you concerned
8 about what had happened to them? Like you didn't
9 know where they were being taken.

10 A. Obviously, I was concerned. The
11 bodyguard, like I had said, told me that, "Don't
12 worry, we're taking care of them. We're going to
13 take them to another hotel." I was like, "Oh, my
14 God." All I saw was Raj and it was just I saw red
15 and I went straight for him. They had left. They
16 had gone. After I had just talked to Raj he was
17 rumbling his mouth. People were standing all around
18 us just staring at me, watching me. I remember
19 running back to my room crying and I just shut down.

20 572. Q. But I mean you went to the second
21 presentation. Right?

22 A. Yes, I did.

23 573. Q. And did you ask Raj or anybody at
24 that point what had happened to...

25 A. I didn't even talk to them. I

1 getting at is that the one thing that I'm struggling
2 with is that when you saw your family being escorted
3 out...

4 A. M'hmm.

5 566. Q. ...by these bodyguards that you
6 didn't contact them. And I know your aunt you
7 mentioned was admitted to hospital in Portugal...

8 A. In Portugal.

9 567. Q. ...because of that incident?

10 A. She had fainted. That's what I was
11 told by my one aunt when we had arrived back.

12 568. Q. Right.

13 A. She was hospitalized here and that's
14 when I visited her.

15 569. Q. But in the 36 hours, I mean you must
16 have reached out to Kul or your aunts to find out
17 what was going on.

18 A. I was so upset. I was so emotional,
19 angry. It was chaotic. I was still responsible for
20 an entire conference. I solely prepared, and I'm
21 the worst like slipping from my mind, I was the only
22 person that was taking care of setting up this
23 entire conference. Nobody else had the contacts
24 that I had. Nobody else had an understanding of
25 what goes where, what's doing this. I was the only

1 talked to them as little as I possibly could.

2 During the second presentation, like I had told you,
3 we were in the corridor there...

4 574. Q. M'hmm.

5 A. ...and Raj comes up to me saying
6 that they're getting death threats, that they're
7 getting threats that Interpol's coming to arrest
8 them, that the cops were coming to arrest them. All
9 these types of things. And he's like begging me to
10 make sure I get his family back to Canada safe and
11 all that kind of stuff. I laughed in his face and
12 I...

13 575. Q. Didn't you use that opportunity to
14 say, what happened to my aunts and my father?

15 A. I didn't want to talk to him anymore
16 than what I had to. I didn't talk to anybody. I
17 didn't trust anybody. I didn't know who I could
18 talk to or who I could trust.

19 576. Q. Could you e-mail them? Did you have
20 a way of e-mailing? Like could you get on your
21 laptop and e-mail your aunts or e-mail your father
22 or...

23 A. No.

24 577. Q. Did you do that?

25 A. No.

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1 578. Q. And you couldn't call them either?

2 A. Again, I had no idea which hotel
3 they were staying at. I had no international phone
4 numbers. Like I didn't know anything and I thought
5 maybe that would be the best way was just to not be
6 in contact with them, not to know what was
7 happening. I just didn't and I was away for two
8 days and then I come back and then this shit just
9 happened and they were being gone and then this and
10 that. I didn't even have a chance to like have a
11 breath, take a breath...

12 579. Q. M'hmm.

13 A. ...comprehend what was going on
14 around me. I just knew I had a responsibility.
15 Okay, whatever. Get through this second conference.
16 People paid, took time out to come here. Their
17 money. I'm not going to sit there and throw a
18 temper tantrum, be a little child. Get the shit
19 done and get out of here.

20 580. Q. So just back to this Competition

21 Bureau statement. Paragraph 61 it says:

22 "...Ms. Josun brought a USB stick with her
23 containing numerous files she had created
24 or had access to while employed with
25 Banners. At the end of the interview she

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1 Like who the hell am I...

2 585. Q. M'hmm.

3 A. ...to go and take your money away
4 from you? And when I had mentioned that to him he
5 was like, "Oh, okay." So, like I don't know how to
6 formerly write a contract or anything like that so
7 it was just that kind of stuff. And then he...

8 586. Q. Okay.

9 A. ...went on about, "We'll get it
10 legal", and all that kind of stuff.

11 587. Q. Were there many documents that were
12 on that stick? Like what else was on that USB stick
13 that you recall?

14 A. This is almost what, two years now?

15 588. Q. Yes. They were all documents that
16 you created or were they actually documents that you
17 pulled off of a Banners Broker computer and put on
18 the memory stick and took with you?

19 A. No. I've never took anything from
20 them. It was...

21 589. Q. Okay.

22 A. ...like, I don't know. I can't
23 remember. It's not recorded here. Do you not have
24 copies of those? Like this is two years now. Like
25 I don't know. I don't remember.

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1 copied the file to a computer..."

2 Do you remember that?

3 A. Yes.

4 581. Q. And so do you have a copy of those
5 documents you can...

6 A. I don't have that. I told Erin,
7 like I don't have that USB. I couldn't honestly for
8 the life of me, I've moved.

9 582. Q. M'hmm.

10 A. I've packed, I've unpacked, I've
11 packed, I've unpacked and I don't have any access.
12 Like I don't have it on me.

13 583. Q. Okay.

14 A. But I do remember doing that. What
15 is was was documents that I myself created. Like I
16 had said earlier, it was like Raj using me to kind
17 of pick my brain a little bit because I did have a
18 tiny little bit of legal background with contracts
19 and that kind of stuff. It was just with him
20 locking people out of the accounts. I basically
21 told him, "Like you can't do that. It's their
22 money. Like you can't just..."

23 584. Q. M'hmm.

24 A. It's like me going to your bank and
25 saying, "Oh yes, he can't have access to his bank."

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1 590. Q. Okay. And sitting here, do you have
2 any other documents to do with Banners Broker?

3 A. On me now?

4 591. Q. Or not on you now?

5 A. No.

6 592. Q. Do you have...

7 A. Hell no. Like I said, it ended very
8 abruptly. It was just a very hostile environment
9 when I had left and the only thing I walked out with
10 was my purse.

11 593. Q. Okay. And the USB stick, right?

12 A. Hmmm?

13 594. Q. And the USB stick I guess?

14 A. Well, yes because...

15 595. Q. Right. Sure. And then...

16 A. Those were my documents.

17 596. Q. I see.

18 A. That was my...

19 597. Q. Okay.

20 A. ...stuff. It wasn't copy written,
21 it wasn't anything like that but I didn't want to
22 see anything of mine associated with them any
23 further.

24 598. Q. Right.

25 A. That's why.

599. Q. Okay. Right. Off the record for a sec.

--- DISCUSSION OFF THE RECORD

THE DEPONENT: Regardless of the fact that if what Raj had added to whatever I had created and whatever he had gotten, I don't know, more, like, legalized, I guess you could say, more of something with more of an impact, that would be his work beyond what I had. Nothing that I did was like formal. It was...

BY MR. WARD:

600. Q. Right. But in any event, you've told us that you don't have that USB stick anymore?

A. I couldn't tell you. Like I couldn't tell you where it is.

601. Q. Okay. And then the last paragraph from the Competition Bureau statement is paragraph 62. And so there's a reference to your T4 statement...

A. M'hmm.

602. Q. ...in the employer's name of Stellar

Competition Bureau as well it looks like. It says, "Ms. Josun provided copies of her Record of Employment with Banners Broker Inc. and her Canada Revenue Agency T4. So I take it you gave copies of those to the Competition Bureau, Tara?"

A. If that's what it says there then...

610. Q. Okay.

A. ...yes, I did.

611. Q. And do you have copies of those for us as well or...

A. Honestly I told Erin, like I don't have anything.

612. Q. Okay. And what happened to your copies of those documents?

A. Probably threw them out, shredded them. Like I don't know. I've moved so many times I don't know.

613. Q. Okay.

A. I don't have my T4s from even the company I'm working at now from last year. Like I don't keep that stuff.

614. Q. I'm just going to go through my notes before we finish off Tara, but talk to me a bit more about the Portugal convention because I know you've told us that you were responsible for

Point.

A. Yes. I never had anything to do with that company ever. That company was opened and created after me. I had nothing to do with them. I don't know why my T4 was set up that way.

603. Q. Okay.

A. I believe my father said his T4 as well was from Stellar Point.

604. Q. All right. And you've told us that you were working for Banners Broker International, correct?

A. I was initially yes...

605. Q. Yes.

A. ...employed by...

606. Q. Okay.

A. ...that and then it went to another umbrella.

607. Q. And did you get any other T4s apart from the one that's referred to...

A. I was only there for half the year.

608. Q. That's right.

A. That was the last absolute thing I probably had to do with them was pay my taxes and that was it.

609. Q. And you gave that statement to the

organizing that.

A. M'hmm.

615. Q. Were you like solely responsible for organizing that or...

A. With instruction...

616. Q. Right.

A. ...obviously. It's not like I had full on free range...

617. Q. Sure.

A. ...to plan an entire party and whatever. I obviously was given instruction. I was given this and given that but I was responsible to...

618. Q. And who instructed you in relation to that?

A. Raj.

619. Q. Raj Dixit?

A. M'hmm.

620. Q. And did you work with anyone in organizing that?

A. So I did have like assistants, I guess you'd say. It was Kyra, Kyra Gray, G-R-A-Y and Stephanie.

621. Q. Stephanie Schlacht?

A. M'hmm. Oh, I still can't...every

1 time you say her name, that's what I think.
 2 622. Q. All right. And...
 3 A. They were the ones that helped me
 4 set the chairs up, helped...
 5 623. Q. Right.
 6 A. ...me put tables in the foyer for a
 7 receiving line, like...
 8 624. Q. Yes.
 9 A. ...the tickets, the decorating part
 10 of it and they were the ones that...we handed out
 11 quizzes in the middle of the seminar and they would
 12 answer and they were the ones like in the back
 13 rushing to mark them and everything and the winner
 14 got like a prize...
 15 625. Q. Okay.
 16 A. ...and all that...
 17 626. Q. Okay.
 18 A. ...kind of stuff.
 19 627. Q. But in terms of the actual set up of
 20 the conference in terms of locating the hotel,
 21 paying the deposit, arranging...
 22 A. Payments was not me at all. I had
 23 no access to any credit cards. I had no access to
 24 money, period. That was not me...
 25 628. Q. So who...

1 Banners Broker may have dealt with while you were
 2 working with them, we talked about the payment
 3 processors a little bit earlier.
 4 A. Yes. So the only ones again that I
 5 knew of were...so when these payment companies were
 6 introduced, this is where I was not myself working
 7 behind a computer. I was just strictly hovering and
 8 looking over and watching. So I didn't even really
 9 know how those payments were working in the sense
 10 that where the affiliate provides the payment and
 11 then it goes through. I didn't deal with that...
 12 635. Q. M'hmm.
 13 A. ...kind of stuff. But it was the
 14 SolidTrust Pay and the Payza. The Payza came before
 15 the Mastercard and from what I can remember, the
 16 Payza didn't really last that long.
 17 636. Q. Okay. Do you know why?
 18 A. Again, I'm told what I'm told. I'm
 19 an employee. Do you tell your employees how you run
 20 your company? Do you tell them like what...
 21 637. Q. And you didn't ask, right, because
 22 you had the script was it that...
 23 A. Yes. I had my answers right there
 24 in front of me and if I ever had any questions I had
 25 the guy who created the program a phone call away.

1 A. ...but...
 2 629. Q. Sorry.
 3 A. ...being in touch with the hotel
 4 manager, the person that...
 5 630. Q. Right.
 6 A. ...conducts their events and stuff
 7 like that, event coordinator, I was e-mailing back
 8 and forth and back and forth and if he had any
 9 questions I couldn't answer they were...
 10 631. Q. Okay. But did you find...
 11 A. ...sent to Raj.
 12 632. Q. ...the hotel and book the rooms and
 13 let them know how many people were coming and...
 14 A. I let them know how many employees
 15 of ours were going and it was like how many people
 16 from Banners Broker company was coming. Raj and
 17 Chris told me what rooms they wanted. I made sure
 18 that there were those rooms available.
 19 633. Q. For instance, who decided that it
 20 was going to be in Portugal and who found the hotel?
 21 A. I don't know why they picked
 22 Portugal. To be honest I couldn't tell you. For
 23 the hotel, I don't know. I can't remember if I was
 24 like on Google. I can't remember.
 25 634. Q. Just in terms of third parties that

1 638. Q. When you were at Banners did you
 2 ever deal with any law firms at all?
 3 A. Did I deal with any law firms?
 4 639. Q. Yes. Or did you meet any lawyers
 5 that were involved in Banners Broker?
 6 A. I went to one meeting at a law firm
 7 strictly just to be there and take notes but...
 8 640. Q. Okay. And tell me about that
 9 meeting, what you recall about it.
 10 A. It was a law firm downtown Toronto.
 11 I can't remember exactly what it was for. I think
 12 it was they were trying to get licences in Canada
 13 and they wanted to know how they could go about
 14 doing that to open their business in provinces.
 15 641. Q. Okay.
 16 A. I can't. Like there were two guys
 17 we met with. It was a big law firm. I don't even
 18 remember the names. I don't...
 19 642. Q. Was it Harry Fogul?
 20 A. I can't confirm. Like I...
 21 643. Q. Or...
 22 A. I cannot confirm that.
 23 644. Q. Or Don Johnston? Does that sound
 24 familiar? Okay.
 25 A. And again this would probably be

1 then obviously before the Portugal convention so now
 2 you're looking at almost two years ago. Like I
 3 can't...
 4 645. Q. Okay. So apart from that time when
 5 you visited the law firm downtown you didn't have
 6 any dealings with lawyers at all directly...
 7 A. Me...
 8 646. Q. ...or indirectly?
 9 A. ...personally? No. I just went
 10 along just to...
 11 647. Q. Right.
 12 A. ...take notes.
 13 648. Q. What about accountants or
 14 bookkeepers external to Banners Broker? Did you
 15 ever hear of or deal with any of those or attend any
 16 meetings?
 17 A. Sorry. I'm just trying to...
 18 649. Q. Yes. Take a minute and think.
 19 A. Could you just ask that again?
 20 650. Q. Yes. There was a time when you went
 21 over and you visited a law firm. Right?
 22 A. M'hmm.
 23 651. Q. You told us about that. Similarly,
 24 was there any times when you might have visited a
 25 tax service or an accounting firm?

1 Broker related company in Belize?
 2 A. In Belize? No. Not that I had
 3 anything like to do with that or anything. I had no
 4 knowledge.
 5 660. Q. Okay. And you didn't hear anyone
 6 talking about operations in Belize or Isle of Man...
 7 A. No.
 8 661. Q. ...at any time?
 9 A. No.
 10 662. Q. Have you ever of Parrot Marketing?
 11 A. No idea who that is.
 12 663. Q. Have you ever heard of G Cube Media?
 13 A. Yes. That's what Peter was working
 14 on or with. I've heard of it but I don't know what
 15 it is or what it does.
 16 664. Q. Okay. And you heard of it, just to
 17 be clear, when you were working at Banners between
 18 February and July of 2012?
 19 A. Correct. That would be my like last
 20 week or so when Peter was introduced when he was
 21 brought in.
 22 665. Q. Sure.
 23 A. I just remember hearing from walking
 24 in and out.
 25 666. Q. So just tell me about that meeting

1 A. Like attended a meeting with them...
 2 652. Q. Attended or...
 3 A. ...or...
 4 653. Q. Attended a meeting, or had a phone
 5 call, or anything to do with this?
 6 A. No.
 7 654. Q. No? Now one of the things that the
 8 Receiver is interested in learning about is Banners
 9 Broker's operations outside of Canada. Okay? And
 10 you've told us about some of the trips that you took
 11 with your father.
 12 A. Yes.
 13 655. Q. Okay. Do you know anything or have
 14 you ever heard of an entity called, Banners Broker
 15 International Limited Isle of Man?
 16 A. No.
 17 656. Q. Okay. Have you heard of the Isle of
 18 Man?
 19 A. Have I heard of the Isle of Man?
 20 657. Q. Do you know where that is or?
 21 A. I have no idea where it is.
 22 658. Q. Okay. Did you know that there was a
 23 Banners Broker company in the Isle of Man?
 24 A. No idea.
 25 659. Q. Okay. Or what about a Banners

1 with Peter Williams.
 2 A. I've never had a meeting...
 3 667. Q. No.
 4 A. ...with him.
 5 668. Q. Or the introduction.
 6 A. Oh, I didn't find out that he was
 7 actually related to Chris until later on but
 8 initially he wasn't introduced as his cousin.
 9 669. Q. Okay.
 10 A. He was just introduced as Peter and
 11 he's going to helping us out with United States and
 12 that was it.
 13 670. Q. And that was it. What about a
 14 company called, World eWallet? Does that sound
 15 familiar?
 16 A. The eWallet does sound familiar but
 17 again I couldn't tell you how it worked or
 18 how...like just...
 19 671. Q. Right.
 20 A. ...memory.
 21 672. Q. And you didn't have any dealings
 22 with World eWallet, did you?
 23 A. Me directly with them?
 24 673. Q. Or indirectly.
 25 A. If I could remember what it was then

1 I could be able to answer that better but...

2 674. Q. What about Michael Kraemer, is that
3 name familiar to you?

4 A. Off the top of my head, no. That
5 doesn't sound familiar.

6 675. Q. Now in terms of affiliates that you
7 met when you were traveling around the world or when
8 you were working in Canada...

9 A. M'hmm.

10 676. Q. ...were there some affiliates that
11 were more important and bigger investors in Banners
12 than others?

13 A. So I was only part of the large
14 group seminars. Like other than that I wouldn't be
15 able to pin point. "Oh, yes..."

16 677. Q. Right.

17 A. ...that's the guy who pays us this
18 much."

19 678. Q. Are there any that you remember?
20 Are there any names of affiliates from around the
21 world that...

22 A. The main people I remember would...

23 679. Q. The main people.

24 A. ...be the ones that were the hosts.

25 The ones that actually reached out and said, "We

1 A. He was UK.

2 687. Q. Driscoll? Ian Driscoll could it
3 have been?

4 A. That sounds familiar but again I
5 wouldn't be able to confirm 100 percent but it was
6 Ian.

7 688. Q. Okay. And so Claudia, Paul, Ian.
8 Who were some of the other people you met when you
9 had your two Europe trips?

10 A. Okay. So we went to Belgium and
11 there was Gino. Again, I can't confirm his last
12 name.

13 689. Q. Right.

14 A. And then we went to Cypress and our
15 host there who was an affiliate was...can't remember
16 his first name but I know his last name.

17 690. Q. Okay.

18 A. Douthier, D-O-U-T-H-E-R. I want to
19 say his first name is Frank but I can't confirm
20 that...

21 691. Q. Right.

22 A. ...100 percent.

23 692. Q. Okay. What other countries or names
24 can you think of?

25 A. Those were the main...

1 have a huge following here. Like they really want
2 to meet you." That's the reason why we...

3 680. Q. Sure.

4 A. ...started to do the traveling was
5 because there was that calling for it. There were
6 so many people out there that had so many questions
7 and really wanted to get to know everything. So
8 those people were the ones that reached out.

9 681. Q. Who were those people?

10 A. Do you want me to name drop?

11 682. Q. Yes, please. Let's just make a list
12 if you can remember their first or their last name.

13 A. Okay. So for sure the one, Claudia
14 Santos. I believe that was her last name. There
15 was...

16 683. Q. And what country was Claudia?

17 A. Sorry. She's Portugal.

18 684. Q. Right.

19 A. There was Paul from Ireland and I
20 want to say his last name was McCarthy or something
21 to that...

22 685. Q. Okay. Take that, Ireland. Yes.

23 A. Yes. He was Ireland. And then
24 there was Ian. I cannot remember his last name.

25 686. Q. What country?

1 693. Q. Right.

2 A. ...that are coming to me that we've
3 discussed already.

4 694. Q. Okay.

5 A. Those were the main people from
6 those trips...

7 695. Q. Okay.

8 A. ...that I can remember.

9 696. Q. And when you go to countries and
10 meet with them, you were with your dad. Right?

11 A. M'hmm.

12 697. Q. And were you present at the meetings
13 with these people or was it your dad and not
14 yourself?

15 A. It was not me. So again, like I
16 said I was a part of the big group, the seminar...

17 698. Q. Right.

18 A. ...and then I would be sitting at
19 the back of the room and at the end of each seminar
20 he would introduce me. I would stand up and wave
21 and he would say, "If there's any questions that you
22 guys have or anything that you want her to take
23 back, go and speak with her." And I would literally
24 be sitting in the back of the room with my pen,
25 paper, laptop and...

- 1 699. Q. Right.
 2 A. ...typing questions, names, numbers,
 3 this, that. These are the issues, these are the
 4 issues. And then that would be it.
 5 700. Q. Okay. Okay.
 6 A. If he had any personal meetings, I'm
 7 not sure. We had separate rooms. We didn't
 8 obviously share a room or anything like that. I had
 9 my own room. He had his own hotel room.
 10 701. Q. Okay. Okay.
 11 A. So basically this is how it worked.
 12 The hosts essentially were the ones who picked a
 13 place to hold the seminars. You tell me you have so
 14 many hundreds of people that are willing to come
 15 together, get them together. They would pick us up
 16 from the airport, they would drop us off at a hotel.
 17 My dad and I had our own rooms. Because the
 18 European flights mostly were overnight so we would
 19 leave Toronto overnight, get there like 7:00, 8:00,
 20 9:00...
 21 702. Q. Sure.
 22 A. ...o'clock in the morning. Go to
 23 the hotel. We would eat something. Go to our
 24 rooms, check in. Have that day to kind of relax.
 25 The next day was the seminar.

- 1 Then, the day after that would be
 2 sightseeing if we were lucky...
 3 703. Q. Right.
 4 A. ...and then if there was a huge
 5 response in that country and they had to do a second
 6 seminar, then there would be the second, like the
 7 third day would be the seminar or we would be out of
 8 there. Like three, four days, three, four days,
 9 three, four days at the most.
 10 704. Q. Okay. Now have you ever been to
 11 Switzerland with your dad?
 12 A. No. I've never been to Switzerland.
 13 705. Q. Okay. I'm just going to give you
 14 the names of some companies which we're trying to
 15 determine if they're associated with Banners Broker
 16 and some of them have names that are similar to your
 17 father so you could just let me know if you've ever
 18 heard of these companies. Kulclub?
 19 A. No. I've never heard of that one.
 20 706. Q. Anything to do with Kulclub.
 21 Kulclub UK, Kulclub Portugal? Have you ever heard
 22 of...
 23 A. No.
 24 707. Q. No?
 25 A. Again, after this whole Banners

- 1 Broker thing I don't ask my dad about anything.
 2 He's more, I guess you could say like the
 3 daydreamer. He's the guy that will never work a
 4 9:00 to 5:00 job.
 5 708. Q. Right.
 6 A. Ever.
 7 709. Q. But what's he doing now?
 8 A. You would have to ask him.
 9 710. Q. Okay. Real Profit Limited, does
 10 that name...
 11 A. That doesn't...
 12 711. Q. Is that familiar? Kulrock
 13 Marketing?
 14 A. No.
 15 712. Q. Kul Branding and Promotions?
 16 A. No.
 17 713. Q. Digital Achievements?
 18 A. No.
 19 714. Q. And do you know a gentleman by the
 20 name of John Rock?
 21 A. I'm 90 percent positive it was Raj
 22 who brought him on.
 23 715. Q. Right.
 24 A. I don't know again, how they knew
 25 each other or anything like that from previous but

- 1 he was more or a consultant. I met him when I was
 2 working at the Oshawa office.
 3 716. Q. Okay. And...
 4 A. And he was the one who brought Grant
 5 on, the HR guy.
 6 717. Q. Okay.
 7 A. Sorry.
 8 718. Q. Okay. Now you were just working at
 9 the Oshawa office for a few months...
 10 A. Correct.
 11 719. Q. ...at the end prior to leaving.
 12 Right?
 13 A. Correct.
 14 720. Q. Okay. I think those are my
 15 questions. I'm just going to take a break and then
 16 we'll come back in five minutes and we'll let you
 17 know if we're done. Okay?
 18 --- A BRIEF RECESS
 19 TARA JOSUN, resumed
 20 CONTINUED EXAMINATION BY MR. WARD:
 21 721. Q. We're almost done. A couple things
 22 that I want to do. One is if you'll pass me that
 23 document back, please. I'm going to mark this as
 24
 25

1 Exhibit J1 on...

2 A. Sorry. I just wanted to make a
3 clarification on some things.

4 722. Q. Okay. Yes. By all means. But we
5 will need to mark that as an Exhibit.

6 A. Yes, yes. That's fine.

7 723. Q. Yes. Yes. And so, can you just put
8 a stamp on it? Yes, just stamp the back of it if
9 you don't mind.

10 A. Right here?

11 724. Q. Yes. And could you just write J1 on
12 it, as well, for me?

13 A. Just on the...

14 725. Q. Sure.

15 A. Right here?

16 726. Q. Anywhere that looks fine.

17 A. Exhibit number?

18 727. Q. Yes. Thanks. Okay.

19 --- EXHIBIT NO. J1: Excerpt from an affidavit of Tara
20 Josun prepared by Toronto Police
21 following an interview with the
22 Competition Bureau.
23
24

25 BY MR. WARD:

1 can't confirm it. I believe he was from Ireland...

2 735. Q. Okay.

3 A. ...I believe. And I know that John
4 Rock and Rajiv were the ones dealing with a lot of
5 the issues with him in the sense like he was just
6 like threats. That's all I really got from it was
7 that he was threatening them.

8 736. Q. Did your father Kul Josun, did he
9 have a friend by the name of Dr. Levin or Mr. Levin,
10 something similar to that?

11 A. So again, I can't confirm that for
12 you. Out of that Oshawa office, Kul was hardly ever
13 there. He would come once in a blue moon but it was
14 just I remember Raj and John being on the phone with
15 like a doctor...

16 737. Q. Right.

17 A. ...but other than that like...

18 738. Q. When you traveled around Europe with
19 your dad did you ever meet someone who went by the
20 name of Dr. Levin or Mr. Levin?

21 A. No. I never met him.

22 739. Q. Okay. And Switzerland, you've never
23 been to Switzerland you've told us. To your
24 knowledge has your father ever been to Switzerland?

25 A. I can't confirm that. Like I have

1 728. Q. Couple names I'm going to put you
2 and just tell me if you've ever heard of a gentleman
3 by the name of Dr. Levin?

4 A. Dr. Levin?

5 729. Q. Yes. Or a Levin?

6 A. I remember a doctor. It was like a
7 foreign name.

8 730. Q. Right.

9 A. It was a little bit longer I think
10 than that. Dr. Levin. There was a doctor. Can't
11 confirm. Honestly, I can't confirm the name but
12 there was. Not that I had anything...

13 731. Q. M'hmm.

14 A. ...like directly but just from
15 overhearing and stuff like that. The Oshawa office
16 was very small.

17 732. Q. Right.

18 A. The walls were pretty thin so...

19 733. Q. What did you overhear? Like just
20 tell me everything about Dr. Levin.

21 A. Again, I don't know if that's the
22 same person we're talking about. What's the
23 purpose?

24 734. Q. Which doctor are you talking about?

25 A. Again, I can't tell you the name. I

1 no idea.

2 740. Q. One way or the other? You don't
3 know at all whether...

4 A. No. I don't know.

5 741. Q. Okay. And I'm interested in
6 specifically the Cypress part of your trip when you
7 were in Europe.

8 A. Okay. I believe that was my last
9 trip I took actually and that's when I decided I
10 didn't want to travel anymore and then that's when I
11 started working in Oshawa.

12 742. Q. And why did you go to Cypress and
13 what exactly did you do in Cypress?

14 A. What did I do?

15 743. Q. Yes. Or what did you see in
16 relation to Banners?

17 A. Okay. So again, Cypress was just
18 another big following. Mr. Douthier had reached out
19 to us and said, "We have a huge following here. Can
20 you guys come out and do a seminar?" "Okay. No
21 problem." Me and Kul went over and again there was
22 a presentation and I can only remember for sure the
23 one. I think there was only the one presentation.
24 And then I had one day off where I was just...it was
25 like a hotel with balcony, tanning, all that kind of

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- 1 stuff. All I can remember for sure is the one
2 seminar. It was just like any other trip.
- 3 744. Q. Do you remember meeting anyone other
4 than Douthier, the gentleman that you mentioned?
- 5 A. Other than Douthier, I met his wife,
6 I met his daughter. He had a friend there, as well.
7 It was Mr. Douthier and another gentleman who picked
8 us up from the airport. I can't remember his name
9 at all.
- 10 745. Q. Okay.
- 11 A. So, Cypress is basically, and again
12 I'm not sure if I'm getting the directions right,
13 but I think the south side is the Greek and the
14 north side is more Turkish, so I guess there were a
15 lot of Turkish people that had come to the seminar,
16 but like I mean I can't tell you exact name and this
17 and that but so we had basically two hosts I guess
18 you could say.
- 19 746. Q. Right.
- 20 A. It was Mr. Douthier and the other
21 gentleman.
- 22 747. Q. Okay. And just to be clear, I think
23 you mentioned your step-father at one point earlier
24 this afternoon and so Kuldip Josun, I presume that
25 he's your real father?

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- 1 755. Q. Yes. Okay. And then last question,
2 I think it's the last question, I want to go back to
3 the very beginning when you first started working at
4 Banners Brokers International Limited...
- 5 A. M'hmm.
- 6 756. Q. ...on February the 7th, 2012.
- 7 A. Okay.
- 8 757. Q. How was it that you came to move
9 from the Tim Hortons to Banners? Like how was it
10 that you even came to apply there?
- 11 A. So I finished my placement with CDI
12 at the end of January. The month of February was
13 just whatever. I had handed in my hours. I had
14 finished. I had completed by curriculum...
- 15 758. Q. M'hmm.
- 16 A. ...so everything like that was done.
17 So with the CDI, it was Everest, I guess had bought
18 them out and then CDI was able to buy back their
19 rights, so the private college was in a mish mash of
20 whatever...
- 21 759. Q. M'hmm.
- 22 A. ...so I finished my program and
23 everything like that but our career services lady
24 had left and a new girl came in and she didn't
25 really help us out that much because we were so

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- 1 A. He's my biological father. Yes.
- 2 748. Q. Biological father. Okay.
- 3 A. M'hmm.
- 4 749. Q. And so your parents were divorced at
5 some point and...
- 6 A. My parents divorced when I was 12.
7 Twelve, thirteen years now?
- 8 750. Q. Okay. Okay.
- 9 A. They don't even like speak a word.
10 At my wedding they were separate sides of the room.
- 11 751. Q. Wow.
- 12 A. Oh, yes. They do not say a word to
13 each other.
- 14 752. Q. Okay. So...
- 15 A. The feeling's very mutual between
16 the two of them. They didn't care. She's like, "He
17 doesn't have to say hi to me." My dad's like, "She
18 doesn't have to say hi to me." So didn't take
19 pictures together, didn't anything.
- 20 753. Q. Okay. Okay.
- 21 A. No speeches were at my wedding. It
22 was very neutral as much as possible.
- 23 754. Q. And you still see Kul from
24 time-to-time though you've told us. Right?
- 25 A. The odd time. Yes.

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- 1 close to finishing she couldn't help the majority of
2 us find a placement. A lot of us got lost. A lot
3 of us just didn't finish it. They had to go back.
4 I got lucky because my professor remembered an old
5 student who just worked downtown across from Old
6 City Hall...
- 7 760. Q. M'hmm.
- 8 A. ...and Highway Traffic, and traffic
9 tickets and stuff like that. So anyway, I completed
10 my placement with him but it was just himself. He
11 wasn't able to hire on full time with pay or
12 anything like that, so obviously I was looking for
13 work. My dad was aware I was looking for work and I
14 did not want to go back to Tim Hortons. I was there
15 for five years. I was there, I think, Grade 11 and
16 then through a majority of my college, university
17 years.
- 18 761. Q. M'hmm.
- 19 A. And so he had mentioned to Raj and
20 Raj was the one who called me. We set up a lunch
21 meeting. I had just finished my placement here. It
22 was my last day. And we met at Joey's restaurant
23 and we had lunch together.
- 24 762. Q. The Eaton's Centre one?
- 25 A. Yes.

1 763. Q. Right.
 2 A. I did not know her at that time but
 3 we just had lunch and I showed him my resume. I was
 4 the manager at Tim Hortons. I was the Manager for
 5 four years. I was running two locations for them.
 6 I was young.
 7 764. Q. M'hmm.
 8 A. I guess my resume at that time was
 9 really appealing to what he was looking for.
 10 765. Q. Okay. Okay.
 11 A. Like I don't know...
 12 766. Q. Okay. So the introduction came
 13 through Kul, right, to Banners?
 14 A. Yes.
 15 767. Q. Yes, okay. Fair enough.
 16 A. I was looking for work. It was,
 17 What do you think?" So I guess you could say
 18 professional in a sense where it wasn't, you know,
 19 I'm daddy's girl and daddy just gave me a job. It
 20 was...
 21 768. Q. You had the interview.
 22 A. Exactly.
 23 769. Q. Okay.
 24 A. I had a formal interview with an
 25 unbiased party.

1 THE DEPONENT: I was just not aware.
 2 776. MR. WARD: You..
 3 THE DEPONENT: I knew what I was told to
 4 know. I knew what I was given. I was a
 5 trainer. I had training materials from the
 6 company and then that was basically it.
 7 777. MR. WARD: So at the time you had no
 8 idea who had paid for the car?
 9 THE DEPONENT: No. All I knew was I was
 10 at the office and Raj came and handed me a
 11 signed money order and he's like, "On your
 12 way home, drop it off and then they'll call
 13 you when you can pick up your car."
 14 778. MR. WARD: Okay. Good. Thank you for
 15 that.
 16 THE DEPONENT: I just...
 17 779. MR. WARD: I appreciate that.
 18 THE DEPONENT: I had no involvement with
 19 any money or anything like that. I was an
 20 employee.
 21 780. MR. WARD: Okay. Great. I think we're
 22 done for today. Thanks very much, Ms.
 23 Josun.
 24 THE DEPONENT: Thank you.

1 770. Q. Okay. Good. Gillian. any other
 2 questions?
 3 MS. GOLDBLATT: No.
 4 771. MR. WARD: Mr. Ellis?
 5 MR. ELLIS: No.
 6 772. MR. WARD: Ms. Craddock?
 7 MS. CRADDOCK: No.
 8 THE DEPONENT: Can I actually clarify
 9 something?
 10 773. MR. WARD: Yes.
 11 THE DEPONENT: So with my Audi, with my
 12 car...
 13 774. MR. WARD: Right.
 14 THE DEPONENT: ...you had asked about my
 15 SUV and all that kind of stuff. I just
 16 want to make it very clear. I had no idea
 17 that the assumption that you told me is
 18 that Banners Broker was using the
 19 affiliate's money. I was not aware of that
 20 at that time. That car was put under my
 21 name. It was paid by the company, Banners
 22 Broker. So I was not aware of anything of
 23 that sort or anything like that.
 24 775. MR. WARD: I mean, in fairness, you just
 25 weren't aware. Right?

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REPORTER'S NOTE:

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Certified Correct:

Greg Vaughan
Verbatim Reporter

Court File No. CV-14-10663-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

MD/ak

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C.
1992, c. 27, s.2, AS AMENDED**

**AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE ISLE
OF MAN WITH RESPECT TO BANNERS BROKER INTERNATIONAL LIMITED**

**APPLICATION OF MILES ANDREW BENHAM AND PAUL ROBERT
APPLETON, IN THEIR CAPACITY AS JOINT LIQUIDATORS OF BANNERS
BROKER INTERNATIONAL LIMITED, UNDER PART XIII OF THE
BANKRUPTCY AND INSOLVENCY ACT (CROSS-BORDER INSOLVENCIES)**

**This is the Examination of STEPHANIE ROSE SCHLACHT,
pursuant to Part XIII of the Bankruptcy and Insolvency Act,
taken at the offices of Cassels Brock, Suite 2100, Scotia
Plaza, 40 King Street West, Toronto, Ontario, on the
29th day of April, 2015.**

APPEARANCES:**DAVID WARD****-- for the Receiver****LARRY ELLIS****ERIN CRADDOCK****CHRISTOPHER HORKINS****JEREMY MARTIN****KAREN DOSANJH****-- for Stephanie Rose
Schlacht****Also Present:****Gillian Goldblatt****Philip H. Gennis**

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1 STEPHANIE ROSE SCHLACHT, affirmed

2 EXAMINATION BY MR. WARD:

3 1. Q. Good morning Mrs. Dixit.

4 A. I still have my formal last name.

5 2. Q. Could you state your full name
6 please for the record.

7 A. Yes. Stephanie Rose Schlacht.

8 3. Q. Okay. And, could you spell your
9 last name for the reporter please?

10 A. S-C-H-L-A-C-H-T.

11 4. Q. Okay. And is Rose...and Rose I take
12 it is your...

13 A. It's my middle name.

14 5. Q. Okay. And are you still living at
15 1036 Coyston Court, Oshawa?

16 A. That's correct.

17 6. Q. And I understand that you have a
18 degree from Trinity Western University, from 2009?

19 A. That's correct.

20 7. Q. And that's a Bachelor of Education?

21 A. That is, yes.

22 8. Q. Now, prior to your involvement with
23 Banners Broker, can you tell me...what was the
24 nature of your work experience, if any, prior to
25 Banners Broker?

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1 A. Prior to Banners Broker, I worked at
2 Cactus Club, which is a restaurant in Vancouver,
3 B.C.

4 9. Q. Okay.

5 A. And I had a few other employments,
6 but nothing significant.

7 10. Q. Okay.

8 A. And volunteered with teaching.

9 11. Q. Okay. And did you work at Joey's in
10 the Eaton Centre, as well?

11 A. Oh yes I did. Briefly.

12 12. Q. Any other employment, apart from...

13 A. I worked briefly at Brant House.

14 13. Q. Brant House?

15 A. That's correct.

16 14. Q. Okay. And what is that?

17 A. It's a bar, just on King Street.

18 15. Q. All right. And, apart from your
19 degree at Trinity Western University, did you...do
20 you have any other college degrees, diplomas, or
21 academic qualifications?

22 A. No.

23 16. Q. So, in terms of Banners Broker, what
24 was your...maybe you can start by just describing
25 for me how you came to know Banners Broker. What

S. R. Schlacht - 6

1 was your introduction to the business?

2 A. Introduction to Banners Broker
3 International? Limited? Can you be more specific?
4 Sorry.

5 17. Q. Well, I was...I can be more specific
6 if it helps, but I was just speaking generally.
7 When was...how and when did you first come in to
8 contact with Banners Broker? Any kind of Banners
9 Broker?

10 A. I came into contact when I was
11 working at Joey's. I had a girlfriend that I worked
12 with that...one of her regulars was Kuldip.

13 18. Q. Okay. Kuldip Josun?

14 A. That's correct. And he was looking
15 for an assistant, and it was actually that person
16 that brought that to my attention.

17 19. Q. All right.

18 A. And I was looking for employment
19 other than in the restaurant industry.

20 20. Q. Okay. And, so what happened next in
21 terms of Banners Broker?

22 A. In terms of my employment working as
23 Kuldip's assistant?

24 21. Q. Yes...did...that's the question.

25 A. Yes. Sorry, I just have to think.

S. R. Schlacht - 8

1 Banners Broker Limited.

2 27. Q. Banners Broker Limited. Okay, and
3 you were hired to be a personal...was there a title
4 that went with it, or...?

5 A. Um....

6 28. Q. Executive assistant? Personal
7 assistant? What was your...

8 A. I'm not sure of the exact title, to
9 be honest.

10 29. Q. Okay.

11 A. I would have to look in...

12 30. Q. But you were working for Kuldip
13 Josun?

14 A. Yes.

15 31. Q. Okay, beginning in?

16 A. My start date was sometime in May.

17 32. Q. In 2012?

18 A. In 2012, yes.

19 33. Q. Okay. And...now I understand that
20 your employment changed throughout the course of...

21 A. It did.

22 34. Q. ...the history at Banners Broker.
23 So, what was the first change?

24 A. The first change when Kul was no
25 longer...I don't know his employment, but I was no

S. R. Schlacht - 7

1 This was two years ago.

2 22. Q. Sure.

3 A. So, it's kind of...we met briefly
4 just for coffee, because I know he was looking for
5 someone and he asked me to bring my resume. We went
6 over my resume and that was it.

7 23. Q. Okay. So, you were hired?

8 A. I was hired.

9 24. Q. Okay, and when...in terms of timing,
10 when...do you recall when, approximately this was?
11 I'm not going to put you to a date, but a month
12 perhaps?

13 A. I think we met in...it was either
14 March or April 2012. That's when we met for coffee.
15 But I couldn't be...it could be.

16 25. Q. Okay, and did you...prior to that,
17 did you know...had you ever met Kuldip Josun?

18 A. He had come into the restaurant, but
19 I was not formally introduced to him, no.

20 26. Q. Okay. And...so, you believe you
21 started working at...working for Kuldip Josun at
22 what company? Who was your employer when he hired
23 you?

24 A. My employer at that time would have
25 been Banners...like my paycheck was made from

S. R. Schlacht - 9

1 longer his assistant. I then went out Oshawa and I
2 worked directly Rajiv Dixit.

3 35. Q. Okay.

4 MS. DOSANJH: I think you might want to
5 just put on the record that Kul is referred
6 to as Kuldip.

7 THE DEPONENT: Or Kul.

8 36. MR. WARD: Okay.

9 MS. DOSANJH: Kuldip, just a different
10 name.

11 37. MR. WARD: I got it, yes.

12 THE DEPONENT: Yes.

13 38. MR. WARD: Understood.

14 BY MR. WARD:

16 39. Q. So, you moved to Oshawa...now I
17 believe that Josun left Banners Broker in around
18 July 2012?

19 A. I couldn't be certain, but that's
20 what my knowledge is.

21 40. Q. Okay, and it was a falling out that
22 happened at a conference in Portugal?

23 A. That's...I don't know the details
24 but...

25 41. Q. Okay.

- 1 A. ...yes.
 2 42. Q. And so is it fair to say that after
 3 Kuldip left, you become Rajiv Dixit's assistant?
 4 A. Yes.
 5 43. Q. And what type of work did you for
 6 Rajiv? Like...
 7 A. I was his executive assistant, so
 8 that could be anything, from getting meetings ready,
 9 taking notes, picking up dry cleaning.
 10 44. Q. Okay, so I'm going to come back to
 11 what your specific responsibilities...
 12 A. Okay, sure.
 13 45. Q. ...were. I just want to get the
 14 time period straight.
 15 A. Yes.
 16 46. Q. So, July 2012, which is when the
 17 Portugal...
 18 A. Yes.
 19 47. Q. ...convention occurred. And that's
 20 when Mr. Josun left Banners Broker?
 21 A. M'hmm.
 22 48. Q. You're working for Dixit, Mr. Dixit?
 23 A. M'hmm.
 24 49. Q. And how long did you continue
 25 working for Mr. Dixit?

- 1 A. Well, Raj was no longer...Banners
 2 Broker International was no longer a client of
 3 Raj's.
 4 57. Q. Okay.
 5 A. And, so a lot of the business...you
 6 know my job...my main focus when I was his
 7 assistant, was assisting duties, as well the client
 8 Banners Broker International. I did a lot with
 9 that. So, I was no longer needed. The company
 10 downsized so much that there wasn't anything for me
 11 to do really.
 12 58. Q. Okay. Now throughout the time
 13 period, from the time that you were hired as Kuldip
 14 Josun's assistant in May of 2012...
 15 A. M'hmm.
 16 59. Q. ...up until August of 2013...
 17 A. M'hmm.
 18 60. Q. ...who was your employer? Was it
 19 Banners Broker Limited?
 20 A. It's only ever been Banners Broker
 21 Limited.
 22 61. Q. It's only ever been Banners Broker
 23 Limited, okay. And did you have a written
 24 employment contract?
 25 A. I did.

- 1 A. I worked for Mr. Dixit from...sorry
 2 it's just hard to refer to my husband as Mr. Dixit.
 3 50. Q. Okay.
 4 A. From August, it would have been
 5 sometime in August, and I was laid off in the
 6 following year in August or beginning of September.
 7 I couldn't be certain of the exact date.
 8 51. Q. Okay, now you mentioned this...Rajiv
 9 Dixit is your husband?
 10 A. Yes.
 11 52. Q. Can you tell me when you were
 12 married?
 13 A. We were married June 1st.
 14 53. Q. Of 2013?
 15 A. Of 2014.
 16 54. Q. Okay. So, were you working for
 17 Rajiv right up until the time that you were let go?
 18 A. Yes. I was always...my job was his
 19 assistant from August until I was let go.
 20 55. Q. From approximately July...from
 21 August of 2012 until you were let go in...
 22 A. In 2013, August...end of August,
 23 September.
 24 56. Q. August 2013. Okay, and why was it
 25 that you were let go in August of 2013?

- 1 62. Q. At any point.
 2 A. I did.
 3 63. Q. And tell me about that?
 4 A. Tell you about...
 5 64. Q. The written employment.
 6 A. ...the contract?
 7 65. Q. Yes, contract.
 8 A. It was...
 9 66. Q. I mean first of all, I suppose I
 10 should you ask, do you have a copy of it available
 11 that we could see?
 12 A. No, I don't. That would have...no.
 13 Personally I don't.
 14 67. Q. All right. And where might the
 15 Receiver find that if we want? Do you have any idea
 16 as to where it would be?
 17 A. I have no idea.
 18 68. Q. Okay.
 19 A. Yes.
 20 69. Q. And when did you enter into the
 21 employment contract?
 22 A. I signed the agreement when I was
 23 hired in May.
 24 70. Q. You were hired in by Josun in May of
 25 2012?

- 1 A. When I was hired by Banners Broker
2 Limited.
3 71. Q. By Banners Broker Limited, okay.
4 And do you recall your salary at the time when you
5 were first hired?
6 A. I couldn't be certain. It was
7 around like 40,000. Maybe a little bit lower.
8 72. Q. A year?
9 A. Maybe a little bit higher. A year,
10 yes.
11 73. Q. Okay. And..so, apart from that
12 employment agreement that you made when you were
13 first hired by Banners Broker Limited, were there
14 any other employment agreements that you had at any
15 time?
16 A. Not to my knowledge.
17 74. Q. Okay. And was that original or
18 initial employment, was it ever amended or changed
19 in any way?
20 A. I can't be...I'm not sure. I can't
21 remember.
22 75. Q. Okay. So, you don't
23 remember...sitting here today you don't remember
24 signing any...
25 A. I don't remember signing that.

- 1 A. Yes.
2 83. Q. Okay, so, it's
3 May...three/four-month period?
4 A. M'hmm.
5 84. Q. You need to say yes or no, for...
6 A. Sorry, what was the question. I
7 didn't get very much sleep. Can you repeat that,
8 sorry?
9 85. Q. Okay. So...can you describe for me,
10 please, what your duties were at Banners Broker
11 Limited during the initial three or four-month
12 period when you were working with Mr. Josun?
13 A. Um...
14 86. Q. And I want...and just before you
15 answer, I want to understand everything...
16 A. Okay.
17 87. Q. ...that you were responsible for,
18 like within the Banners Broker organization.
19 A. Mainly, I was being trained by the
20 client on the Banners Broker program to understand
21 how the program worked. And the convention was
22 being planned, so I had responsibilities with that.
23 And that was mainly all that I did up until I moved,
24 or sorry, up until Kuldip was no longer in the
25 picture.

- 1 76. Q. ...any employment contracts other
2 than that very first one...
3 A. Other than the first one, yes.
4 77. Q. ...with Banners Broker Limited.
5 Okay.
6 A. I know when I became Raj's
7 assistant, there was some...I didn't sign anything
8 though. We just went over what the duty changes but
9 nothing was signed.
10 78. Q. Okay. Okay.
11 A. Or not to my knowledge. I can't be
12 certain.
13 79. Q. All right. So, I think what I would
14 like to cover now is just what your responsibilities
15 were throughout...
16 A. Sure.
17 80. Q. ...the period that you worked at
18 Banners. And, so let's deal with...we'll start at
19 the beginning. May, 2012.
20 A. M'hmm.
21 81. Q. You were at Joey's and Kuldip Josun
22 hires you to be his personal assistant?
23 A. M'hmm.
24 82. Q. And you were with him, sounds like,
25 up until about July of 2012?

- 1 88. Q. Okay. And you say planning the
2 convention. That was the Portugal...
3 A. That was the Portugal.
4 89. Q. ...convention in July of 2012?
5 A. Yes, that's correct.
6 90. Q. Okay. And the first point though
7 you mentioned that you were trained by the client to
8 understand how the program worked. Can you just
9 describe in a little more detail? First of all, who
10 was the client that you're referring to?
11 A. Banners...it would have been Banners
12 Broker International.
13 91. Q. So, is there a distinction in your
14 mind then between Banners Broker Limited, who was
15 your employer, and Banners Broker International, who
16 was the client?
17 A. Yes.
18 92. Q. And what is that...why do you
19 believe that one was your employer and the other was
20 the client?
21 A. Because I worked for Rajiv Dixit and
22 Chris Smith was the sole owner of Banners Broker
23 International.
24 93. Q. Okay. Did you have an understanding
25 as to whether Banners Broker International Limited

S. R. Schlacht - 18

1 was a Canadian company or a foreign company?

2 A. Can you repeat the question, sorry?

3 94. Q. Did you...when you speak of Mr.
4 Smith's company, Banners Broker International
5 Limited, did you have an understanding as to
6 where...

7 A. No.

8 95. Q. ...that company was situated?

9 A. I wasn't privy to that information.

10 96. Q. Okay. Banners Broker Limited, whose
11 company did you understand that to be?

12 A. Banners Broker Limited was Rajiv
13 Dixit.

14 97. Q. Okay. Rajiv Dixit as owner?

15 A. I'm not sure at that time.

16 98. Q. Okay.

17 A. I didn't see any corporate
18 documents.

19 99. Q. But did you understand him to be an
20 owner?

21 A. I understood him to be my boss.

22 100. Q. Okay. But as...in terms of
23 the...this was a period of time that you were
24 working with Josun?

25 A. Yes.

S. R. Schlacht - 20

1 109. Q. So you believe that Rajiv Dixit was
2 the sole owner of Banners Broker Limited?

3 A. I didn't know who the sole owner
4 was. All I'm saying is that I know that where my
5 paycheck came from and who I reported to.

6 110. Q. Okay.

7 A. So, at that time I was new to the
8 company. I didn't know.

9 111. Q. Okay. So, again, we're still
10 talking about the Josun period...

11 A. Yes.

12 112. Q. ...at Banners Broker Limited.

13 A. Sure.

14 113. Q. And in terms of your duties, your
15 responsibilities.

16 A. M'hmm.

17 114. Q. You've mentioned that you were,
18 first of all involved in being trained by the client
19 to undertake...to understand how the program worked?

20 A. M'hmm.

21 115. Q. Okay. So, we've established...I
22 think the client was Banners Broker International
23 Limited?

24 A. M'hmm.

25 116. Q. And what was the nature of the

S. R. Schlacht - 19

1 101. Q. Presumably, at Banners Broker
2 Limited. So, in terms of the reporting structure,
3 was it...

4 A. I only reported to Kul.

5 102. Q. To Kul?

6 A. Yes.

7 103. Q. To Josun, and then...would Mr. Josun
8 report to Mr. Dixit?

9 A. I...I don't know.

10 104. Q. Okay. Did you believe Mr. Josun to
11 be an owner of Banners Broker Limited?

12 A. I...let me think back. I wasn't
13 sure. I know he worked closely, but in Portugal, or
14 just before Portugal, Chris Smith directly told me
15 he was the sole owner, because I asked him.

16 105. Q. He being Chris Smith?

17 A. Chris Smith, the sole owner of
18 Banners Broker International.

19 106. Q. Okay. But I'm talking about Banners
20 Broker Limited. Did you believe Mr. Josun to be...

21 A. Oh, sorry...

22 107. Q. ...an owner?

23 A. ...I was confused.

24 108. Q. Sorry.

25 A. No.

S. R. Schlacht - 21

1 training that you received in respect of the
2 program, and what...I guess I should say, first of
3 all, what was the program that you're referring to?

4 A. I'm referring to Banners Broker
5 International. So, how the company...how Banners
6 Broker works. So, I got trained on the back office,
7 the different terminologies.

8 117. Q. Okay.

9 A. How that affiliate program worked.

10 118. Q. What about the...and who provided
11 this training?

12 A. Tara Josun. She was Kuldip's
13 daughter, and she's the one that trained me.

14 119. Q. Okay.

15 A. She was pursuing other...going back
16 to school, so I was taking her place.

17 120. Q. Okay. And so, back office, Banners
18 Broker terminology, the affiliate program. Customer
19 service, was that something you were trained in as
20 well?

21 A. I was briefly trained on it, but I
22 didn't do customer service.

23 121. Q. Okay. And when...when you and I use
24 the term "customer service," or maybe I'll approach
25 it this way. When you use the term "customer

S. R. Schlacht - 22

1 service," what aspect of the business are you
2 referring to? By that I mean, are you dealing with
3 affiliates, dealing with independent contractors?

4 A. Are you asking about customer
5 service in general?

6 122. Q. Yes, what did customer service mean
7 to you at the time?

8 A. Customer service meant dealing with
9 affiliates.

10 123. Q. With affiliates, okay. And you were
11 trained in how the business model worked? The
12 Banners Broker business model?

13 A. Can you refer to what you mean by
14 "business model"?

15 124. Q. Did you know what was being sold?
16 Did Tara Josun, or somebody else, explain the...

17 A. The product, yes.

18 125. Q. ...product. Okay.

19 A. Yes.

20 126. Q. And what was your understanding at
21 the time as to the product that was being sold?

22 A. It was...this was two years ago, so
23 I can't...I haven't been involved in two years.
24 Banners, and online.

25 127. Q. Okay. But, like I'm told that there

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1 133. Q. Or even a general answer, I guess,
2 in terms of...like if I wanted to be an affiliate in
3 summer of 2012...I wanted to become an affiliate,
4 what...can you describe me for what I would be
5 getting myself into?

6 A. There was different steps that you
7 had to go through, but like I said, I haven't dealt
8 that with that in over two years, so I wouldn't feel
9 comfortable explaining in detail.

10 134. Q. Okay.

11 A. Right now.

12 135. Q. And again, I'm not going to hold you
13 to it. But, I would...

14 A. But you know what I mean. Like,
15 it's a complicated procedure. If you were to ask me
16 questions, I could answer them, but I can't...I
17 don't feel comfortable explaining it, because I...

18 136. Q. Sure, okay, well let me...

19 A. You know what I mean?

20 137. Q. ...well we can approach it this way?
21 Like if I in July 2012 am told about Banners Broker
22 and want to join as an affiliate. What would be the
23 first step that I would have to take to become an
24 affiliate?

25 A. I couldn't...let me think back.

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1 was an earning structure involved in their business
2 model so that affiliates could, through their own
3 computers, purchase banners and purchase packages
4 to...

5 A. Yes.

6 128. Q. ...generate traffic across...

7 A. I was trained on that.

8 129. Q. ...the banners. You were trained in
9 all of that?

10 A. Yes.

11 130. Q. And did you have an understanding as
12 to how it worked?

13 A. Yes.

14 131. Q. Okay, and can you...and there were
15 different coloured banners as well?

16 A. To my knowledge, from two years ago,
17 yes.

18 132. Q. Okay. And what else, sitting here
19 today can you tell me about the business model as
20 you understand it...when you start, sorry, just let
21 me finish for the record. When you started working
22 at Banners Broker?

23 A. I haven't looked at that information
24 in two years. I wouldn't feel comfortable giving you
25 a specific answer without...

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1 It's an affiliate program, so someone has to refer
2 it to you, and then you have to go through the
3 system of buying a package.

4 138. Q. Okay. And...so, that would be the
5 first step?

6 A. I couldn't be certain in saying
7 that.

8 139. Q. Okay. And how would I purchase a
9 package and what sort of package would I be
10 purchasing?

11 A. You would go online to purchase it,
12 and then it would take you step by step. I couldn't
13 be certain in telling you those exact steps. As I
14 said, it was a few years ago.

15 140. Q. Okay. But, I take it you knew at
16 the time...

17 A. Oh, at the time...

18 141. Q. ...exactly?

19 A. ...yes.

20 142. Q. So, at the time, in July 2012, if I
21 had wanted to become an affiliate you would be able
22 to describe...

23 A. Oh, of course.

24 143. Q. ...to me.

25 A. And I had a manual to go through,

- 1 yes.
 2 144. Q. Okay, so you knew...is it fair to
 3 say, you knew in detail in July of 2000 and...
 4 A. Oh in July, no. I wasn't trained
 5 yet, sorry.
 6 145. Q. Ah...
 7 A. I had a basic knowledge of how
 8 things worked.
 9 146. Q. Okay.
 10 A. I didn't go...I didn't do a formal
 11 training until August.
 12 147. Q. Okay. So, in August once you were
 13 formally trained, is it fair to say that you at that
 14 point would have had a detailed understanding of how
 15 the...
 16 A. A good knowledge.
 17 148. Q. ...Banners program worked?
 18 A. A good knowledge.
 19 149. Q. Okay. And if I had any questions
 20 about what was involved in being an affiliate, you
 21 would likely be able to answer those questions for
 22 me?
 23 A. Or had them answered, yes.
 24 150. Q. Was there any other...you mentioned
 25 as well in the list of duties that you were trained

- 1 come to the convention?
 2 A. Affiliates.
 3 158. Q. The affiliates, okay. And, I take
 4 it that the convention took place and some
 5 affiliates attended?
 6 A. M'hmm.
 7 159. Q. Do you recall approximately how many
 8 were there? Are we talking hundreds, thousands,
 9 dozens?
 10 A. I couldn't be certain. I would say
 11 about a thousand, more, or maybe more.
 12 160. Q. Okay. And from a planning
 13 perspective, how were you involved in planning that
 14 conference in Portugal?
 15 A. I came in in May, so, a few months
 16 before. Tara Josun was leading that and I just did
 17 any ground work that she needed. So, the running
 18 around...anything.
 19 161. Q. So, as between yourself and Tara
 20 Josun. Was Tara Josun leading the planning?
 21 A. That was my knowledge.
 22 162. Q. Okay.
 23 A. Yes, that's what...
 24 163. Q. And...but you assisted her by doing
 25 ground work?

- 1 on the Banners Broker terminology. Is that
 2 terminology just having to do with the affiliate
 3 program, or was there something in addition to that?
 4 A. Just the affiliate program.
 5 151. Q. Okay.
 6 A. So, packages, colours.
 7 152. Q. All right.
 8 A. Product.
 9 153. Q. And then in terms of...anything more
 10 in terms of the training that you received initially
 11 that you can recall for me?
 12 A. No.
 13 154. Q. No, okay. So, then moving on to the
 14 convention planning. Describe for me please, if you
 15 would, what...first of all, what convention was
 16 being planned and why.
 17 A. Sorry, that first...
 18 155. Q. Yes, please go ahead, yes.
 19 A. It was in Portugal, and it was for
 20 Banners Broker International.
 21 156. Q. And Banners Broker International was
 22 your client, right?
 23 A. Yes.
 24 157. Q. And was it...for the affiliates of
 25 Banners Broker International, or...like who was to

- 1 A. Yes.
 2 164. Q. And what types of things did you do
 3 in terms of convention planning?
 4 A. Just double checking with the hotel,
 5 making sure the right amount of rooms were done.
 6 Going back and forth with the hotel manager. Just
 7 the last minute plannings you would do before a
 8 large event.
 9 165. Q. Okay. In terms of your initial
 10 responsibilities during the Kuldip Josun period.
 11 A. M'hmm.
 12 166. Q. Apart from planning for the
 13 convention and being trained by the client so that
 14 you could understand how the program worked, was
 15 there any other duties or responsibilities that you
 16 had with Mr. Josun?
 17 A. I was hired to...duties at that
 18 time, no.
 19 167. Q. Okay. And I use the term "duties,"
 20 but just as a practical matter...you know, in
 21 practice people do things that may go beyond their
 22 duties. Were there functions that you had at
 23 Banners Broker Limited in practice that were not
 24 part of your duties? Things that you would do for
 25 the business?

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1 A. Other than pick up his dry cleaning,
 2 no.
 3 168. Q. Mr. Josun we're talking about?
 4 A. Yes.
 5 169. Q. Okay.
 6 A. Or run errands for him.
 7 170. Q. Okay, so there was some errands that
 8 you would run for Mr. Josun, and were they...sounds
 9 like they were of a personal nature?
 10 A. They were personal, yes.
 11 171. Q. Were they business related?
 12 A. Dry cleaning? No, personal.
 13 172. Q. Okay. So, they were all personal?
 14 A. Mostly, yes.
 15 173. Q. Were there any that were not
 16 personal?
 17 A. In regards to?
 18 174. Q. Just errands that you would do for
 19 Mr. Josun?
 20 A. No.
 21 175. Q. Okay. All right, so, I think that
 22 takes us to July 2012 when I understand that there
 23 was a falling out as between Mr. Josun and the other
 24 principals of Banners Broker. Are you aware that he
 25 had a falling out at the convention in Portugal?

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1 A. Independent contractor is someone
 2 who, I guess, would run that specific country. It's
 3 different from a reseller. It started off as
 4 resellers...
 5 181. Q. Right.
 6 A. ...and independent contractors when
 7 they had their own support...customer service. And
 8 then they made a certain commission off of any sales
 9 they brought in from their country.
 10 182. Q. Okay. So, when you were trained
 11 initially, were you trained on the concept of
 12 independent contractors as well as affiliates?
 13 A. The concept of it, but I
 14 wasn't...the first time I met the resellers and
 15 independent contractors was in Portugal.
 16 183. Q. Okay. And so, you were at the
 17 meeting then...you've told me that Kuldip Josun had
 18 with the independent contractors. And you took
 19 notes. Was he selling a different product from
 20 Banners Broker at the meeting?
 21 A. I don't know what his purpose was
 22 behind that, but it was a different...some sort of
 23 different program.
 24 184. Q. Okay. And do you know what that
 25 program was?

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1 A. Yes.
 2 176. Q. Okay. And just...I appreciate it
 3 this takes you back a ways, but can you describe for
 4 me what your personal knowledge, if any, in terms of
 5 how that falling out occurred? Because again, I'm
 6 asking this because it was quite public...
 7 A. Yes...
 8 177. Q. ...or some aspects of it were?
 9 A. He was trying to...I don't know the
 10 details, but he was trying to...I wouldn't be
 11 certain saying the details, but my understanding was
 12 he was trying to take the affiliates, or the
 13 independent contractors and pitch them another
 14 program.
 15 178. Q. Okay.
 16 A. That was my understanding of it.
 17 179. Q. Did you see him doing that?
 18 A. Did I...he did...he called a meeting
 19 with the independent contractors, just them, himself
 20 and then I was there to take notes.
 21 180. Q. Okay. And who are the independent
 22 contractors, because we haven't spent any time on
 23 that term. We've talked about affiliates, but who,
 24 or what is an independent contractor in terms of
 25 Banners Broker terminology?

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1 A. I wouldn't be able to tell you
 2 anything, sorry.
 3 185. Q. Okay. Not even the name of it?
 4 A. No.
 5 186. Q. Okay. And so, what happened next in
 6 terms of Mr. Josun's departure from Banners Broker
 7 at that time?
 8 A. I wasn't in any...all I know is that
 9 he was no longer involved.
 10 187. Q. Okay. And how do you know that?
 11 A. Because it was quite public and
 12 everyone...
 13 188. Q. What was the public aspect of it?
 14 Like was there...
 15 A. Just because he was making a big
 16 scene about it.
 17 189. Q. Okay.
 18 A. And making threats.
 19 190. Q. "He" being Mr. Josun?
 20 A. Mr. Josun, yes.
 21 191. Q. Okay, and what were the...tell me
 22 about the threats. Everything you can remember.
 23 Like I wasn't there...
 24 A. Yes.
 25 192. Q. ...I heard there was a scene in the

- 1 lobby and there was security involved.
 2 A. I wasn't...I was busy working. I
 3 wasn't there for any of at.
 4 193. Q. So, did you see any of...
 5 A. No.
 6 194. Q. ...did you see a scene in the lobby,
 7 or...
 8 A. No.
 9 195. Q. ...high levels of security and
 10 people removing Mr. Josun and his family?
 11 A. No.
 12 196. Q. Okay. I take it you heard about
 13 that after?
 14 A. M'hmm.
 15 197. Q. You need to say yes or no.
 16 A. Oh, sorry, yes I did.
 17 198. Q. Okay. And then, who within the
 18 Banners Broker group told you that Mr. Josun was no
 19 longer with the company?
 20 A. That...what do you mean by the
 21 "Banners Broker group"?
 22 199. Q. Well...I mean...I suppose after Mr.
 23 Josun left did somebody tell you that your boss has
 24 been fired?
 25 A. Colin.

- 1 200. Q. Colin, and sorry...Colin's last
 2 name?
 3 A. I don't...I can't remember.
 4 201. Q. Okay. Is Colin Canadian?
 5 A. I believe so.
 6 202. Q. Tuck...could it be Colin Tuck?
 7 A. That sounds...yes, that sounds
 8 right.
 9 203. Q. And did you work with Colin Tuck in
 10 Toronto, at all, at Banners Broker Limited?
 11 A. I'm not sure who Colin worked for.
 12 I'm not sure, but when I worked out of the Church
 13 Street address, he was there.
 14 204. Q. Okay. So, you had met him prior to
 15 Portugal?
 16 A. Yes.
 17 205. Q. And I suppose I should have asked at
 18 the outset, between May of 2012 and July of 2012,
 19 when you were working for Mr. Josun, where,
 20 physically, was your office? Where did you come to
 21 work?
 22 A. I went to Church Street, but I
 23 wasn't there every day.
 24 206. Q. Okay.
 25 A. Sometimes I worked from home.

- 1 207. Q. All right. So, moving forward then
 2 again to Portugal.
 3 A. M'hmm.
 4 208. Q. Colin Tuck had let you know at some
 5 point that Mr. Josun was...had been fired from
 6 Banners Broker. How was it that you came to work
 7 for Mr. Dixit, at that point?
 8 A. I asked if I still had a...because
 9 my boss just got fired, or let go, or whatever you
 10 want to call it. A difference of opinion. So, I
 11 thought I was not going to have a job.
 12 209. Q. Right.
 13 A. And Raj said that they would find a
 14 job for me, because they liked my work style and
 15 felt I was an asset.
 16 210. Q. So, did you speak to Mr. Dixit in
 17 Portugal about that?
 18 A. There was briefly, but there was
 19 no...
 20 211. Q. Okay.
 21 A. ...I voiced my concern and asked if
 22 I would be fired.
 23 212. Q. Right.
 24 A. And he said we'll talk about it.
 25 213. Q. Back in Toronto?

- 1 A. Back when we get home, yes.
 2 214. Q. Okay. And so, you had
 3 that...presumably you came back, you had that
 4 conversation with Mr. Dixit, and as a result of that
 5 you were hired to Mr. Dixit's assistant?
 6 A. Well I still currently work for
 7 Banners Broker Limited, so I don't believe I signed
 8 any new employee agreement, but I worked...
 9 215. Q. Okay.
 10 A. I then became his assistant, so I
 11 don't know if that's the right terminology.
 12 216. Q. I understand, no I understand,
 13 that's helpful. Now as...so let's...I'm going to
 14 come back to the same question I had in relation to
 15 Mr. Josun, but with respect to Mr. Dixit, what was
 16 the nature of your duties?
 17 A. My duties. When you're an executive
 18 assistant you kind of...anything...but my main
 19 duties were...I dealt directly with independent
 20 contractors. That was one main facet.
 21 217. Q. Okay.
 22 A. Because they were in the process of
 23 opening up their offices.
 24 218. Q. All right.
 25 A. So, because Stellar Point did

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customer service for Banners Broker International, I trained them, basically, on how Stellar Point was operating with their customer service. And the training was provided by Banners Broker International.

219. Q. Okay, so let me just take a note and make sure I've got that right. You trained independent contractors on what?

A. Customer service for the affiliates. So, the affiliates from their counties...

220. Q. Right.

A. ...would call into their customer service.

221. Q. Okay. And prior to that, customer service for the affiliates and their countries had been provided by Stellar Point?

A. Yes.

222. Q. And Stellar Point is Banners Broker Limited by way of name change. Is that your understanding?

A. That's my understanding, yes.

223. Q. Okay. So, you dealt directly with the independent contractors as we discussed?

A. That's correct.

224. Q. Did you deal with them on anything

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Prepped the meetings. Personal errands. And also planned...was involved with the planning of conventions in the future. Those were my main duties.

230. Q. Okay. Convention planning. Anything else that you can think of in terms of...the nature of the work that you did for Mr. Dixit?

A. No, that's the main.

231. Q. Okay. Now did your salary change during...when you moved...first of all, while you were working for Mr. Josun, and I appreciate it was just a few months...

A. M'hmm.

232. Q. ...but did your salary change at all in terms of what you were paid?

A. During that brief time?

233. Q. Yes.

A. No.

234. Q. Okay, and when you started...when you moved and you began working for Mr. Dixit, did your salary change at that point?

A. It changed, but not at that point.

235. Q. Okay. At what point...

A. But I don't believe so.

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else?

A. Commissions.

225. Q. Okay. Anything else?

A. Setting up their offices, commissions. I was the go to person, so if they had any questions, I would take them and then I would direct them at the appropriate person.

226. Q. Okay. So, you were the...is it fair to say that you were the point person at Stellar Point for the independent contractors during this period?

A. That's correct.

227. Q. Okay. Anything else in terms of dealings with the independent contractors that you can recall?

A. Those were the main things.

228. Q. Okay. So, and some of those...I may come back to you but...

A. That's fine.

229. Q. Apart from dealings with the independent contractors, what else did you do during this period as Mr. Dixit's executive assistant?

A. If he had any meetings, I kept them organized, his schedule, main things that you do as an assistant. I took notes during meetings.

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236. Q. Okay. So, at what point did it change?

A. I couldn't be specific with a time change, like with a month.

237. Q. Right.

A. But maybe four months later, three months. Sorry, it's been a while.

238. Q. No, I understand. And I'm not going to hold you to dates, but...

A. Yes.

239. Q. ...so perhaps three or four months after you were working with Mr. Dixit, your salary changed?

A. I can't be specific with dates, but it did change, yes.

240. Q. Okay, and how did it change?

A. It went up. I couldn't be exact.

Maybe to 55. No, 50.

241. Q. Okay.

A. I could check my bank records, but I don't know off hand.

242. Q. All right. Now you've mentioned in terms of your involvement, like your responsibility or your tasks.

A. M'hmm.

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- 1 243. Q. That you had something to do with
2 commissions?
3 A. M'hmm.
4 244. Q. Can you just describe for me what it
5 was that you had to do with commissions?
6 A. So, basically what I did is...sorry,
7 I have to think back. Each country that had an
8 independent contractor, the sales that came in, I
9 was given a spreadsheet with the sales, and then I
10 calculated the commission. And the commissions
11 would go anywhere from...I don't remember if it was
12 one percent to 10 percent, but the max was 10
13 percent, based on that country's sales.
14 245. Q. Okay. Commissions of one percent
15 to...so, you did that calculation...how did you do
16 that calculation?
17 A. With the sales?
18 246. Q. Of the commission...
19 A. They made a percentage of the sales.
20 247. Q. Right.
21 A. So, I would take the sales and I
22 would figure out the percentage.
23 248. Q. But there was an accounting software
24 that would allow you to do that?
25 A. It was a basic calculation so I just

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- 1 256. Q. Okay, let's say United Kingdom?
2 A. Okay.
3 257. Q. Okay. And he sends you something,
4 presumably...
5 A. No, he doesn't send me.
6 258. Q. No?
7 A. I got the information directly from
8 Chris.
9 259. Q. Okay. And what information would
10 you get from Chris in respect of sales for the...in
11 this example, sales from the United Kingdom?
12 A. It would be sales, if there was any
13 charge, like if that country had any affiliates that
14 charged back money.
15 260. Q. Okay.
16 A. And that was it.
17 261. Q. But the sales, can we agree that
18 when we use the term "sales" we are just referring
19 to monies that come from affiliates net of
20 chargebacks? Is that how you calculate a sale?
21 A. A chargeback is when a customer asks
22 for their money back.
23 262. Q. Right. Right. So, what are "sales"
24 though when we use this term in the Banners Broker?
25 A. When they purchase their product.

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- 1 did it myself.
2 249. Q. Through the calculator?
3 A. Or in a spreadsheet, yes.
4 250. Q. Okay. And just so that I can
5 completely understand the commissions.
6 A. M'hmm.
7 251. Q. It went from one...the commissions
8 would go from one percent to 10 percent?
9 A. I can't remember what the starting
10 was.
11 252. Q. Okay.
12 A. But it went max of 10.
13 253. Q. There was a range up to a max of 10.
14 And people were being paid on commission on what
15 type of sales?
16 A. The independent contractor was being
17 paid from the sales from that country.
18 254. Q. Okay. And the sales from that
19 country would consist of monies collected from
20 affiliates that were resident within that country?
21 A. Yes...
22 255. Q. Like what were the sales...maybe
23 it's easier if we take an example. Like, an
24 independent contractor in Japan, for instance.
25 A. There wasn't one in Japan.

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- 1 263. Q. When they purchase their banners?
2 A. Yes.
3 264. Q. Okay, so the IC for the UK would get
4 a commission on the total volume of sales in his
5 country?
6 A. That's correct.
7 265. Q. Okay. And that...
8 A. Sorry, it was up to 10 percent, or I
9 believe there was a maximum dollar amount.
10 266. Q. Okay.
11 A. So, if that country brought in a
12 significant amount, it tapped out. But I couldn't
13 give you the exact.
14 267. Q. All right. And so, you...Chris
15 would give you information on sales for a given IC?
16 A. That's correct.
17 268. Q. Right. Do you know where he got
18 that information from?
19 A. No.
20 269. Q. Okay. And then you would take that
21 information and you would perform a calculation?
22 A. M'hmm.
23 270. Q. And you would arrive at a commission
24 amount, and then what's the next step?
25 A. I would send it...I would arrive

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1 with a commission amount. And most of the time,
2 when I say "Chris" I either corresponded with him
3 directly or his assistant Brea.

4 271. Q. Okay. Understood.

5 A. Um...

6 272. Q. So, you would arrive at a commission
7 amount?

8 A. At a commission. And then I would
9 email the independent contractor with this
10 information.

11 273. Q. The information being his commission
12 amount or his sales and his commission amount?

13 A. Both.

14 274. Q. Okay. So, you would just be sending
15 him the information at that point?

16 A. Yes.

17 275. Q. Right. And so, then what was the
18 next step in the process?

19 A. I would let Chris know that
20 everything had been sent out, and then Chris would
21 issue the wire directly. And then I would confirm.
22 Then Chris or Brea would confirm with me that the
23 wires were sent, and then I would confirm with the
24 independent contractor that wires were sent.

25 276. Q. Okay. Were you involved in sending

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1 281. Q. Okay. So, I take it in some cases
2 you could resolve the commission concerns directly?

3 A. I could resolve it based on the
4 information I was given.

5 282. Q. Right.

6 A. So, the numbers. If it was a
7 discrepancy or something they were...a question that
8 went beyond my scope of my knowledge then I would
9 have to...

10 283. Q. Okay. Now we've been talking about
11 commissions. Is that the same term as payouts?

12 A. No.

13 284. Q. No. Okay. So, what were...how were
14 payouts different from commissions?

15 A. Well it depends if you're talking
16 about commissions for affiliates or commissions for
17 independent contractors. Commissions for
18 independent contractors are based on the affiliates
19 in their country, and their sales. Commissions to
20 the affiliate are...is money paid to them.

21 285. Q. Okay.

22 A. Commissions.

23 286. Q. So, commissions to the affiliates,
24 are they the same as payouts?

25 A. I believe that's the same term.

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1 the wires?

2 A. No.

3 277. Q. Were all the independent contractors
4 paid by wire transfer, or do you know if there are
5 other mechanisms of payment?

6 A. Let me think. To my knowledge it
7 was wires. I couldn't...it was so long ago, I
8 couldn't...I believe it was only...what I dealt
9 with, it was only wires.

10 278. Q. Okay. Now if an independent
11 contractor had a question about the commission
12 calculation that you sent them.

13 A. M'hmm.

14 279. Q. Would you field that question and
15 see that...and make sure that it was resolved? Was
16 that part of your duties?

17 A. If they had a question, yes.

18 280. Q. Okay. And so, to use my example of
19 the independent contractor in the UK had a question
20 about the sales figure or the commission calculation
21 that you sent him, would you...how might you, or how
22 would you resolve it?

23 A. If I had the knowledge myself I
24 would give it to him. If I wasn't sure, I would
25 contact Brea.

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1 287. Q. Okay.

2 A. It depends. Sorry, I'm confused.

3 288. Q. Okay. I think what I'll do is I'll
4 come back to that. But I do understand everything
5 you've told me about commission calculations in
6 relation to independent contractors.

7 A. Yes.

8 289. Q. Okay, that makes sense.

9 A. I didn't have anything to do with
10 commission payouts for the affiliates. Can I take a
11 juice?

12 290. Q. Yes, by all means, help yourself.
13 If you need a break...

14 A. No, I'm fine. I'm fine.

15 291. Q. Okay. And then, also, in terms of
16 dealing with the independent contractors, or ICs.

17 A. M'hmm.

18 292. Q. What did you do in relation to
19 helping them set up offices?

20 A. Just made sure that they were
21 trained on the customer service aspect. That was
22 basically it. They were responsible for setting up
23 and doing all of that. It was just the training.

24 293. Q. Now, that training involved going to
25 visit them in their home countries and training

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- 1 them. Is that what it consisted of?
- 2 A. Sometimes, or sometimes over Skype
- 3 or email.
- 4 294. Q. Was there anyone else, apart from
- 5 yourself, that was involved in training...in
- 6 training the independent contractors on the customer
- 7 service aspect of their business?
- 8 A. On the customer service aspect, that
- 9 was mainly myself.
- 10 295. Q. Okay. And so when you...we talked
- 11 earlier about setting up offices, is that just the
- 12 customer service aspect, or is that something more?
- 13 A. Just the customer service.
- 14 296. Q. Okay. And then the next item I
- 15 wanted to talk about was the convention planning.
- 16 A. Sure.
- 17 297. Q. So, during the period of time that
- 18 you were working with Mr. Dixit. So, this is after
- 19 Portugal?
- 20 A. M'hmm.
- 21 298. Q. What were the conventions that you
- 22 can recall that you were involved in planning?
- 23 A. Just let me think. There was
- 24 one...I believe the first one was Ireland. I
- 25 couldn't give you an exact month. Sorry.

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- 1 believe, unless there was an odd task, but
- 2 nothing...routine-wise, that was the main things.
- 3 306. Q. Okay. Now were there some odd tasks
- 4 that stand out in your mind that you can recall for
- 5 me now that you did in relation to the Banners
- 6 Broker, for Mr. Dixit.
- 7 A. In regards to Banners Broker
- 8 Limited?
- 9 307. Q. In regards to Banners Broker. I
- 10 don't really draw a distinction between Banners
- 11 Broker Limited. I can if you want, but I'm just
- 12 speaking anything to do with the Banners Broker
- 13 business.
- 14 A. Okay, because there is...
- 15 308. Q. Were there any odd tasks or...
- 16 A. ...a distinction. No. Most of
- 17 them, other than those, it was mostly just personal
- 18 things.
- 19 309. Q. Okay.
- 20 A. There was nothing else.
- 21 310. Q. Okay.
- 22 A. You could ask me and I could answer
- 23 it. You know what I mean.
- 24 311. Q. Yes.
- 25 A. It's hard to think off-hand.

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- 1 299. Q. Okay.
- 2 A. And then I believe it was UK.
- 3 300. Q. Do you recall a city in the UK?
- 4 A. It was right outside...
- 5 301. Q. Was it Manchester?
- 6 A. It was outside of Manchester, but I
- 7 guess it could be.
- 8 302. Q. Okay.
- 9 A. People it called it Manchester but
- 10 it was a little bit...a little town outside of it.
- 11 303. Q. Okay. Who are the other ones?
- 12 A. The last one I did, which was right
- 13 before coming near the end of my employment was in
- 14 Niagara Falls.
- 15 304. Q. And when we talk about convention
- 16 planning, these are conventions of affiliates that
- 17 the...conventions of the affiliates and the
- 18 independent contractors would attend, like the one
- 19 in Portugal?
- 20 A. Similar, yes.
- 21 305. Q. Okay. All right. So, is there
- 22 anything else that we haven't discussed that you
- 23 can...in terms of what you did for Mr. Dixit while
- 24 you were his executive assistant?
- 25 A. No, that covers most of it. I

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- 1 312. Q. No, I think that we should do that,
- 2 because I have some notes about things that I wanted
- 3 to take you through, and you can tell me if you had
- 4 any involvement...
- 5 A. Sure.
- 6 313. Q. ...with them. First of all I take
- 7 it while you were working for Mr. Josun and then
- 8 subsequently for Mr. Dixit, this was a full time
- 9 job?
- 10 A. It was a full time job.
- 11 314. Q. And when you were working for Mr.
- 12 Dixit, which office did you work out of?
- 13 A. I went to Oshawa and I think it was
- 14 1019 Nelson to start with.
- 15 315. Q. Right. Okay and then after that did
- 16 it change to 5 Carlow Court?
- 17 A. It changed intermittently between
- 18 1019. It was another consumers briefly, which was
- 19 just rented office space.
- 20 316. Q. Right.
- 21 A. And then it was 5 Carlow Court.
- 22 317. Q. And then another consumers, do you
- 23 mean Consumers road...
- 24 A. Sorry, yes.
- 25 318. Q. ...address.

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- 1 A. Sorry.
 2 319. Q. All right. Do you recall the
 3 address?
 4 A. Not off hand.
 5 320. Q. And would you work from home
 6 sometimes, as well during this period? Or would you
 7 come into the office every day?
 8 A. Sometimes, but mainly into the
 9 office.
 10 321. Q. Okay. So, this...let's go
 11 through...I wanted to go through my list in terms of
 12 aspects of the business, and you can tell me whether
 13 or not you had any contact with them or involvement?
 14 A. Sure.
 15 322. Q. And the first one I had was
 16 commission calculations, and I think we've talked
 17 about commission calculations in respect of
 18 independent contractors?
 19 A. That's correct.
 20 323. Q. What about payouts to affiliates?
 21 A. I think you already asked that but
 22 it was no.
 23 324. Q. No?
 24 A. Yes.
 25 325. Q. So...and by payouts to

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- 1 329. Q. But in your capacity as providing
 2 training on customer service to the independent
 3 contractors, would you explain to them how the back
 4 office worked?
 5 A. Yes.
 6 330. Q. And so, how...I appreciate it may
 7 have evolved over time, but how did it work, the
 8 payouts to affiliates, from a back office
 9 perspective?
 10 A. From a back office, I didn't have
 11 access to any of...like I couldn't do anything in
 12 the back office, so they would just their...the
 13 methods of withdrawal were different in each
 14 country.
 15 331. Q. I see.
 16 A. So, whatever one that they applied
 17 for or whatnot, that's how they would be paid. But
 18 I didn't have anything to do with payouts so I
 19 wouldn't really be...
 20 332. Q. So, from an administrative
 21 perspective you had nothing to do with payouts.
 22 From an independent contractor training perspective
 23 you explained to them how the back office worked?
 24 A. Yes, that's correct.
 25 333. Q. What about travel bookings. Were

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- 1 affiliates...let me ask this because I know I didn't
 2 ask this. What was the process in respect of payouts
 3 to the affiliates? If I'm an affiliate and I have
 4 money in my Banners Broker account, how do I
 5 withdraw that money? What was your understanding at
 6 the time of the process?
 7 A. There were several different
 8 processes. I couldn't list them right now. But I
 9 wasn't involved. I was mostly involved with
 10 independent contractors and the customer service
 11 side. But everything was laid out in the back
 12 office. There was...
 13 326. Q. Okay.
 14 A. ...Payza. There was a few.
 15 327. Q. Now the back office, do you just use
 16 that as the term back office, or was there a
 17 physically a...
 18 A. No, that's a term. So, everything
 19 was online for the affiliates. So, their back
 20 office refers to when they logged in to their
 21 Banners Broker account. Their back office, their
 22 eWallet.
 23 328. Q. Right.
 24 A. Their panels, their purchase
 25 history. That's what I mean by back office.

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- 1 you involved in making travel arrangements?
 2 A. I was.
 3 334. Q. For people within the Banners
 4 Brokers group?
 5 A. Yes.
 6 335. Q. And so, that would include Mr.
 7 Dixit, presumably when you were working for him?
 8 A. It included Mr. Dixit and a few
 9 other people.
 10 336. Q. Okay. Who were the other people
 11 that you would make travel arrangements for?
 12 A. Anyone that travelled I made a
 13 booking.
 14 337. Q. Okay.
 15 A. So, I can't really recall the full
 16 list.
 17 338. Q. Right, but it was everyone who
 18 travelled, that you would be responsible for
 19 booking?
 20 A. No. There was only periods of time
 21 where I did booking. There was other periods of
 22 time where it was someone else's responsibility.
 23 339. Q. Okay. But it was always one person
 24 or another that was charged with travel booking
 25 responsibilities? Like it wasn't a team that

1 would...

2 A. No.

3 340. Q. It was either yourself or who?

4 A. There was a few other people. I

5 couldn't...

6 341. Q. Brea Hardowa, was she one?

7 A. I wouldn't be able to give you an

8 answer to that.

9 342. Q. Okay. So, apart from yourself you

10 don't know the names of anyone else who did travel

11 bookings?

12 A. I'm sorry I can't remember.

13 343. Q. Okay. I have a note here in

14 relation to seminars.

15 A. Okay.

16 344. Q. Are seminars the same as

17 conventions?

18 A. No.

19 345. Q. So, what is the difference between a

20 seminar and a convention?

21 A. To my knowledge, it depends on the

22 language. Different terms. Right, but a

23 seminar...different affiliates could hold their own

24 seminar. It just basically explains what the

25 Banners Broker is and they're trying to get

1 or training who?

2 A. Training of the back office, so

3 anyone.

4 352. Q. So, training affiliates?

5 A. Affiliates were in the room.

6 353. Q. Right.

7 A. But it wasn't...I wasn't training

8 them, I was giving a lecture.

9 354. Q. Okay.

10 A. Or, if you want to call it that.

11 Just a brief 15-minutes.

12 355. Q. Okay. And did you have a

13 PowerPoint?

14 A. Did I have a PowerPoint? I don't

15 remember. Sorry.

16 356. Q. And what were you lecturing them on?

17 Like, I know training, and you've used the term

18 back office, but just tell me a little a bit more.

19 A. I'm sorry, I can't remember.

20 357. Q. Training them...do you recall if you

21 were training them on payouts from their accounts?

22 A. No. That was never anything I ever

23 trained or discussed.

24 358. Q. Did you...

25 A. Chris Smith was the only

1 affiliates to join their team.

2 346. Q. And did you have any involvement in

3 either in setting up seminars?

4 A. No, that was affiliate.

5 347. Q. Okay. Did you ever participate in

6 any seminars?

7 A. What do you mean by participate?

8 348. Q. Like appear at a seminar, either in

9 person or online and present something?

10 A. In...what convention was it?

11 Ireland I believe.

12 349. Q. Yes?

13 A. I spoke from a training perspective.

14 350. Q. Okay. And tell me about that. What

15 was...just describe it for me. Like, how many

16 people were in the room, how long did you speak for,

17 did you take questions? Just describe for me so I

18 have a picture in my mind as to what happened in

19 Ireland.

20 A. Sorry, it was a long time ago. I

21 think there was about 600 people, maybe. I didn't

22 take any questions, and I don't remember what I

23 spoke on. Sorry. It was something to do with

24 training.

25 351. Q. Training of independent contractors,

1 responsible, to my knowledge, for payouts.

2 359. Q. Did you train...do you recall if you

3 trained them on purchasing packages of banners?

4 A. No.

5 360. Q. You don't recall, or you recall that

6 you didn't?

7 A. When I was speaking in...

8 361. Q. In Ireland.

9 A. ..in talking about, no.

10 362. Q. No. So, you don't recall or you

11 recall that you didn't?

12 A. Sorry, can you repeat the question?

13 363. Q. I just want...and I appreciate that

14 you may not have any current recollection of it.

15 But to the extent that we can, I would like to know

16 what it was that you lectured on in Ireland. And

17 you've told me that you lectured on the back office?

18 A. Can I have a minute to think? Sorry.

19 364. Q. Sure, yes, by all means.

20 A. Because it was two years ago, my

21 mind...it could have...see I can't give you a

22 definite answer. I don't remember. Panels maybe?

23 365. Q. Okay, apart from possibly training

24 on panels, is there anything else that you recall

25 about the training that you provided to the

1 affiliates at the convention in Ireland?
 2 A. No.
 3 366. MR. WARD: Why don't we just take...off
 4 the record.
 5
 6 --- A BRIEF RECESS
 7
 8 STEPHANIE ROSE SCHLACHT, resumed
 9 CONTINUED EXAMINATION BY MR. WARD:
 10 367. Q. So, before the break we were just
 11 going through a list of Banners Broker related
 12 functions and I was asking you whether or not you
 13 recall having any involvement in certain of these
 14 items. Okay?
 15 A. M'hmm.
 16 368. Q. And we talked about seminars. The
 17 next one that I had on my list was preparation of
 18 training manuals. Was that something that you
 19 recall, either when you were working with Mr. Josun
 20 or Mr. Dixit. That you might have been involved in,
 21 in some way?
 22 A. I didn't...are you asking if I
 23 compiled the training manual?
 24 369. Q. Just...was involved in any way in
 25 the preparation, editing, distribution, writing.

1 A. I couldn't be certain...it was so
 2 long ago.
 3 374. Q. Did you ever see a training manual?
 4 A. Yes.
 5 375. Q. Okay, and is it a document that
 6 existed in physical form or was it an electronic
 7 document?
 8 A. It was both.
 9 376. Q. Okay. And when you say that you
 10 gave it to independent contractors. How did you get
 11 it to them?
 12 A. When I went to go...because most of
 13 the time we did visit that country, and I would give
 14 it to them physically.
 15 377. Q. I see. Okay. And you were...and
 16 you mentioned that you were doing training for
 17 independent contractors?
 18 A. Yes.
 19 378. Q. Right. So, presumably you
 20 would...as part of that exercise you were familiar
 21 with the training manuals. Like you...
 22 A. I was.
 23 379. Q. ...understood the contents?
 24 A. Yes.
 25 380. Q. Okay. And did you contribute to the

1 You tell me. Anything to do with training manuals
 2 at all.
 3 A. I was involved lightly with it.
 4 370. Q. Okay. And describe for me what you
 5 mean by "lightly"?
 6 A. I wasn't in charge of building it,
 7 but if...I gave it to the independent contractors,
 8 so, I don't know if that's distributing it. I gave
 9 it to them as a reference guide. But the person who
 10 wrote it, that's Grant. He was in charge of that.
 11 371. Q. So, and maybe we can be more
 12 specific about the type of training manuals that
 13 we're talking about.
 14 A. Okay.
 15 372. Q. Are these training manuals for
 16 independent contractors or affiliates?
 17 A. I couldn't be certain. It was just
 18 like a customer support. And Grant did write one
 19 about...I don't know. I was only in the support
 20 aspect, so anything above that scope wasn't in my
 21 realm of duties.
 22 373. Q. But as a customer support person can
 23 you tell me, was there more than one training
 24 manual, or was there just one? What are we talking
 25 about?

1 development of the training manual? Like, did you
 2 edit it, or did you improve it if there was
 3 something that you could be improved?
 4 A. No, that was Grant's responsibility.
 5 381. Q. Okay. So, if you had suggestions on
 6 improving the training manual, would you give them
 7 to Grant, and then Grant would edit the training
 8 manual?
 9 A. Yes, Grant was responsible for the
 10 training manual.
 11 382. Q. Okay. But I take it you had input
 12 into the training manual, but it was through Grant?
 13 A. It was through Grant.
 14 383. Q. Were there training manuals that
 15 were prepared specifically for affiliates?
 16 A. Not...I think other affiliates wrote
 17 their own, but no, there was never an affiliate to
 18 my knowledge.
 19 384. Q. Okay. Were there ever any other
 20 training manuals, apart from the...to your
 21 knowledge, apart from the one that you would give to
 22 the independent contractors?
 23 A. I don't know.
 24 385. Q. And did Banners Broker have a policy
 25 manual, to your knowledge?

- 1 A. I think there was policies on the
2 website.
3 386. Q. Okay. And what did the policies on
4 the Banners Broker website concern?
5 A. I don't know. I don't remember.
6 387. Q. But you would have known at the
7 time, presumably?
8 A. Not off hand. I could reference the
9 website. But that wasn't...I didn't deal with any
10 of those things in my duties.
11 388. Q. So, if an independent contractor had
12 a question for you on a policy, would you not just
13 go to the website and answer the question?
14 A. I would. And if I wasn't certain
15 then I would go to the correct person who could
16 answer it.
17 389. Q. Okay. Did you ever have any
18 dealings with Banners Brokers...with lawyers who
19 might have acted for Banners Broker?
20 A. For Banners Broker International?
21 390. Q. Or Banners Broker Limited. So
22 maybe, because I appreciate that you have this
23 distinction in your mind, which is a fair one. So,
24 let's start with Banners Broker Limited?
25 A. Limited?

- 1 391. Q. Or Stellar Point, because it became
2 Stellar Point.
3 A. What do you mean? Can you clarify
4 the question?
5 392. Q. Did you ever deal with in the course
6 of your working for, first of all, Mr. Josun, and
7 subsequently Mr. Dixit. Did you ever have any
8 meetings or contacts, or telephone calls, or
9 correspondence with lawyers?
10 A. I did.
11 393. Q. Okay. And so, tell me about that.
12 Were there a lot of meetings, or were there just
13 some?
14 A. I don't...two people can have a
15 different opinion of a lot.
16 394. Q. M'hmm. So, why don't you just tell
17 me what was the nature and extent of your contacts
18 with lawyers on behalf of...
19 A. Limited. I only booked the
20 appointments. I maybe sat in on a few, but
21 generally speaking it was just setting the
22 appointment up if there was one needed.
23 395. Q. Okay. And so, would that be setting
24 up an appointment with...for Mr. Josun, or Mr...
25 A. No, no. I never did any of that

- 1 stuff.
2 396. Q. So, it would be setting up
3 appointments with lawyers and Mr. Dixit?
4 A. That's correct.
5 397. Q. And the lawyers...was that the
6 Macdonald Sager Manis firm?
7 A. Yes.
8 398. Q. Okay. Was it a Don Gray (phon.),
9 was the lawyer?
10 A. No.
11 399. Q. David Gray?
12 A. That I believe so, yes.
13 400. Q. Okay. And, on occasion did you
14 accompany Mr. Dixit to the meetings with David Gray?
15 A. I believe one.
16 401. Q. Okay. And was that a Banners Broker
17 related meeting?
18 A. No. Stellar Point related.
19 402. Q. And what else...what was the purpose
20 of the Stellar Point related meeting?
21 A. I don't remember, sorry. It was so
22 long ago.
23 403. Q. Did you take notes at the meeting?
24 A. I may have.
25 404. Q. Okay. I mean, as an executive

- 1 assistant, I take it...was it your habit to take
2 notes, or...
3 A. Yes.
4 405. Q. Okay. And what did...and if you had
5 taken notes or...let me put it this way. Are there
6 any, and Karen perhaps you want to answer this. One
7 of the things that the Receiver is interested in
8 receiving, and it's a question we ask of all
9 witnesses. Are there any Banners Broker, Stellar
10 Point or Dixit related holdings files, records,
11 notes, correspondence, documents, data that...
12 MS. DOSANJH: Right. I saw that in one
13 of the...
14 406. MR. WARD: Right.
15 MS. DOSANJH: ...orders as well.
16 407. MR. WARD: That you've either brought
17 with you today...
18 THE DEPONENT: No.
19 408. MR. WARD: ...or alternatively you have
20 access to and that you can give us an
21 undertaking to produce?
22 THE DEPONENT: No.
23 MS. DOSANJH: I would have to ask.
24 THE DEPONENT: Yes, no. I took all my
25 notes on a computer and when I was let

1 go...
 2 MS. DOSANJH: Did you return the
 3 computer?
 4 THE DEPONENT: I returned it. Yes, it
 5 was a laptop.
 6 MS. DOSANJH: Okay.
 7 409. MR. WARD: Okay.
 8 MS. DOSANJH: I get what your saying.
 9 Like an undertaking for disclosure.
 10 THE DEPONENT: Yes, no. I don't have
 11 anything.
 12 MS. DOSANJH: I don't know if she has
 13 any.
 14 THE DEPONENT: Sorry.
 15
 16 BY MR. WARD:
 17 410. Q. And the laptop, you returned it when
 18 you were let go. To who?
 19 A. To, I believe, Mr. Dixit. I left
 20 it in the office when I left.
 21 411. Q. Okay. And the office, just so we're
 22 clear, was the office in Whitby?
 23 A. Five Carlow Court.
 24 412. Q. Five Carlow Court in Whitby?
 25 A. That's correct.

1 413. Q. Okay, apart from the Macdonald Sager
 2 Manis and David Gray, were there any other lawyers
 3 or law firms that you had contact with during the
 4 period you were working at Banners Broker Limited or
 5 Banners Broker? On behalf...and let me...
 6 A. No.
 7 414. Q. ...rephrase that question, because I
 8 appreciate you were working at Banners Broker
 9 Limited. Just as a general matter, were there any
 10 other lawyers apart from David Gray that you had
 11 contact with?
 12 A. Not that I recall.
 13 415. Q. In relation to the work that you did
 14 at Banners Broker?
 15 A. No. I don't remember. Sorry, I
 16 don't think so.
 17 416. Q. And so, apart from that one meeting
 18 that you mentioned, where you attended with Mr.
 19 Dixit to meet David Gray at Macdonald Sager Manis,
 20 you don't recall any other meetings with lawyers?
 21 A. No.
 22 417. Q. Okay. And you don't recall the
 23 purpose of that meeting?
 24 A. I don't remember.
 25 418. Q. How about accountants or

1 bookkeepers?
 2 A. I didn't do any of that. That
 3 wasn't on my duties.
 4 419. Q. Did you have any contacts with
 5 accountants or bookkeepers in your capacity as
 6 working for Mr. Josun...
 7 A. Um...
 8 420. Q. ...just let me question on the
 9 record.
 10 A. Okay.
 11 421. Q. And Mr. Dixit? And I use the word
 12 "contact" broadly. Either meetings, correspondence,
 13 telephone calls?
 14 A. With Mr. Josun, I organized his
 15 receipts once.
 16 422. Q. Okay, but that wouldn't...
 17 A. I didn't do anything. Oh, you mean
 18 if....I didn't do any accounting myself. Like if I
 19 had any...I wasn't really...that wasn't in my duty,
 20 but if a receipt was given to me, I would either
 21 give it to Jeanette, who was the office manager.
 22 423. Q. Right. I'm not talking...Stephanie,
 23 I'm not talking so much receipts right now, but I'm
 24 talking...
 25 A. You mean financials?

1 424. Q. No, I'm just talking interacting
 2 with third parties, like for instance Mary Febbrini?
 3 A. If it was setting up meetings.
 4 425. Q. Okay.
 5 A. Just basically meeting times.
 6 426. Q. Setting up meetings for?
 7 A. Whoever.
 8 427. Q. Mr. Dixit?
 9 A. Or whoever she needed to meet with.
 10 She met with Jeanette often because Jeanette was the
 11 office manager.
 12 428. Q. And who is "she" that you're
 13 referring to?
 14 A. Jeanette Kennedy.
 15 429. Q. Right, but who would meet with
 16 Jeanette Kennedy?
 17 A. I don't know. You would have to ask
 18 her.
 19 430. Q. But was it Mary Febbrini that...I
 20 just want to make sure we're on the same page here.
 21 Like, Mary Febbrini, I understood her...and correct
 22 me if I'm wrong, but was she not the bookkeeper for
 23 Stellar Point?
 24 A. To my knowledge, I think so.
 25 431. Q. Okay. And so, the appointments you

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1 were setting up. Were you setting up appointments
2 with Mary or somebody else? Just so I'm not
3 confused. I don't want to be confused.

4 A. Well, I set up lots of meetings.
5 What are you referring to?

6 432. Q. Just meetings having to
7 do...meetings with bookkeepers or accountants. And
8 I'm talking external to Banners Broker, okay?

9 A. Are you talking about Stellar Point
10 or Banners Broker International?

11 433. Q. Both. Both.

12 A. I had nothing to do with Banners
13 Broker International. I worked solely for Banners
14 Broker Limited.

15 434. Q. Okay. So, we're talking about
16 Banners Broker Limited or Stellar Point. And were
17 you involved at any point...so describe for me the
18 meetings that...

19 A. I didn't sit in. If she needed to
20 come and grab receipts that was the extent of it.
21 Extent of my...

22 435. Q. No I appreciate that. But my
23 question is, just in terms of the meetings that you
24 set up on behalf of Banners Broker Limited with
25 accountants or bookkeepers. Who was in the meetings

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1 Point bills, invoices that came in. Were you
2 involved at any point in paying invoices?

3 A. I think I paid...no I wasn't
4 involved, that wasn't my duty. I think I paid one
5 sewage bill once, but just dropped the cheque off.
6 I wasn't involved in invoices.

7 443. Q. But I know, and we're going to get
8 to that you were involved in organizing conventions.

9 A. Okay.

10 444. Q. So, in that context?

11 A. Oh, in that context.

12 445. Q. For example, I assume that you were
13 paying third party invoices in that context?

14 A. Then I would...yes...then I would
15 take that invoice to the applicable party.

16 446. Q. So, just walk me through the process
17 then. If you're planning a convention in the UK,
18 for example, Manchester. And, presumably that would
19 include making hotel arrangements?

20 A. Yes. It depended. Sometimes it was
21 either done...I would deal directly with Brea. I
22 would send her the invoice and she would pay it, or
23 Stellar Point would pay it on behalf of Banners
24 Broker International and then invoice Banners Broker
25 International.

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1 that you were setting up?

2 A. The only person I ever set up to
3 meet regarding those issues was Mary.

4 436. Q. Mary Febbrini?

5 A. I don't know her last name, I'm
6 sorry.

7 437. Q. Was it Mary from Liberty Tax
8 Services?

9 A. Yes.

10 438. Q. Okay. And the meetings that you set
11 up, where would they take place?

12 A. Mostly it was just a brief to come
13 pick up receipts, or if she needed to speak to Raj
14 directly, it would be in his office.

15 439. Q. Okay, so Mary would come to the
16 Stellar Point office to meet with people, correct?

17 A. Correct.

18 440. Q. From time to time?

19 A. From time to time, correct.

20 441. Q. Okay. And in terms of the next
21 matter that I want to talk about was paying bills on
22 behalf of, for example, Kuldip Josun and then
23 subsequently Rajiv Dixit.

24 A. M'hmm.

25 442. Q. Banners Broker Limited or Stellar

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1 447. Q. And if Stellar Point was to pay the
2 invoice on behalf of Banners Broker International
3 and then invoice Banners Broker International, is
4 that something you would have done? Or was there
5 somebody else who did that?

6 A. There was someone else who wrote up
7 the invoices. I just passed on the information.

8 448. Q. Okay. And so, when the invoice came
9 in from the third party, for example in relation to
10 Manchester.

11 A. M'hmm.

12 449. Q. Who would you pass it on to?

13 A. If it came...it depends. I already
14 answered that. I would either pass it on directly
15 to Brea, or I would pass it to either Jeanette or
16 show it Raj. But Jeanette was in charge of paying
17 bills for Stellar Point, so most likely it would be
18 her.

19 450. Q. And what's Jeanette's last name?

20 A. Kennedy.

21 451. Q. So, apart from passing on the
22 invoices that came in to Jeanette, or in some cases
23 Raj or Brea. Were you involved in any other aspect
24 of paying those invoices?

25 A. No.

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1 452. Q. Once they were approved you wouldn't
2 be responsible for either putting a cheque in the
3 mail or arranging a wire to pay the service
4 provider?

5 A. I didn't have...it wasn't in my job
6 description. Like I would just passed it on. And
7 then I would follow up to make sure that it was
8 paid, but I wasn't the one paying them. I didn't
9 have that responsibility.

10 453. Q. And you didn't do that at all, I
11 take it, from what you are telling me. It's not
12 just a question of responsibility, it's just
13 something that you didn't do?

14 A. I didn't have access to bank
15 accounts.

16 454. Q. Okay.

17 A. For Stellar Point. Like I said, if
18 something needed...to my knowledge, I recall I
19 dropped off a cheque for the sewage once, but I
20 wasn't...it was Jeanette Kennedy's responsibility
21 for those things.

22 455. Q. And was Jeanette Kennedy at Stellar
23 Point throughout the entire period that you were
24 there?

25 A. She was.

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1 information.

2 462. Q. Okay.

3 463. Q. Just in terms of email accounts, did
4 you Stephanie...I assume that you had your own
5 Banners Broker email account?

6 A. I had a Stellar Point email account.

7 464. Q. Okay, and prior to Stellar Point,
8 did you have a Banners Broker email account?

9 A. I believe so.

10 465. Q. Okay. So, you had a personal...

11 A. Personal.

12 466. Q. ...ones?

13 A. That's correct.

14 467. Q. And did you have as Mr. Dixit's
15 executive assistant...did you have access to his
16 personal Banners Broker related email accounts as
17 well?

18 A. His Stellar Point. I had access to
19 his Stellar Point email.

20 468. Q. And was that because in the course
21 of your duties as executive assistant you would have
22 to go into his inbox and review his emails and...

23 A. Yes.

24 469. Q. ...respond to them?

25 A. I wouldn't have to respond...I would

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1 456. Q. Let's talk a bit about bank
2 accounts. And in fairness, this is something that
3 we'll get to a bit later too with reference to some
4 of the documents.

5 A. Yes.

6 457. Q. But you mentioned that you didn't
7 have signing authority on bank accounts?

8 A. Stellar Point, no. I was briefly on
9 Dixit Holding, just in case I needed to pay a bill,
10 but I think I only signed one cheque and then I was
11 removed. It was just for...what's the word I'm
12 looking for...I don't know. I was Raj's assistant,
13 so you know what I mean. It made things easier, but
14 I would never use it.

15 458. Q. So, that's Dixit Holdings side,
16 right?

17 A. Yes.

18 459. Q. But in terms of Stellar Point then?

19 A. No, I was never on the bank account.

20 460. Q. So, you never had signing authority
21 in any bank accounts?

22 A. No.

23 461. Q. You couldn't go online and make
24 payments on behalf of Stellar Point?

25 A. No, I was never given that

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1 respond to the ones that I could.

2 470. Q. Okay.

3 A. But it wasn't...yes.

4 471. Q. Okay. And was that something that
5 you would do on a day to day basis?

6 A. Yes.

7 472. Q. What about Chris Smith or Kuldip
8 Josun. Did you similarly have...

9 A. No.

10 473. Q. ...access to their email accounts?

11 A. No I didn't.

12 474. Q. Was there anyone else within Stellar
13 Point that you had access to their email accounts?

14 A. No.

15 475. Q. Through the course of fulfilling
16 your responsibilities?

17 A. No.

18 476. Q. How about opening mail that came
19 into Stellar Point? Was that something that...

20 A. No.

21 477. Q. ...you would do as well?

22 A. No.

23 478. MR. WARD: Just excuse us for a minute.

24
25 --- DISCUSSION OFF THE RECORD

1 479. Q. All right, just to continue on then.
2 In terms of the mail that would come in that was
3 addressed to yourself. Presumably you would open
4 that Stephanie?

5 A. I never received any mail addressed
6 to myself.

7 480. Q. And if there was mail that came in
8 that was addressed to Mr. Dixit, would you open that
9 for him in your capacity as...

10 A. No.

11 481. Q. ...his executive assistant?

12 A. I would put it on his desk.

13 482. Q. And similarly, courier packages,
14 deliveries, anything of that nature. How would you
15 handle that?

16 A. I would put it on his desk.

17 483. Q. Without opening them?

18 A. Well if they were bills that were
19 coming in, those went to Jeanette.

20 484. Q. Right.

21 A. And most of the mail went to her.
22 If a package came I didn't generally open them to my
23 knowledge.

24 485. Q. But the mail that came in, just to
25 be clear, you would look at it to see if it was a

1 A. M'hmm.

2 492. Q. And can you just describe for me
3 what Stellar Point was doing for Banners Broker in
4 relation to the social media presence?

5 A. That wasn't in any realm of my job
6 description but I believe...I couldn't answer that.
7 I don't know. Probably a Facebook account. Or no,
8 I don't even think so. I don't know, sorry.

9 493. Q. But you knew that...

10 A. There was social media people hired.
11 I'm not sure if they did it for Banners Broker or if
12 it was for Stellar Point. Trying to promote Stellar
13 Point to gain different clients.

14 494. Q. Right.

15 A. I'm not sure. I wasn't involved in
16 that.

17 495. Q. Okay. So, you had no involvement in
18 monitoring social media. What about
19 updating...correct?

20 A. Sorry?

21 496. Q. Did you have any involvement in
22 monitoring Facebook or Twitter accounts on behalf of
23 Stellar Point or Banners Broker?

24 A. No.

25 497. Q. What about updating the Banners

1 bill, and then either leave it...

2 A. It never came to me.

3 486. Q. ...on his desk?

4 A. It always came into reception and
5 reception...I don't know. I believe they gave it to
6 Jeanette.

7 487. Q. But other mail that was addressed to
8 Mr. Dixit would come to you?

9 A. It would come to me and I would pass
10 it on.

11 488. Q. Without opening it?

12 A. I didn't open it on a regular habit.
13 If he asked me...if he was out of the office and
14 asked me to open it I'm sure I would have obliged.

15 489. Q. Were you involved in...we talked
16 about paying bills and you have told me about that.
17 What about paying other employees within Stellar
18 Point or anything...

19 A. No.

20 490. Q. You didn't have any involvement in
21 that?

22 A. No.

23 491. Q. The social media presence of Banners
24 Broker I understand that Stellar Point had some
25 responsibility in that regard as well?

1 Broker website?

2 A. No.

3 498. Q. Any involvement in Banners Broker
4 mobile?

5 A. No. I don't even know what that is.

6 499. Q. And we talked about questions coming
7 in from independent contractors and I think that we
8 have covered that. But what about questions that
9 came in over email or on the phone from affiliates
10 of Banners Broker?

11 A. Ah, no.

12 500. Q. Would you...and the question is, did
13 you have any involvement in responding to questions
14 that came in from Banners Broker affiliates?

15 A. No.

16 501. Q. Okay. So, if...who would respond to
17 questions that came into Mr. Dixit from Banners
18 Broker affiliates?

19 A. Questions that came into the Stellar
20 Point call centre? That would be the team
21 hired...the team hired to answer the phones.

22 502. Q. Okay.

23 A. And they had managers in place. But
24 I wasn't...I didn't have any involvement with them.

25 503. Q. But we know that you had access to

S. R. Schlacht - 86

1 Mr. Dixit's email account, so if there were
2 questions that were coming in from affiliates to
3 that account?

4 A. No questions came into his account.

5 504. Q. From affiliates?

6 A. No.

7 505. Q. How about preparing contract
8 documents for independent contractors?

9 A. No, I wasn't involved in that.

10 506. Q. Or forwarding them contract
11 documents to be signed so that they could become
12 independent contractors. Was that a part of...

13 A. Anything that needed signing was
14 generally my duty. But I believe that those were
15 already in place when I started.

16 507. Q. I want to talk about wire transfers.

17 A. Okay.

18 508. Q. And again, more specifically we'll
19 get to the documents at some point. But as a
20 general matter, did your responsibilities include
21 sending out or receiving wire transfers on behalf of
22 Stellar Point?

23 A. No.

24 509. Q. Apart from your formal
25 responsibilities and duties, was that something that

S. R. Schlacht - 88

1 then be responsible for sending them.

2 514. Q. Okay.

3 A. Or someone. I don't know if it was
4 him directly, but it wasn't anyone from Stellar
5 Point.

6 515. Q. Okay. And we're talking now about
7 wire transfers to independent contractors. Correct?

8 A. Solely to independent contractors.

9 516. Q. Okay. What about wire transfers
10 between financial institutions that...

11 A. No.

12 517. Q. ...Stellar Point banked with?

13 A. The only thing that I was ever
14 responsible or had knowledge about was just
15 independent contractors. Nothing else.

16 518. Q. Okay. So, who was responsible for,
17 within Stellar Point, for wire transfers that went
18 between financial institutions and Stellar Point, or
19 Stellar Point and Banners Broker International?

20 A. You would have to ask Raj about
21 that.

22 519. Q. Okay.

23 A. It wasn't me.

24 520. Q. Was it anyone...was it Mr. Dixit
25 that was responsible for that?

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1 you ever did? Were you ever involved in receiving
2 or sending wire transfers or wire transfer
3 instructions?

4 A. No. The only wires I was ever
5 responsible for making sure they were sent, was in
6 regards to the Ics. So, I took their wire details
7 and passed them along to Brea and then it was Chris
8 that took care of those wires.

9 510. Q. When you say...first of all was Brea
10 working with Chris for the entire period of time
11 that you were at...

12 A. No.

13 511. Q. ...at Stellar Point? So, when Brea
14 wasn't there who would...how would you handle these
15 wire transfers that we're talking about?

16 A. I didn't deal with those until I was
17 in Oshawa. She was hired before the Portugal
18 convention.

19 512. Q. Okay. And when you mentioned a
20 minute ago that Chris would deal with the wire
21 transfers. I take it by that you mean he would
22 approve or...

23 A. He would sign them.

24 513. Q. ...not approve?

25 A. He would approve, not approve, and

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1 A. I don't know.

2 521. Q. Do you know whether anyone apart
3 from Mr. Dixit was responsible for that?

4 A. I don't know.

5 522. Q. Did you ever...so you never came
6 across any records having to do with wire transfers
7 in the course of...

8 A. Just to do with independent
9 contractors. But I never saw...I was never given
10 any wire...I was only given wire information from
11 the independent contractors on where Chris, or
12 whoever he had to do it, wire the money.

13 523. Q. Okay. And apart from wire
14 transfers, because that's one way of transferring
15 money. There's obviously other ways to transfer
16 money between Banners Broker and Stellar Point.

17 A. I was never responsible for any
18 money transfer of any kind.

19 524. Q. So, you weren't responsible for
20 online banking transfers or...

21 A. No.

22 525. Q. Did you ever deal with a bank called
23 Choice Bank?

24 A. No.

25 526. Q. Or Via Bank?

S. R. Schlacht - 90

- 1 A. No. I didn't deal with any banks.
 2 527. Q. So, who...I mean you were there for
 3 two...almost two years. Do you know who dealt with
 4 banks at Stellar Point?
 5 A. The only bank account I had
 6 knowledge was the CIBC Stellar Point account. Any
 7 other accounts I don't have any knowledge about.
 8 528. Q. Did you know that there were other
 9 accounts apart from the CIBC bank account?
 10 A. Are you talking about
 11 Banners...Chris Smith and Banners Broker
 12 International? Are you talking about Stellar Point?
 13 529. Q. Well let's start with Stellar Point?
 14 A. No.
 15 530. Q. What about Banners Broker
 16 International?
 17 A. I know Chris...through word...you
 18 know people talk...I know that he had some offshore
 19 accounts, but I wouldn't be able to tell you which
 20 bank or...actually I do know one.
 21 531. Q. Tell me about that.
 22 A. The one that's in Isle of Man but
 23 that's just because it's public knowledge.
 24 532. Q. Right. So, in terms of Stellar
 25 Point, you are aware of an account at CIBC, correct?

S. R. Schlacht - 92

- 1 541. Q. Right.
 2 A. But I never had access to it, never
 3 knew details.
 4 542. Q. So, just while we are on that point,
 5 because you'll appreciate it's an important point
 6 from a Receiver's perspective.
 7 A. No, I know.
 8 543. Q. It has nothing to do with you.
 9 A. No, I know.
 10 544. Q. It does have to do with Mr. Josun.
 11 What did you hear about the account in Switzerland?
 12 A. I just heard that...when he
 13 separated ways that he took off with three, four
 14 million dollars.
 15 545. Q. Okay. And who did you hear that
 16 from?
 17 A. I can't remember. It wasn't an
 18 executive or anything. It was just an employee, I
 19 don't remember though.
 20 546. Q. Like when...it's pretty big news.
 21 Because it was your former boss, right. You would
 22 probably remember...
 23 A. It was probably...
 24 547. Q. ...how you heard?
 25 A. It was probably around the time just

S. R. Schlacht - 91

- 1 A. That's the only one that I'm aware
 2 of.
 3 533. Q. So, just to be clear, at no point...
 4 A. You guys snooped my Facebook, eh?
 5 534. Q. So, apart from the CIBC...
 6 A. Hold on...
 7 535. Q. Yes, we'll get to...
 8 A. Sorry.
 9 536. Q. ...we may or may not get to that
 10 Stephanie. We may or may not get to that after.
 11 A. Crazy. I'm gonna take myself off
 12 Facebook. Sorry, go on.
 13 537. Q. Just to be completely clear, you
 14 weren't aware of Stellar Point having any...
 15 A. No.
 16 538. Q. ...offshore bank accounts?
 17 A. No, just the CIBC one as I stated
 18 three times.
 19 539. Q. How about Mr. Josun?
 20 A. Honestly I didn't know anything
 21 about his banking. I know he...through heresay, but
 22 I didn't deal with it directly.
 23 540. Q. Right.
 24 A. I know he had an offshore in
 25 Switzerland or something.

S. R. Schlacht - 93

- 1 right after Portugal.
 2 548. Q. Okay, but you don't recall anything
 3 more about...
 4 A. No.
 5 549. Q. ...learning that he may have had an
 6 account in Switzerland with three or four million
 7 dollars? In terms of who or when, or how?
 8 A. I didn't really ask any questions.
 9 550. Q. But you were surprised?
 10 A. A little bit, yes. That's a lot of
 11 money.
 12 551. Q. Okay. And when was the last time
 13 that you spoke with Mr. Josun?
 14 A. Ah, the last...
 15 552. Q. Or had any contact with him of any
 16 kind?
 17 A. It would have been in Portugal.
 18 553. Q. Okay. And how about Christopher
 19 Smith. When was the last time you had any contact
 20 with him of any kind?
 21 A. Probably in August 2013, when I was
 22 let go.
 23 554. Q. And how about Mary Febbrini?
 24 A. I don't have any contact with her,
 25 probably since my...well she had my personal taxes

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- 1 but that has nothing to do with this. Stellar
 2 Point...any issues with Stellar Point would have
 3 been August when I was let go.
 4 555. Q. Right. Now in terms of...just
 5 before we leave banking as a general matter. Did
 6 you at any point while you were working for Mr.
 7 Josun or Mr. Dixit...were you issued a Vector card
 8 or cards?
 9 A. Was I issued?
 10 556. Q. Yes.
 11 A. No.
 12 557. Q. Okay, and just so we can be sure
 13 that we're talking about the same thing. Do you
 14 know what a Vector card is when we're talking about
 15 Banners...in the Banners Broker context?
 16 A. I do.
 17 558. Q. What is a Vector card?
 18 A. Vector was a way that affiliates
 19 could withdraw their money from their back office.
 20 It was one of the options.
 21 559. Q. Okay. And, apart from affiliates,
 22 did anyone else within the Banners Broker...within
 23 the Stellar Point organization use Vector cards to
 24 your knowledge?
 25 A. Sorry, can you repeat that? I wasn't

S. R. Schlacht - 96

- 1 A. Not to my recollection.
 2 567. Q. And what did you see Mr. Smith using
 3 the Vector cards for?
 4 A. When...at conventions or I don't
 5 know. We would go out time to time in Toronto and
 6 he would use his Vector card.
 7 568. Q. For what kinds of things?
 8 A. Dinner. But it wasn't...I could
 9 probably say only once or twice that I had seen him
 10 use that card.
 11 569. Q. Were you involved in
 12 distributing...giving Vector cards to anyone?
 13 A. No.
 14 570. Q. And, how about CIBC Convenience
 15 Cards. Do you know what that refers to?
 16 A. I don't know what that is.
 17 571. Q. Did you ever have a CIBC...a Stellar
 18 Point credit card?
 19 A. No.
 20 572. Q. Did you ever have a Banners Broker
 21 credit card?
 22 A. No.
 23 573. Q. Or any business credit card while
 24 you were working at Banners Broker or Stellar Point?
 25 A. No.

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- 1 listening.
 2 560. Q. Apart from the affiliates, because
 3 you have told me that the affiliates could use
 4 Vector cards to withdrawn money.
 5 A. Yes.
 6 561. Q. Did anyone else, other than
 7 affiliates use Vector cards to your knowledge?
 8 A. To my knowledge, I think some of the
 9 staff had them.
 10 562. Q. Some of the Stellar Point staff?
 11 A. I wouldn't be able to...I can't say
 12 for certain.
 13 563. Q. But you are...but it's your evidence
 14 that you at no point had used a Vector card?
 15 A. I applied for one, but it
 16 was...Vector...sorry MasterCard pulled the plug on
 17 Vector.
 18 564. Q. Okay.
 19 A. In regards to Banners Broker before
 20 I could get mine.
 21 565. Q. Did you ever see anyone using a
 22 Vector card?
 23 A. Chris Smith.
 24 566. Q. Okay. Did you ever see Mr. Dixit
 25 using a Vector card?

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- 1 574. Q. So, to the extent that you incurred
 2 expenses on behalf of the company, how would you pay
 3 for them?
 4 A. If I was travelling, I was always
 5 travelling with an executive and they covered the
 6 expenses. If I had any extra expense, I would keep
 7 the receipt and I would submit it in to Jeanette and
 8 be reimbursed.
 9 575. Q. I just want to go back then to your
 10 compensation. And I know we touched on this a
 11 little bit before the break.
 12 A. Okay.
 13 576. Q. And you've told me what...to the
 14 best of your recollection your salary was. Okay,
 15 and we know with Mr. Josun. I have a note that it
 16 was in the range of \$40,000.
 17 A. M'hmm.
 18 577. Q. Annually, and then with Mr. Dixit it
 19 was approximately \$50,000.
 20 A. And then it went...I had another
 21 promotion, or another pay raise, after that, to like
 22 62.
 23 578. Q. And this was while you were working
 24 with Mr. Dixit?
 25 A. That's correct.

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- 1 579. Q. And when approximately was that?
 2 A. My last pay raise, I think, was in
 3 April. I couldn't be certain of the exact month
 4 though.
 5 580. Q. In what year?
 6 A. 2013.
 7 581. Q. Okay. And how were you paid?
 8 A. I was paid by cheque.
 9 582. Q. And you were issued T4s...
 10 A. Yes.
 11 583. Q. ...in respect of your salary?
 12 A. Yes.
 13 584. Q. And so, I take it as well
 14 that...apart from the money that you received by way
 15 of salary, were you paid any bonuses, Stephanie?
 16 A. I received one Christmas bonus but
 17 it was paid to me by cheque.
 18 585. Q. Okay, and tell me about that. When
 19 and how much, and by who?
 20 A. It was by Banners Broker Limited.
 21 586. Q. Okay.
 22 A. So, the same company obviously. And
 23 it was, I don't know, 600 bucks...700.
 24 587. Q. Okay. Any other bonuses or money
 25 that was paid to, apart from the salary and the six

S. R. Schlacht - 99

- 1 or \$700 dollars...the one time Christmas bonus?
 2 A. No.
 3 588. Q. Okay. What about non monetary
 4 benefits, like presents, things of that nature?
 5 A. No. Other than...no. I'm trying to
 6 think. Maybe something small for my birthday.
 7 589. Q. Okay.
 8 A. I don't remember. Christmas I got a
 9 pin.
 10 590. Q. A Banners Broker pin?
 11 A. I would have to look at it. I think
 12 it was Stellar Point.
 13 591. Q. Anything else by way of gifts...
 14 A. No.
 15 592. Q. ...that you ever received from one
 16 of the companies?
 17 A. No.
 18 593. Q. And what about other benefits, for
 19 instance, was there any...did you have medical
 20 benefits or health, or gym memberships?
 21 A. There was medical benefits, but I
 22 paid into that, and it was briefly. I think it was
 23 only for about six months.
 24 594. Q. Okay. Anything apart from that?
 25 A. No.

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- 1 595. Q. And in terms of the expense
 2 reimbursement because you mentioned that there was
 3 a...that you could be reimbursed for expenses. How
 4 did...was there an expense reimbursement policy that
 5 was in place when you were at Stellar Point?
 6 A. There was. It went all through
 7 Grant. You would just send a spreadsheet of your
 8 expenses and your receipts. And then it was
 9 approved and reimbursed.
 10 596. Q. And how often did you do that?
 11 A. Most of the time, like I said, I
 12 travelled with someone who took care of it. So, it
 13 wasn't very often.
 14 597. Q. And what types of expenses
 15 would...to the extent that you incurred expenses
 16 personally that you submitted for, what types of
 17 expenses?
 18 A. Food mainly. If I had to take a
 19 taxi somewhere. That's pretty much it.
 20 598. Q. Anything other than that?
 21 A. No.
 22 599. MR. WARD: All right. Let's take a
 23 break for lunch.
 24
 25 --- A LUNCHEON RECESS

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- 1 STEPHANIE ROSE SCHLACHT, resumed
 2 CONTINUED EXAMINATION BY MR. WARD:
 3 600. Q. All right. One of the things that
 4 we are going to do this afternoon Stephanie, is that
 5 we are going to start to go through the big binder
 6 that I know that you have in front of you.
 7 A. M'hmm.
 8 601. Q. And first of all I want to focus a
 9 little bit on travel, because I believe you
 10 travelled fairly extensively when you were Stellar
 11 Point. Is that fair to say?
 12 A. For a period of time, yes.
 13 602. Q. Okay. And what period of time was
 14 that?
 15 A. Probably from October 2012 to April
 16 2013.
 17 603. Q. Okay. And was there any particular
 18 reason why most of your travel in that time period?
 19 A. That was when we were...the
 20 independent contractors were opening their offices.
 21 And that was when the training...
 22 604. Q. Okay. So, you travelled for IC
 23 training?
 24 A. Yes.
 25 605. Q. And you also...separately, you

1 travelled when you were organizing or participating
2 in conventions?

3 A. That's correct.

4 606. Q. Okay. And, so...just in the
5 interest of complete disclosure, there's emails in
6 there that have to do with various aspects of IC
7 training and convention organizing?

8 A. Yes, I saw that.

9 607. Q. Tell me...because one thing that I
10 don't understand. There's names that appear in some
11 of the emails that have to do with aliases for
12 certain of the principals of Banners Broker. Okay.
13 For instance, to your knowledge did...

14 MS. DOSANJH: Do you want to take her to
15 the document perhaps. Maybe that would
16 assist her?

17 THE DEPONENT: I know what he's talking
18 about but...

19 608. MR. WARD: It may, but it's a general
20 question.

21 MS. DOSANJH: Oh okay.

22 THE DEPONENT: Can you give me the
23 alias...the name?

24 BY MR. WARD:
25

1 A. Yes. Same purpose.

2 613. Q. Anyone else that would use that
3 approach to booking rooms?

4 A. Not that I'm aware of. And this was
5 only one time I think. One convention or two.

6 614. Q. Okay. So in terms of travelling to
7 train the independent contractors, do you...I'm not
8 sure that I have a complete list. But what
9 countries do you remember visiting to train Ics?

10 A. That I could remember.

11 615. Q. We'll make a list together.

12 A. Cyprus, Israel, UK, Poland, India,
13 and that's what I can remember off hand. I feel
14 like there's a few more, but...

15 616. Q. Okay.

16 A. ...we didn't visit all of them.

17 617. Q. When you say you didn't visit all of
18 them, what do you mean by that. My question is
19 which ones did you...

20 A. Did I visit?

21 618. Q. ...visit for...

22 A. Physically go to help?

23 619. Q. Physically attend for the purposes
24 of training independent contractors?

25 A. To my knowledge, that list.

1 609. Q. Chris Smith. Would you book him
2 under the alias "Larry Diamond"?

3 A. No. I'll explain that. It's
4 because when they travelled, affiliates could get
5 pretty in your face, and they would actually harass
6 the hotel and try to get the names of where
7 executives were staying. And so, when we were
8 booking the conventions on behalf of the client that
9 was his request. He didn't want affiliates coming
10 up to his room and asking questions. So, that was
11 the sole purpose of the alias.

12 610. Q. So, that was at Chris Smith's
13 request?

14 A. Yes.

15 611. Q. And, sorry, what was his concern
16 again? It was that...

17 A. Because when we did conventions,
18 people always would want to speak him outside of the
19 convention times, and he wanted his own personal
20 space. So, of course, you know, you can understand
21 why you wouldn't want a bunch of people coming up to
22 your hotel room after hours.

23 612. Q. And that also happened with
24 reference to Mr. Dixit being booked as Michael
25 Collins?

1 620. Q. Okay.

2 A. But it's been two years, so...

3 621. Q. Now you were in Belize as well at
4 some point?

5 A. I was in Belize, yes.

6 622. Q. And what was the purpose of that
7 visit and when was it?

8 A. I can't give you an exact date. I
9 don't remember. And Belize, that was for...what was
10 that trip for? I don't remember sorry.

11 623. Q. Could it have been for training
12 independent contractors?

13 A. That was for...no.

14 624. Q. But it was Banners Broker related or
15 Stellar Point related?

16 A. That I don't remember. I honestly
17 don't remember why we went there. There was a
18 reason, but...

19 625. Q. Do you remember how long you were
20 there or who you were with?

21 A. I was there maybe three or four
22 days. Raj...I went with Raj. Raj was looking at
23 potential office space down there and Brea went with
24 Chris. I'm not sure what they were down there for.

25 626. Q. Okay. And why did you go down

1 there.
 2 A. Raj was looking at potential office
 3 space.
 4 627. Q. And so, you went in your capacity as
 5 his executive assistant?
 6 A. As his assistant, yes.
 7 628. Q. Okay. And do you remember what you
 8 did in Belize with Raj in that context?
 9 A. I didn't go down. He met with a few
 10 people and I didn't attend.
 11 629. Q. So, you didn't attend any meetings
 12 with him then?
 13 A. No.
 14 630. Q. In Belize?
 15 A. We looked at a few office spaces and
 16 that was it.
 17 631. Q. You say "we"? You and Raj together?
 18 A. Yes.
 19 632. Q. Okay. All right. So, why don't we
 20 start into this book then, and I am going to
 21 begin...
 22 A. Sure.
 23 633. Q. ...at tab 2, which is a printout of
 24 your Twitter feed. And there's a few that I'm going
 25 to take you to.

1 --- DISCUSSION OFF THE RECORD
 2
 3 THE DEPONENT: March 10th, okay.
 4 640. MR. WARD: So, can you just pass that
 5 back to me?
 6
 7 BY MR. WARD:
 8 641. Q. With reference to your tweet on 10th
 9 of March, 2013.
 10 A. M'hmm.
 11 642. Q. You're...you say, "Well this trip is
 12 off to a weird start." Now was this a Banners
 13 Broker related trip? And the reason I'm asking is
 14 because it obviously was during a period of
 15 employment at Stellar Point.
 16 A. Are you referring to Banners Broker
 17 International or Banners Broker Limited?
 18 643. Q. Either one.
 19 A. It was to train an office, so it
 20 would have been Banners Broker Limited. Yes.
 21 644. Q. And where was the trip to?
 22 A. Tel Aviv.
 23 645. Q. Tel Aviv. Okay. So, this was your
 24 Israel trip?
 25 A. Yes.

1 A. Sure.
 2 634. Q. Beginning on...two pages into the
 3 production, tab 2 of 5.
 4 A. Yes.
 5 635. Q. And it's dated March 10, 2013.
 6 A. March 10?
 7 636. Q. Yes. So, you'll see it's the first
 8 on the left.
 9 A. March 10th?
 10 637. Q. March 10, 2013.
 11 MS. DOSANJH: It's probably this way.
 12 THE DEPONENT: No, it's probably this
 13 way.
 14 638. MR. WARD: No it's not. It's right here.
 15 THE DEPONENT: I didn't see it.
 16 MS. DOSANJH: March...
 17 THE DEPONENT: That's 11th.
 18 MS. DOSANJH: Well I think there's
 19 something cut off at the top on page three
 20 of 19.
 21 THE DEPONENT: Yes.
 22 MS. DOSANJH: So, I don't know what that
 23 is.
 24 639. MR. WARD: Let's just go off the record
 25 for a second.

1 646. Q. Okay. And do...and who accompanied
 2 you on the Israel trip?
 3 A. I can't remember. It might...I
 4 don't want to say and be wrong, because I think it
 5 was Raj and David Hooker. But I can't be certain.
 6 647. Q. But you told me earlier that I think
 7 that it was yourself that was responsible for
 8 training the...
 9 A. Yes.
 10 648. Q. ...independent contractors?
 11 A. Yes.
 12 649. Q. So, if there had been other people
 13 along, what...first of all, what would be the
 14 purpose of them coming to Israel with you?
 15 A. David Hooker worked for Banners
 16 Broker International, and he did compliance, and he
 17 did seminars. So, he would go and do that for the
 18 affiliates out there. That's what he did on that
 19 trip. And I was responsible to go and train the
 20 office on behalf of Banners Broker Limited. Because
 21 we did training for Banners Broker International.
 22 650. Q. So, this is the same year.
 23 A. M'hmm.
 24 MS. DOSANJH: What page?
 25 651. MR. WARD: I'll just pass it across. I

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1 think our page number is a little bit off.

2 MS. DOSANJH: Oh okay.

3 THE DEPONENT: That was when we went to
4 Cyprus and Greece.

5
6 BY MR. WARD:

7 652. Q. So, this is a tweet dated 24 August
8 2012.

9 A. Yes.

10 653. Q. And you had mentioned Cyprus and I
11 take it you were also training independent
12 contractors in Greece at this time?

13 A. No it wasn't in Greece. It
14 was...the two countries were put together, but it
15 was in Cyprus.

16 654. Q. Okay. And with respect to this
17 trip, do you recall who you went with?

18 A. I believe it was just Raj and
19 myself.

20 655. Q. Okay. And when Raj travelled
21 on...well let me ask you. I have been told that Raj
22 would travel with his family on Banners Broker
23 business. Like...

24 A. Um...

25 656. Q. ...sorry just let me finish the

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1 663. Q. Can you give me their names please?

2 A. Of his children?

3 664. Q. No...all of them, whoever came on
4 the trip with him. What was the...are we talking
5 about...the common law spouse. Are you referring to
6 Jennifer Dorazio?

7 A. Yes. I'm sure you have copies of
8 his kids names. Do I need to give that? I mean I
9 can.

10 665. Q. Well just who...just so we're
11 talking about the same...

12 A. It was a long time ago, so I'm just
13 going on based on the top of my head. I believe it
14 was Jennifer Dorazio and his two children.

15 666. Q. Okay. How about his mother-in-law?
16 Would his mother-in-law travel on...

17 A. His mother-in-law?

18 667. Q. ...Banners...

19 A. So Jen...they were never married.
20 So, his common law?

21 668. Q. Well you tell me, because...apart
22 from the people we have mentioned, was there anyone
23 else that would be family to Rajiv Dixit?

24 A. Well you said Rajiv's mother-in-law.

25 Him and Jennifer were never legally married, so it

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1 question. Did you know him to travel with his
2 family on any of the trips?

3 A. There was a few where his mom came
4 but not on a regular basis, no.

5 657. Q. And which ones did his mom come on?

6 A. I don't remember. I wouldn't...I
7 think she came...

8 658. Q. Were there many of them?

9 A. No, she only came on one or two.

10 659. Q. And you don't remember which ones?

11 A. We travelled quite often. I don't
12 remember. I think one of them was Ireland, but I
13 can't be certain.

14 660. Q. Okay. And what about other family
15 members that would accompany your boss on trips?

16 A. Not typically.

17 661. Q. Not typically, but would his son
18 come with him?

19 A. There was one trip to Israel where
20 Chris' family came, as well as Raj's family, but
21 that was the only trip.

22 662. Q. And when you say "Raj's family," who
23 are you referring to?

24 A. His common law spouse at the time
25 and his two children.

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1 would be considered...

2 669. Q. Okay, you just...

3 A. No, she never came.

4 670. Q. Stephanie you need to let me finish
5 the question, so...

6 A. Sorry.

7 671. Q. ...we can have a clear record of it.
8 I'm just trying to...I know that we...I'm only
9 interested in Banners Broker related travel.

10 A. Okay.

11 672. Q. So, if it was personal travel,
12 please don't tell me about it. Okay, but for...

13 A. There was an event going on but his
14 family came on for personal. So, then that
15 clarifies that.

16 673. Q. So his family would accompany him on
17 Banners Broker related...

18 A. No, this one specific time his
19 family came along. That one time to Israel.

20 674. Q. Okay. And do you know who paid for
21 that...his family to come on that trip to Israel?

22 A. I can't be certain. It was a...they
23 went on a private plane.

24 675. Q. Okay. But who would have arranged
25 the private plan?

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- 1 A. That could have been me. Chris'
2 family went so it could have been Brea. So, I'm
3 not...
4 676. Q. Did you frequently arrange private
5 planes?
6 A. No.
7 677. Q. For Banners Broker?
8 A. No.
9 678. Q. So, you would remember it if there
10 was an instance where you did book a private plane?
11 A. It was either...yes, there was
12 one...that to Israel. I believe it was myself that
13 booked that but it could have been in correspondence
14 with Brea, because Chris was going as well. And
15 that was her boss.
16 679. Q. So, you're saying that you did book
17 the private plane to Israel or you didn't?
18 A. I looked into the pricing. I can't
19 remember if I physically actually booked it. But I
20 did the sourcing and the pricing.
21 680. Q. Okay. And did you price things
22 separately for Chris' family?
23 A. Everything was booked...because this
24 was travelled related to Banners Broker, everything
25 would have been paid for by Banners Broker

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- 1 trip?
2 A. The purpose was to set up the office
3 over there. But then Italy didn't end up becoming
4 an independent contractor because they...I can't
5 remember the reasons, but they didn't end up
6 becoming one. So, the trip was to do training but
7 it never ended up amounting to anything.
8 686. Q. Italy wasn't...
9 A. But we never collected commission or
10 anything and they never got that far.
11 687. Q. Okay. I've added Italy to the list
12 of countries that you travelled to...
13 A. Yes.
14 688. Q. ...with Banners Broker...
15 A. Sorry, I forgot about that one.
16 689. Q. Are there any other countries like
17 Italy where you were there for a purpose other than
18 training independent contractors or participating in
19 conventions?
20 A. To do with Banners Broker?
21 690. Q. Yes.
22 A. No.
23 691. Q. Or Stellar Point?
24 A. No. Oh, Stellar Point,
25 still...there was an office that was opened in UK,

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- 1 International.
2 681. Q. Okay.
3 A. Or invoiced out as I explained
4 before.
5 682. Q. Then there's just...next in terms of
6 travel.
7 MS. DOSANJH: We just need a date.
8 683. MR. WARD: August 2012, off to Italy.
9 And the reason why I'm asking is because
10 there's no reference to Banners Broker...
11 MS. DOSANJH: You're August 4th or
12 August 3rd? Is there a...
13 684. MR. WARD: It's 12 August 2012.
14 MS. DOSANJH: Okay, so that should be
15 here.
16 THE DEPONENT: Italy.
17 MS. DOSANJH: Yes, it's kind of...
18 THE DEPONENT: Oh yes, Italy I did go
19 too with Lorenzo Guarini.
20 MS. DOSANJH: Off to Italy, yes. I
21 think it's right at the top but it's cut
22 off again, yes.
23
24 BY MR. WARD:
25 685. Q. And what was the purpose of that

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- 1 and that was Stellar Point. So, we did training
2 there. And in India.
3 692. Q. Okay. All right we haven't
4 mentioned...Portugal I guess was on the list of...on
5 the convention list?
6 A. Yes, that was the first one.
7 693. Q. Okay. What about within Canada and
8 the United States. Was there any Stellar Point or
9 Banners Broker related travel that you took at any
10 point?
11 A. Other than the Niagara Falls
12 convention, no.
13 694. Q. And the next thing that I wanted to
14 talk about, and it's not in this book, but there's
15 some...I'm just going to give you the name of some
16 companies that you have been associated with.
17 A. Okay.
18 695. Q. And I need you tell me whether or
19 not, A they're related to Stellar Point or Banners
20 Broker?
21 A. Okay.
22 696. Q. And secondly whether or not they had
23 any business dealings with Banners Broker?
24 A. Banners Broker Limited or...
25 697. Q. Or Stellar Point.

1 A. Okay.
2 698. Q. Or any Banners Broker company. And
3 I'm asking just so your counsel understands. From
4 my...I'm particularly interested in knowing whether,
5 to your knowledge, money went from Banners Broker or
6 Stellar Point...

7 A. Okay.
8 699. Q. ...or Dixit Holdings...

9 A. Okay.
10 700. Q. ...to these companies that I'm going
11 to give you the names of. Okay?

12 A. And if I don't know, I just say
13 don't know. Right?

14 MS. DOSANJH: Right.
15 THE DEPONENT: Okay.
16

17 BY MR. WARD:

18 701. Q. So, the first company is Global
19 Merchant Pay Inc. Were you...and to remind you, you
20 were a director of that company.

21 A. Briefly and then I was taken off.

22 702. Q. Okay. So, what relationship did
23 that company have to Banners Broker or any of the
24 companies that we have talked about today so far?

25 A. None.

1 703. Q. Do you know whether or not any
2 Banners Broker or Stellar Point monies would have
3 been transferred to Global Merchant Pay Inc.?

4 A. No.

5 704. Q. So, you don't know, or you're
6 certain that there were not.

7 A. I'm certain that there was not.

8 705. Q. Okay. And how is it that you're
9 certain that no monies were transferred to that
10 company?

11 A. Because that isn't...because that
12 company has nothing to do with Banners Broker.

13 706. Q. Okay. The next one is Alaco Group
14 Ltd.

15 A. M'hmm.

16 707. Q. That's A-L-A-C-O.

17 A. M'hmm.

18 708. Q. So, the same...and you were director
19 of that company as well?

20 A. That's just solely my own company.

21 709. Q. Okay. And were any Banners Broker
22 or Stellar Point monies transferred into that
23 company at any time to your knowledge?

24 A. No.

25 710. Q. And by that you mean no...

1 A. By that I mean I'm the sole owner
2 and director, so...

3 711. Q. So, you're certain that there no
4 monies that went into that company?

5 A. That bank account had no active. I
6 opened it to start my eyelash business, and I'm just
7 starting that now.

8 712. Q. Okay. RevStar Hosting Inc., the
9 same questions?

10 A. I was briefly a director on that.
11 To my knowledge, there was no money from Banners
12 Broker or Stellar Point put into that company.

13 713. Q. Okay. You seem less certain with
14 respect to RevStar. Are you less certain because
15 it's possible that somebody else put money in
16 without you knowing about?

17 A. No. I'm just...

18 714. Q. So, you're certain that there's no
19 Banners Broker or Stellar Point or Dixit Holdings
20 money that went into RevStar Hosting?

21 A. I was only briefly on as a director,
22 so to my knowledge, no.

23 715. MR. WARD: So, Karen, tab 5 of the
24 Document Brief.

25 MS. DOSANJH: Yes. Okay.

1 716. MR. WARD: And it's...the page number at
2 the bottom ends in 393, so you'll find it
3 about it about three-quarters of the way
4 through the production.

5 MS. DOSANJH: In 393. I don't know if
6 these are paginated. I don't believe this
7 copies paginated.

8 MS. CRADDOCK: Page 38.

9 MS. DOSANJH: Okay.

10 717. MR. WARD: At the bottom. It says
11 "Resolution of the director of Stellar
12 Point Inc."?

13 MS. DOSANJH: Correct.

14 718. MR. WARD: So, just take a minute and
15 review that.
16

17 BY MR. WARD:

18 719. Q. And Stephanie, your name is on this
19 as secretary?

20 A. I was...

21 720. Q. Sorry, just let me finish the
22 question.

23 A. Yes, sorry.

24 721. Q. And it's dated May 20, 2013. And
25 then your name is being crossed out.

1 A. Um...

2 722. Q. So, the question is.

3 MS. DOSANJH: Let him finish the

4 question.

5

6 BY MR. WARD:

7 723. Q. Do you have an explanation for

8 what's set out on this directors resolution?

9 A. Raj had approached me and asked me

10 if I wanted to be secretary. And I had said I would

11 think about it, and then I declined.

12 724. Q. Okay. Why did you decline to be a

13 secretary of Stellar Point?

14 A. Because around that time I was

15 really homesick and I had actually been in the

16 planning to move back out west. So, I thought that

17 there would be no point in me being associated with

18 any companies if I was planning to give my

19 resignation.

20 725. Q. Okay. But you appreciate, or did

21 you appreciate that you were also personally an

22 owner of Stellar Point?

23 A. I was never an owner of Stellar

24 Point.

25 726. Q. Okay. Well, let's just continue

1 A. Okay.

2 734. Q. But it suggests to me that on May

3 15, 2014, Rajiv Dixit transferred you 1,000 common

4 shares, which were...I can tell you that's all the

5 common shares in that company. So, if you could

6 just explain for us what was the reason that you

7 became the 100 percent owner of...

8 MS. DOSANJH: Well I think before you

9 put that question to her...I mean if you're

10 indicating that is the full amount that was

11 in that...you're putting something...a

12 question to the party for her to

13 inadvertently accept that that was the

14 amount of shares being transferred. So, I

15 mean there would be something to...before

16 she answers that, there would have to be

17 something that's put to her to say well

18 this is what the maximum amount of shares

19 are within this company, because...

20 735. MR. WARD: Well only if it's going to be

21 contentious. And I hoped that wouldn't be.

22 MS. DOSANJH: Okay. Okay. It's just

23 the...

24 736. MR. WARD: Yes.

25 MS. DOSANJH: ...nature of the question.

1 then.

2 MS. DOSANJH: Same document?

3 727. MR. WARD: No, we're going to move on.

4 Just give me a second to turn it up.

5

6 BY MR. WARD:

7 728. Q. Did you know that Dixit Holdings

8 Inc. was an 85 percent owner of Stellar Point?

9 A. No, I didn't.

10 729. Q. So, you didn't know that before I

11 told you...

12 A. No.

13 730. Q. ...today?

14 A. That's correct.

15 731. Q. So, I'm in tab 6 and the production

16 number on the bottom centre is 278. Just take a

17 minute and read that. So, Dixit Holdings Inc. is the

18 company that we're talking about now.

19 A. M'hmm.

20 732. Q. It is...just so we're clear, it's

21 one of the companies that is part of the

22 receivership proceedings.

23 A. Yes.

24 733. Q. And so, this is during the period

25 that we're interested in.

1 737. MR. WARD: If it's going to be

2 contentious, perhaps we can find a

3 shareholders register, but the question

4 doesn't turn on that.

5

6 BY MR. WARD:

7 738. Q. What we're asking for is an

8 explanation as to how it was and why it was, that

9 you came to become an owner of Dixit Holdings Inc.

10 on May 15, 2014?

11 A. Because we were getting married and

12 I don't know.

13 739. Q. Okay.

14 A. Just made sense. I'm no longer...I

15 think that company actually had been...actually I

16 don't know. I don't know anything to do with that

17 company right now. But at that point it was because

18 Raj didn't have a will in place and he wanted to put

19 me on to make sure that if something happened to him

20 that...

21 740. Q. Okay.

22 A. It had nothing to do with Banners

23 Broker or Stellar Point, though, the decision on

24 putting me on there.

25 741. Q. Okay. So, it had to do with the

1 fact that you were getting married to Rajiv Dixit?
 2 A. M'hmm.
 3 742. Q. And he asked you to come on as owner
 4 of the company?
 5 A. He didn't ask me to come on. But you
 6 could ask Raj anyway because he is the one that
 7 signed it. Right.
 8 743. Q. Well...that is true, he did sign it.
 9 A. Yes.
 10 744. Q. But seeing as you're here today,
 11 just can you...
 12 A. It has to do with our marital
 13 relationship, which I don't have to discuss with
 14 you, right?
 15 745. Q. I don't want to know about your
 16 marital relationship.
 17 A. Okay.
 18 746. Q. But...
 19 A. You can ask him.
 20 747. Q. But apart from what you have told
 21 me, do you have any other explanation as to why it
 22 is that you became an owner of this company on this
 23 day?
 24 A. No.
 25 748. Q. And what to your understanding in

1 MS. DOSANJH: Last page signed by
 2 Stephanie.
 3 755. MR. WARD: I don't know. I'm looking at
 4 a page entitled, "Consent of Shareholder to
 5 Exemption from Audit, Dixit Holdings Inc."
 6 MS. DOSANJH: Yes.
 7 756. MR. WARD: In fact before we get there,
 8 let's look at the page before that. It's
 9 entitled, "Resolution of the Shareholder's
 10 of Dixit Holdings Inc."
 11 THE DEPONENT: Okay.
 12 757. MR. WARD: And Ran I just direct you,
 13 particularly, to the first paragraph. So,
 14 take a moment and read it. See that?
 15
 16 BY MR. WARD:
 17 758. Q. Okay, Stephanie...first of all, a
 18 couple of questions. With reference to the
 19 accountants of the corporation. Can you tell me who
 20 those...who were the accountants in the corporation
 21 at this time?
 22 A. I was put on this account because
 23 Raj didn't have a will in place. And then as soon
 24 as he had a will put in place I was taken off.
 25 759. Q. I appreciate that.

1 May of 2014 was the business of Dixit Holdings?
 2 A. I wouldn't be able to answer that.
 3 749. Q. Because, presumably you didn't know
 4 then, correct?
 5 A. I didn't...sorry can you repeat your
 6 question?
 7 750. Q. In May of 2014, did you have any
 8 idea what the business of Dixit Holdings Inc. was?
 9 A. I didn't know the detailed business.
 10 No.
 11 751. Q. Did you know more generally what the
 12 business of Dixit Holdings Inc. was?
 13 A. No. Me being put on there was more
 14 because we were getting married.
 15 752. Q. Okay. So, the answer to my question
 16 then is that no, in May of 2014 you didn't have any
 17 idea...
 18 A. No.
 19 753. Q. ...of what the business of Dixit
 20 Holdings Inc. was?
 21 A. Correct.
 22 754. Q. Thank you. And then just further on
 23 in the same production, Karen.
 24 MS. DOSANJH: Last page signed by her?
 25 MR. CRADDOCK: Thirty-one?

1 A. I don't know, so I wouldn't know any
 2 information.
 3 760. Q. So, the answer to my question one is
 4 that you don't know who the accountants of the
 5 corporation were at the time that this resolution
 6 was prepared?
 7 A. What do you mean by the
 8 "accountants"?
 9 761. Q. Just as the terms used in the first
 10 paragraph of your shareholders resolution?
 11 A. No, I don't.
 12 762. Q. Okay. And it's referring to
 13 financial statements for the fiscal period end of
 14 December 31, 2013. Do you see that?
 15 A. Yes.
 16 763. Q. Have you ever seen those financial
 17 statements?
 18 A. No, I haven't.
 19 764. Q. And on the second...on the following
 20 page there's a consent, it's dated June 30, 2014.
 21 And is that your signature on the consent?
 22 A. That is, yes.
 23 765. Q. And how...do you recall how it was
 24 that you came to sign this consent?
 25 A. I don't remember.

1 766. Q. And on the following page as well,
2 production number 32. There's a...is that your
3 signature again on the bottom of the page?
4 A. That is my signature, yes.
5 767. Q. And similarly, do you recall how it
6 was that you came to sign this document?
7 A. This is taking me off, right?
8 768. Q. No.
9 A. What is that?
10 MS. DOSANJH: I think maybe just ask her
11 if she understands the document.
12 769. MR. WARD: Right.
13 MS. DOSANJH: If she's seen it.
14 THE DEPONENT: No, I get it.
15 770. MR. WARD: Okay, take a minute and read
16 it first and then I'll ask you if you
17 understand it.
18 MS. DOSANJH: Have you seen this
19 document before? I think maybe just start
20 from...I think that would be appropriate
21 the...ask her if she's seen the document
22 before. If she's familiar with it?
23 771. MR. WARD: Yes, so...yes, that's where
24 I'm trying to get to. So, take a minute
25 and review these pages with your signature,

1 is, how is it that you came to sign these documents?
2 A. I just...
3 MS. DOSANJH: Do you remember...do you
4 not know? Just...if you don't remember say
5 it.
6 THE DEPONENT: I don't...like I know I
7 signed them but I don't remember reading
8 them. That's my answer.
9 776. MR. WARD: Okay.
10 THE DEPONENT: Because I don't know what
11 it...some of this stuff means. So, I don't
12 remember. But that is my signature. So I
13 did sign them.
14
15 BY MR. WARD:
16 777. Q. Okay, and you've had an opportunity
17 to review them just now?
18 A. Well I would need to review them in
19 detail.
20 778. Q. Okay. But you looked at them and
21 you don't recall signing them?
22 A. No.
23 779. Q. Can we agree on that?
24 A. It's my signature but I don't
25 remember looking at the paper.

1 Stephanie.
2 MS. DOSANJH: Have you seen this
3 document before? Is that your signature?
4 THE DEPONENT: That is my signature,
5 yes.
6 772. MR. WARD: And she's...Counsel, she's
7 indicating to what page of the production?
8 MS. DOSANJH: Thirty-one.
9 773. MR. WARD: Okay.
10 MS. DOSANJH: She's indicated that, in
11 reference to her signature, of her
12 recognizing the signature, it's in
13 reference to production 31.
14 774. MR. WARD: Okay.
15 MS. DOSANJH: Thirty-two I'm assuming?
16 THE DEPONENT: M'hmm.
17 MS. DOSANJH: Is that...yes. And 33.
18 That's with respect to her being...that's
19 her signature on those documents.
20 THE DEPONENT: M'hmm.
21 MS. DOSANJH: Do you understand...
22
23 BY MR. WARD:
24 775. Q. So, my question is, and by all means
25 take a minute to read everything. But my question

1 780. Q. Okay.
2 A. I don't remember reading it in
3 detail.
4 781. Q. Do you recall signing those
5 documents?
6 A. Well, yes, because my signature is
7 on there.
8 782. Q. Well that's...
9 MS. DOSANJH: I think his question
10 is...it's one thing that their your
11 signatures, but it's one thing if...
12 THE DEPONENT: I probably briefly read
13 it.
14 783. MR. WARD: Okay.
15
16 BY MR. WARD:
17 784. Q. I don't want you to guess. We're
18 just here to know what you specifically recall. And
19 you've told me that your signature is on some of
20 these pages that we're looking at. So, I would like
21 to know if you remember how it was that you came to
22 sign those documents? Where did you sign them? Who
23 asked you to sign them? Just tell me what you know
24 about how it is that you came to sign those
25 documents please?

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1 A. I can't remember where I signed
2 them. I think it was at the house. I didn't go
3 into any law firm to sign, or anything.

4 785. Q. Okay. And when you say the "house"?

5 A. My house.

6 MS. DOSANJH: Maybe ask if she knew what
7 she was signing. The contents of the
8 document.

9 786. MR. WARD: Yes.

10 THE DEPONENT: No. I didn't really read
11 it.

12 787. MR. WARD: Okay.

13
14 BY MR. WARD:

15 788. Q. So, you recall, and forgive me for
16 pressing this. I just want to make sure that I
17 understand what it is you're saying. You recall not
18 reading it, or...

19 A. I probably briefly read it.

20 789. Q. Okay.

21 A. Like my said, my purpose of being on
22 this was because my husband didn't have a will in
23 place, and so...

24 MS. DOSANJH: I think what he's trying
25 to get at it is, did you have the

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1 BY MR. WARD:

2 795. Q. And that...just so we can finish off
3 on the point. That's the only explanation you have
4 as to why you signed the documents that we've just
5 looked at?

6 A. I don't know what would be the
7 alternative. I don't know what you're asking.

8 796. Q. There's no other reason that you can
9 think of as to why you signed these documents?

10 A. No.

11 797. Q. And then, finally. The second last
12 page of the production.

13 A. The second last page?

14 798. Q. Yes. It says "Form of Transfer." So
15 we're moving forward into November 19, 2014.

16 A. Okay.

17 799. Q. And, first of all, is that...do you
18 recognize that as your signature on the document?

19 A. Yes, that's my signature.

20 800. Q. Okay, and take a minute and review
21 the document. Read it.

22 A. I understand. This was just giving
23 the shares back to him.

24 801. Q. Okay.

25 A. Because he had his will in place.

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1 opportunity to read the contents of the
2 document prior to signing? Did you fully
3 understand them?

4 THE DEPONENT: I had the opportunity to
5 read them, but I didn't...

6 790. MR. WARD: Okay.

7 THE DEPONENT: ...read them that
8 thoroughly.

9 791. MR. WARD: Okay.

10
11 BY MR. WARD:

12 792. Q. But you signed them because...why
13 was it that you signed them?

14 MS. DOSANJH: I think she answered with
15 respect to the will.

16 793. MR. WARD: With the will, okay.

17 MS. DOSANJH: Raj didn't have a will in
18 place, and that's why.

19 THE DEPONENT: There was no will in
20 place, so my husband said this is...until I
21 can get my will in place, we'll do this,
22 and then he just told me what I need to
23 sign and I signed it, because I trust my
24 husband.

25 794. MR. WARD: All right.

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1 802. Q. Do you recall signing this document?

2 A. Basically my...this is our
3 relationship, right.

4 803. Q. Sure.

5 A. The whole plan was for the reason I
6 stated before. So, when my husband told me to sign
7 and explained what it was for, I signed it.

8 804. Q. And the explanation that he gave
9 you, and more importantly, your understanding of why
10 you were being asked to sign this document, as well
11 as the others.

12 A. Yes.

13 805. Q. Was because he didn't have a will in
14 place?

15 A. I was the one that requested
16 something because...this is going to sound really
17 silly. I suffer from anxiety and if anyone suffers
18 from anxiety...people with anxiety over analyze
19 everything and they worry. And were...not that this
20 is relevant to case, but we're going through some
21 family issues and I always worry...the biological
22 mother of the kids is not a fit mom and I'm always
23 like, if something happens to you, you don't have a
24 will in place and how am I going to be able to make
25 sure things are, not taken care of, but things are

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properly in place so that...so that was my concern.
And he said, ok, until I have my will in place, I'll
put you on Dixit Holding and then when Dixit
Holding...and then when my will's in place you won't
need to be in, I'll take you off. And that was my
understanding of it.

806. Q. Okay.

A. So, it was basically me that wanted
the security of knowing that I wasn't...if something
happened to him I wouldn't be...like I don't know
the financials of the company or anything. You
know, but as his wife, I know that he owns that.
So, I just wanted to make sure that there was
something that I could...if he passed away with no
will.

MS. DOSANJH: Like a sense of security?

THE DEPONENT: A sense of security.

807. MR. WARD: Okay. So, it was...

THE DEPONENT: And he did it because I
was driving him crazy.

BY MR. WARD:

808. Q. And so, it was at your suggestion,
then, I take it?

A. Yes. I guess so. Yes. If you

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815. MR. WARD: Both emails.

MS. DOSANJH: ...both emails, okay.

816. MR. WARD: Yes.

THE DEPONENT: This is from when I first
started, June 30. Okay. Oh sorry, I did
have a Banners Broker email when I first
started.

817. MR. WARD: Okay.

THE DEPONENT: I forgot about that. I
remember what this, give me a second.

MS. DOSANJH: Is there a...is it kind of
like a sequence of emails that are related
to this, or is it just like an isolated
kind of...

818. MR. WARD: I think this is the only one.

MS. DOSANJH: Okay. I thought there
might have just been kind of like a...

819. MR. WARD: No, I think this is the only
one...

MS. DOSANJH: ...string of communication
that might be...

820. MR. WARD: ...that I'm looking at.

MS. CRADDOCK: The first email's on the
second page.

MS. DOSANJH: Okay, so this...

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don't have anxiety you don't understand that. So,
that's why I don't know what's on those papers.
Really.

809. Q. Okay. Let's just move forward then.
Production at tab 10, please.

MS. DOSANJH: Email correspondence?

810. MR. WARD: Yes, this is email
correspondence.

THE DEPONENT: Okay.

811. MR. WARD: And again, in fairness to
Stephanie, I'm going to ask you to take a
minute and read it.

THE DEPONENT: Yes, no problem.

812. MR. WARD: Because I am going to have
some questions in terms of...

THE DEPONENT: That's fine.

813. MR. WARD: ...what it was...what was the
issue and how you were addressing it. And
so...

THE DEPONENT: What date is this?

814. MR. WARD: ...you'll see that this is a
chain.

THE DEPONENT: June 30.

MS. DOSANJH: So, you're again referring
to...

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THE DEPONENT: You can ask, I remember.

BY MR. WARD:

821. Q. So, we both looked at an email
exchange on June 29th and 30th...

A. M'hmm.

822. Q. ...2012, between yourself and
Shelley at Vector card.

A. M'hmm.

823. Q. And...so my first question is...and
it looks like you initiated this contact with
Shelley?

A. That's correct.

824. Q. And in the second sentence of the
first full paragraph of your email you tell Shelley,
"We have gone through our website and have made the
appropriate changes that you had suggested in your
email." So, what...and I don't have the other
email. Okay?

A. Okay.

825. Q. So, it's not as if it's somewhere
else and I'm not putting it to you, but...

MS. DOSANJH: Did you read this?

THE DEPONENT: Yes, I know it.

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1 BY MR. WARD:

2 826. Q. So, my first question, what is the
3 issue that Vector card had...

4 A. So...

5 827. Q. ...with the website.

6 MS. DOSANJH: Let him finish.

7
8 BY MR. WARD:9 828. Q. That Shelley was asking you to
10 address?

11 A. When...so this was dated to before
12 the convention. So, I would do some odd tasks in
13 the office, so this looks like...there was some
14 things on the Banners Broker website that weren't up
15 to...like MasterCard is very, very, very specific
16 about how you can advertise, and I know...I don't
17 remember all the things, but I remember one thing,
18 there was a screenshot of the MasterCard, but it had
19 the number of the card...it was just a fake one,
20 starting with 45, which is actually Visa start.
21 That's what a Visa starts with. So, it was just
22 little technical things. And the way that
23 Vector...when referring to the Vector MasterCard,
24 you had to have certain verbiage. So, if the
25 verbiage wasn't correct...so Shelley and I were just

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1 Church Street. So, I would do things for him while
2 he was overseas and also...if there was a few tasks
3 that needed done around that office I would do. So,
4 little things like this...it wasn't my duty but
5 someone could say, hey, can you take care of this,
6 and then I would do it.

7 835. Q. Fair enough. Now in the email on
8 the first page, Stephanie's...Shelley's writing back
9 to you...and I'm on the second email on the first
10 page. She says,

11 "...Thank you for your immediate action on
12 our request and the due diligence in
13 contacting members to remove questionable
14 content from the account..."

15 So, thinking about that and looking at this email.
16 Can you describe for me what Shelley's concern was
17 with respect to content and how you were addressing
18 that?

19 A. So...let me just read it. If I'm
20 remembering correctly, I believe it was
21 affiliates...in this type of business affiliates
22 create their own pages and they had taken
23 screenshots off the Banners Broker website that were
24 wrong, that we needed to fix. And they had
25 screenshotted them and put them on their personal

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1 going back and forth on tweaking verbiage and things
2 that were on the website.

3 829. Q. But earlier I thought that you told
4 me that you didn't have any responsibility for
5 updating websites or dealing with Vector card.

6 A. Honestly, I forgot.

7 830. Q. Okay.

8 A. This was so long ago.

9 831. Q. So, the answer to my earlier
10 question, is that you...

11 A. That's changed, yes.

12 832. Q. Okay.

13 A. Sorry, I wasn't meaning to not...

14 833. Q. No, that's fine. And I'm not...I
15 just want to understand everything that you did in
16 relation to Stellar Point and Banners Broker. I'm
17 not trying to trick you or anything.

18 A. No, no.

19 834. Q. I just want to have a complete
20 understanding of your involvement.

21 A. Just to make something in
22 perspective. Before...while I worked Kul, because
23 he was...in those couple months that I worked
24 there...because he was travelling and I didn't go
25 with him on his first couple trips...I was in the

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1 website. So, Shelley had asked me to contact those
2 affiliates directly because it was breaching their
3 agreement with MasterCard.

4 836. Q. The Vector...MasterCard's agreement
5 with...

6 A. With Vector card. Or sorry...

7 837. Q. With Banners?

8 A. Well they had MasterCard through
9 Vector.

10 838. Q. Right. So, you...so based on
11 Shelley's request, I take it then that you did
12 contact the affiliate members and ask them to remove
13 the questionable content from their accounts?

14 A. That's correct.

15 839. Q. Then on the next tab, tab 11, of the
16 production binder, there's an email dated...sent
17 July 4, 2012. So, just take a minute and review
18 that.

19 A. So, Banners Broker did a version
20 update, I guess around this time. And I have no
21 idea...I guess I was just...oh yes, program
22 features. So, Banners Broker started off with...you
23 know how different software is version 1, version
24 1.5?

25 840. Q. Yes.

1 A. It was just a software update that
 2 they had done and I think I was just keeping Raj in
 3 the loop.
 4 MS. DOSANJH: I think it's in the
 5 subject part of the document.
 6 841. MR. WARD: Right, it says "Program
 7 Features of the..." The subject line says,
 8 "Program Features of BB v 2.5."
 9 THE DEPONENT: You guys don't have the
 10 attachment?
 11 842. MR. WARD: Well there is an attachment
 12 to it.
 13 MS. DOSANJH: We don't have it though.
 14 THE DEPONENT: I honestly...this was
 15 years ago, I don't...
 16 843. MR. WARD: Right.
 17 THE DEPONENT: It looks like it was
 18 program features of BB version 2.5, so I
 19 was probably updating him on features. Is
 20 that it?
 21 844. MR. WARD: Listen, I don't want to get
 22 into the detail of the features update.
 23 THE DEPONENT: This is the schedule for
 24 Portugal, this has no...this is just
 25 changes in the programming. Like if there

1 responsibility for customer service?
 2 A. I had to be in the loop with most of
 3 the customer service things.
 4 847. Q. Right.
 5 A. When it regards to new training, not
 6 with the day to day.
 7 848. Q. And when it came to recommending
 8 changes to the software?
 9 A. Oh, that wasn't me. I didn't
 10 recommend anything. I was just an assistant.
 11 849. Q. But I mean if there's...to the
 12 extent that customer service could be addressed
 13 through updating the software, was that something
 14 that people would look to you for input on?
 15 A. Oh no. Software...anything to do
 16 with software and changes in the program would
 17 solely be Chris Smith.
 18 850. Q. No I appreciate that. I mean that
 19 no one was expecting you to actually write code
 20 or...
 21 A. No, but...
 22 851. Q. ...update software.
 23 A. ...my input, no.
 24 MS. DOSANJH: You need to let him
 25 finish.

1 was a different package colour, or...this
 2 was done differently. It was just...to the
 3 best of my knowledge that's what I would be
 4 referring to. That's not the right
 5 attachment. That's the Portugal outline.
 6 THE DEPONENT:
 7
 8 BY MR. WARD:
 9 845. Q. So, returning to the email then,
 10 Stephanie. What was your...why was it that you were
 11 corresponding to Raj on updates to the Banners
 12 Broker software? When we talked earlier about your
 13 duties, I didn't think that it extended to updating
 14 software applications?
 15 A. I don't personally...personally I
 16 don't have a degree in programming. I don't do the
 17 updates. What it was is the updates...the changes
 18 in version 2.5. Those changes directly affect
 19 customer service, because they're changes in the
 20 program. And so, I am...to the best of my knowledge
 21 without reading the attachment, that's probably what
 22 I was doing. Program features of BB version 2.5.
 23 So, of course Raj would need to be updated. It
 24 directly reflects customer service. Right?
 25 846. Q. Okay and you were...you had a

1 THE DEPONENT: Okay, sorry. Finish the
 2 question.
 3
 4 BY MR. WARD:
 5 852. Q. But just looking at this email, in
 6 my mind it raises the question as to what was the
 7 extent of your involvement in managing software
 8 updates for Raj...
 9 A. I...
 10 853. Q. ...as opposed to writing software
 11 updates?
 12 A. ...was just keeping him informed.
 13 Basically I can't be...I'm not reading the
 14 attachment so I can't be certain. It looks as if
 15 someone from...I don't know whether it was Chris'
 16 assistant or himself or one of the programs that
 17 sent me the changes they made.
 18 854. Q. Right.
 19 A. And then I was just keeping Raj in
 20 the loop.
 21 855. Q. Okay.
 22 A. That's it.
 23 856. Q. And was the way the system worked?
 24 That you would keep Raj in the loop with respect to
 25 software updates?

1 A. No.
 2 857. Q. So, why was it was that you were
 3 doing it on this occasion?
 4 MS. DOSANJH: Do you have...I think it
 5 would be beneficial...
 6 THE DEPONENT: I don't know.
 7 MS. DOSANJH: ...if she had the
 8 attachment...
 9 THE DEPONENT: Yes, I can't read the
 10 attachment, I don't know.
 11 MS. DOSANJH: If there's an attachment,
 12 because it's kind of like answering
 13 something out without...
 14 THE DEPONENT: Yes, like it's so
 15 simple...
 16 858. MR. WARD: Let's go off the record.
 17 THE DEPONENT: ...to me I don't
 18 understand why.
 19
 20 --- A BRIEF RECESS
 21
 22 STEPHANIE ROSE SCHLACHT, resumed
 23 CONTINUED EXAMINATION BY MR. WARD:
 24 859. Q. So, let's finish off with tab 11?
 25 A. Okay.

1 860. Q. And I appreciate...
 2 A. I read ahead...sorry. But I just
 3 want...one thing I do want to say is that I'm here
 4 to give you guys the information you need. I'm
 5 not...if I don't remember something...you know what
 6 I mean. Like I'm not intentionally trying to be
 7 like...oops, and then read it and say yes, I did.
 8 Actually...just...it's years ago.
 9 861. Q. Okay, and these are emails we're
 10 putting in front of you...
 11 A. Yes.
 12 862. Q. ...are meant to prompt...
 13 A. Yes.
 14 863. Q. ...your memory in terms of how the
 15 company operated...
 16 A. Okay.
 17 864. Q. ...and what the nature of your
 18 involvement was at the time?
 19 A. Yes, okay.
 20 865. Q. So, please take them in that spirit
 21 as well.
 22 A. Okay.
 23 866. Q. Now this particular production, as
 24 we've all agreed...we don't happen to have the
 25 attachment...

1 A. Yes.
 2 867. Q. ...of program features. But I'm not
 3 interested in that level of detail. Okay, so we
 4 don't need the attachment for the purposes of the
 5 couple more questions that I have.
 6 A. Okay.
 7 868. Q. All right. But there is a reference
 8 to a BB update. And, am I reading that correctly to
 9 think that we're talking about updates to the
 10 Banners Broker website?
 11 A. That would be correct.
 12 869. Q. All right. And tell me again
 13 what...why it was that you were providing
 14 information to Raj on updates...keeping in mind that
 15 you're both at Stellar Point...
 16 A. M'hmm.
 17 870. Q. ...to the Banners Broker website.
 18 A. Because Stellar Point was
 19 responsible for customer service. Updates or
 20 changes on the website. So, you will have an
 21 affiliate call in and want to know about the
 22 changes. Or why this is like this now or why that
 23 change...so obviously we have to be updated so we
 24 can...
 25 871. Q. And Stellar Point was updating the

1 Banners Broker website?
 2 A. No.
 3 872. Q. So, who was updating the Banners
 4 Broker website at this time?
 5 A. I don't know. I don't know who did
 6 all the...
 7 873. Q. Well how did this information come
 8 to land in your inbox?
 9 A. I wouldn't...who was it from? I
 10 don't have the email with...I don't have the
 11 original email that was sent to me so I couldn't
 12 tell who it was from.
 13 874. Q. Okay.
 14 A. I don't remember.
 15 MS. DOSANJH: So, I guess if there's an
 16 email I think...after...before this date.
 17 Are you just asking specifically to the
 18 contents of what...
 19 875. MR. WARD: I'm...am I...can we agree
 20 that you were...
 21 THE DEPONENT: It would have been from a
 22 programmer. I'm guessing.
 23 876. MR. WARD: Right. Right.
 24
 25 BY MR. WARD:

1 877. Q. So, programmers...if this email was
2 an example, then the programmers would send you
3 information on updates and you would pass it along
4 to Raj?

5 A. Not on a regular basis. I don't...

6 878. Q. Okay, but in this instance, is that
7 what happened?

8 A. That would...to the best of my
9 knowledge without seeing the attachment, that's what
10 I would say was the reasoning behind it.

11 879. Q. There's some notes behind tab 14.
12 There's an email and then there's some...you
13 probably want to start with the emails.

14 A. I think I already read it, but I
15 will read it myself. This is from the convention,
16 yes.

17 880. Q. So, the July 11th notes. Do you
18 know who prepared these?

19 A. Well it says I attached the notes I
20 took. So...

21 881. Q. Okay, so...

22 A. ...sounds like it would be me.

23 882. Q. And in fact it was you. Correct?

24 A. I don't see why I would lie in the
25 email.

1 THE DEPONENT: No, the notes don't. Oh
2 yes, they do.

3 MS. DOSANJH: So, then we can agree that
4 those notes are in relation to that email.

5 885. MR. WARD: Okay.

6 THE DEPONENT: It would make sense.

7 886. MR. WARD: Okay.

8
9 BY MR. WARD:

10 887. Q. Now I wouldn't think that points
11 controversial. But if you didn't prepare the notes
12 then let me know. It appears that you did.

13 A. I believe I did.

14 888. Q. Okay. Have a look at the notes and
15 refresh on them. Is this...do these notes describe
16 what the affiliates were told in terms of the
17 termination of Mr. Josun?

18 A. Topic meeting announcement of Kul's
19 termination of affiliates...I think this is...was
20 going over...because this was in Portugal. So, this
21 would have been...yes, I know...this would be going
22 through...because Kul was terminated so...it was
23 damage control, because affiliates were...Kul was
24 the one that travelled before, so the affiliates
25 knew Kul. That's who they knew. And so, when Kul

1 MS. DOSANJH: Well I think he's asking
2 are these notes in reference to the email
3 that you facilitated? Is there a
4 connection to the notes to the email? I
5 don't know...

6 883. MR. WARD: Thank you, that's helpful.
7 THE DEPONENT: Because I'm not looking
8 at the email, and opening the attachment
9 myself, I can't answer that. You know what
10 I mean? Like if I were reading the email
11 and opening the attachments, I could say
12 100 percent say those were the notes meant
13 for the attachment, but I can't tell you
14 100 percent.

15 MS. DOSANJH: Well look at the dates.
16 So, I don't know. If you want to say look
17 at the dates and look at the notes, and
18 maybe...

19 THE DEPONENT: Yes, it looks like.

20 MS. DOSANJH: I think the body of the
21 email says July 11th and 12th, and the
22 notes indicate...

23 884. MR. WARD: Right, yes.

24 MS. DOSANJH: ...the same thing. So,
25 the...

1 was terminated, or whatever you want to call it,
2 affiliates were...had questions. So, I think this
3 was just preparing to make an announcement to
4 affiliates.

5 889. Q. Okay. And so, there's questions and
6 answers. Am I assuming correctly that you
7 prepared...you anticipated these questions and
8 prepared these draft answers?

9 A. I don't know. It could have been
10 questions that affiliates had themselves or that
11 independent contractors had, and then...I don't know
12 if it was...I would never assume an answer so I'm
13 thinking that these answers came directly from
14 Chris.

15 890. Q. Okay, but I mean they're your
16 notes...

17 A. Yes.

18 891. Q. ...we've established. And
19 there's...are you documenting a meeting that you
20 attended, or was this prepared in anticipation of a
21 presentation and anticipation of questions? Was
22 this like a script or was this documenting something
23 that had taken place?

24 A. Well it looks to me like this is
25 what Chris...I wrote down as Chris dictated in

1 preparation for a meeting.

2 892. Q. Okay. But you weren't working for
3 Chris at the time, were you?

4 A. No, but I did...because it was the
5 convention, and I was doing a bit of this and a bit
6 of that, and a bit of everything. When this all
7 came down, I was probably asked just to jump in and
8 take some notes.

9 893. Q. Okay. And you jumped in and asked
10 by Chris to take some notes for him?

11 A. That's what...yes. I believe so.
12 That's what it looks like there.

13 894. Q. But you...to the best of your...and
14 I'm not going to push this too far, but I just...to
15 the best of your recollection, these are notes that
16 Chris dictated to you?

17 A. Yes.

18 895. Q. In advance of the presentation to
19 the affiliates, or after?

20 A. Because...see...because I worked
21 with the independent contractors, I was in the
22 midst...Tara worked with them actually, but because
23 I was there to assist her during the convention.
24 And as soon as this happened...Kul was Tara's dad,
25 right?

1 necessarily...

2 A. I was.

3 902. Q. ...this conference. Sorry, just let
4 me finish the question. Not necessarily this
5 conference, or any particular conference, but was
6 that something else that you were involved in for
7 Stellar Point?

8 A. Only in relation to the conventions.
9 But not for the Portugal one. That was Tara.

10 903. Q. Okay. But with respect to the
11 conventions other than Portugal. You would have
12 arranged the security for those conventions?

13 A. I would have some part in arranging
14 or I may have pushed the task to someone else.

15 904. Q. Okay. Delegated it to someone else?

16 A. Delegated, yes.

17 905. Q. And just so we understand. Why was
18 it that...what sort of security was needed at these
19 conventions?

20 A. If you have ever been to an
21 affiliate marketing type of convention.

22 906. Q. I haven't.

23 A. There's people of all sorts, all
24 backgrounds. You have someone that is a
25 multi-millionaire and someone who has five bucks in

1 896. Q. Right.

2 A. So, she totally left the premises.
3 And so I was kind of thrown in to take over her
4 role, so I feel by reading this that it was probably
5 independent contractors that came up to me
6 personally and said I want to know the answers to
7 this, this and this. And then I met up with Chris
8 and Chris answered the questions for me.

9 897. Q. Okay, that's helpful. Thank you.
10 And then the next tab in the production book 15.

11 A. M'hmm.

12 898. Q. There's an email with the subject
13 line, "Security, budget and payment." And so, my
14 question...I take it...flip through it...as part of
15 your conference organizing responsibilities for
16 Portugal.

17 A. Is this Portugal?

18 899. Q. And it may not be, so...

19 A. It's January, February, March,
20 April, May, June, July 12.

21 900. Q. Would be Portugal.

22 A. This was probably...July 12th. I
23 don't remember.

24 901. Q. Okay, so more generally, were you
25 involved in arranging security for conferences, not

1 their bank. So, you get all these personalities.
2 People can become aggressive, especially if they
3 want questions answered or, you know, they want to
4 speak to Chris, or...so they'll do anything. Like
5 they're ruthless. They will hound people down.
6 They'll trap you in a hotel hallway and...like even
7 with me.

8 907. Q. Right.

9 A. I was an assistant and I had people
10 knocking on my hotel. So, the security was just to
11 make sure that no...there was no out of control
12 situations. Because the hotel does not provide the
13 security. Most often times, you're responsible.

14 908. Q. And what levels of...is it...I don't
15 want to generalize if it's not possible, but I
16 understand that there was a fairly extensive
17 security that was provided for the conferences. Is
18 the receiver correct in assuming that there was
19 24-hour around the clock security for the principals
20 of Banners and Stellar Point?

21 A. I wouldn't be able to remember if it
22 was 24. It was extensive but I don't know if it was
23 24 or 15, or...

24 909. Q. And security for their families as
25 well?

1 A. The families didn't travel very
2 often. In Portugal, I believe, there was, but I
3 wasn't in charge of security so I wouldn't be able
4 to answer that.

5 910. Q. But you were at Portugal and you saw
6 the security though?

7 A. I did, yes.

8 911. Q. Right and it was security for their
9 families as well?

10 A. I was so busy organizing the event I
11 didn't even see the families half the time so I
12 wouldn't be able to answer that. I was either in my
13 hotel room prepping or in a conference.

14 912. Q. Okay. Tab 17 please. I don't think
15 that I have a spreadsheet attachment to 17. Are we
16 looking at the same...

17 MS. DOSANJH: Ah...wait...sorry, I
18 think...No, we're one ahead of you.
19 Seventeen.

20 913. MR. WARD: Again, I think that we...

21 MS. DOSANJH: That's attached to 17.
22 There's a spreadsheet...

23 THE DEPONENT: I do...I have it. You
24 have it.

25 914. MR. WARD: Okay.

1 MS. DOSANJH: She I guess just copied
2 her.

3 922. MR. WARD: Why she would be addressing
4 to Stephanie intending to...

5 THE DEPONENT: I can answer that.

6 923. MR. WARD: ...for Chris to read it.

7 THE DEPONENT: The reseller for
8 Portugal, that was her assistant. And she
9 asked me to...she sent me an email and
10 asked me to forward...did she even send it
11 to me? Yes. She sent it to me and asked me
12 to forward it. So, I simply just forwarded
13 it over to Chris.

14 924. MR. WARD: Okay.

15 BY MR. WARD:

16 925. Q. Now, looking at it. I guess the
17 first question that this raises in my mind, not
18 being familiar with how Banners Broker worked,
19 is...why would she be forwarding it to you given
20 that you never worked for Chris Smith?

21 A. Because at this point, it's during a
22 convention. Right. So, we're doing everything and
23 organizing for them. So, because she is the
24 assistant to a reseller and I dealt with independent
25

1 MS. DOSANJH: There.

2 915. MR. WARD: Sorry, it's the...I won't get
3 to the attachment. It's more the email
4 that I'm interested in.

5 MS. DOSANJH: The email.

6 THE DEPONENT: Okay.

7 BY MR. WARD:

8 916. Q. I'm looking at the email from
9 Manuela M., dated July 25, 2012, 9:40 a.m. And he's
10 writing to Chris...

11 A. It's a woman actually.

12 917. Q. Okay. She's writing to Chris, but
13 it's addressed to yourself, copied to K. Gray.

14 A. So...

15 918. Q. And so the question is...

16 A. Sorry.

17 919. Q. Why...do you know why that was that
18 he would be writing to you intending to speak Chris.

19 A. She...

20 920. Q. She...

21 MS. DOSANJH: She wasn't writing to her.
22 I think she was writing to Chris. It says,
23 "Good afternoon, Chris."

24 921. MR. WARD: Right. I'm sorry...

1 contractors, and I guess I should have said...I
2 never...no, resellers...it's hard to explain.

3 Resellers are a little bit different from
4 independent contractors, but I still talked to the
5 resellers as well. So...

6 926. Q. Okay.

7 A. ...Portugal was a reseller, UK was a
8 reseller at one point. And because I was the middle
9 person to that, she asked me to forward it to Chris.

10 927. Q. Okay. Did you have a...just
11 thinking about this a bit more...did you have a
12 business card at the time...like how would people
13 know whether you worked for...I guess, maybe I can
14 answer my own question then. Well I won't do that.
15 Did people know who you were working for?

16 A. Ah...

17 928. Q. Did affiliates and independent
18 contractors and resellers...how would...I assume
19 they couldn't have known whether you were working
20 for Mr. Dixit or Mr. Smith at a given time?

21 A. I don't know. I mean I'm not a mind
22 reader, so I can't tell you what they thought.
23 However, they knew me as the liaison between them as
24 independent contractor and Banners Broker. So,
25 Banners Broker International, or Banners Broker

- 1 Limited, or Stellar Point, I worked for them.
 2 929. Q. Okay.
 3 A. But I was a liaison. Like I said
 4 before, I would have to reach out to Chris for
 5 information to pass on. Or Raj might know it. Or I
 6 would get it through Brea.
 7 930. Q. So, what...so, as a liaison then,
 8 what...how would you address the concerns that
 9 Manuela is raising in her email of July 25?
 10 A. I simply just forwarded it. Unless
 11 it was in my scope of my knowledge, like this,
 12 yes...just forward...as I said, "this is an email
 13 that was sent to me by Manuela with a request to
 14 forward it to you, regards Stephanie." So, I just
 15 forwarded it.
 16 931. Q. But in addition to that...am I
 17 correct that you read it and you determined that it
 18 wasn't within your scope of knowledge?
 19 A. If she was saying she wanted me to
 20 pass it to Chris, I don't even think I would have
 21 read it, because that's not any of my business.
 22 Unless Chris asked me to read it, which he...I don't
 23 know. I can tell by the way that I wrote this that
 24 I just simply forwarded it on. And mind you, this
 25 was in my first two months and I wasn't...I

- 1 A. If you're boss is busy you do the
 2 busy work, so yes, I would have...
 3 937. Q. Right.
 4 A. But it would have been mostly Tara,
 5 but like I said, because Tara had left because of
 6 the issues going on with her dad, I was thrown in.
 7 938. Q. Okay. And did you discuss with
 8 Manuela the concerns that she's raised in the email?
 9 A. No, I would have said that I'll pass
 10 it along to Chris, he'll better answer your
 11 question. I wasn't...I was really new with working
 12 and I'm assuming I wouldn't have had the knowledge
 13 to pass on.
 14 939. Q. Okay. Did you appreciate that her
 15 complaints to Chris went to customer delays and
 16 everyday people calling to make complaints?
 17 A. I don't know. I didn't read the
 18 attachment. I just simply forwarded it to Chris.
 19 940. Q. So, your evidence is that you didn't
 20 read it, you just forwarded it on to Chris?
 21 A. That's correct.
 22 941. Q. The next tab then is tab 18. July
 23 26, 2012 now. We've talked about your involvement
 24 in terms of organizing conventions.
 25 A. M'hm.

- 1 never...I didn't have an established role.
 2 932. Q. Right.
 3 A. At this time.
 4 933. Q. In fairness she is not asking you to
 5 pass this on to Chris, though?
 6 A. Yes, she did. She sent it to me and
 7 she addressed, "Good afternoon, Chris." So I passed
 8 it on Chris. It doesn't say "Good afternoon,
 9 Stephanie."
 10 MS. DOSANJH: I think her email at the
 11 top says that it's an email was sent with a
 12 request to forward it to you. So, there
 13 may be another email out there or something
 14 lingering where Manuela may have written to
 15 Stephanie indicating that an email needs to
 16 be forward.
 17 934. MR. WARD: Okay.
 18 BY MR. WARD:
 19 935. Q. So, did you deal then in July of
 20 2012 with Manuela?
 21 A. She was, like I previously stated,
 22 she was the assistant to the reseller at Portugal.
 23 So, you know how it works with an assistant.
 24 936. Q. Right.

- 1 942. Q. Am I correct as well that you
 2 tracked expenses in respect of conventions?
 3 A. Yes, that's correct.
 4 943. Q. And so, is this your...did you
 5 prepare the expense report that we see as part of
 6 this production behind the pully tab?
 7 A. Let me just read...sorry it's been
 8 so many years, that I need to read before I answer.
 9 944. Q. Yes, take your time.
 10 A. It's hard to say. It could have
 11 been one that was given to me or it could have been
 12 one that I did.
 13 945. Q. Looking at your email, it would
 14 appear that you...
 15 A. It says, "I have attached a copy of
 16 the Portugal expenses." It doesn't say I've
 17 attached a copy of the Portugal expenses I prepared.
 18 946. Q. No, it doesn't say that.
 19 A. Yes, so...it's just been so many
 20 years, I just can't be certain.
 21 947. Q. Okay.
 22 A. I may have.
 23 948. Q. Because I think you just told me
 24 that that's something that...
 25 A. It's something that I would do, but

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1 due to the fact that this was the first convention
2 and I wasn't responsible for it, it could have been
3 Tara, because Tara did continue to work for a few
4 after the convention.

5 949. Q. Okay. But, I mean the one thing
6 that we can agree on is that you had...it would
7 appear from the email exchange that you had this
8 expense report from Portugal on July 26, when you
9 forwarded it to Chris?

10 A. That's what the email suggests, yes.

11 950. Q. Okay. And just looking at...and I'm
12 not going to spend any more time on it than this.
13 There are some credit card expenses incurred on July
14 17 in relation to, it says in brackets, "Raj".

15 A. M'hmm.

16 951. Q. And there's a \$16,000 amount.

17 A. Yes, I honestly wouldn't be able to
18 answer. I don't know.

19 952. Q. In the course of...let's deal with
20 it more generally then. In the course of preparing
21 conference expense reports.

22 A. M'hmm.

23 953. Q. Would you review credit card
24 statements? Presumably you would. I don't know
25 where you get the information...

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1 able to give you any information to do with that
2 amount.

3 959. Q. Okay.

4 A. Nor...and I can 100 percent say I
5 didn't see a bank transfer.

6 960. Q. In respect of Portugal?

7 A. No, I didn't have access to bank
8 accounts so there was no way I would have seen or
9 done a bank transfer.

10 961. Q. In respect of Portugal?

11 A. In respect to anything.

12 962. Q. If someone gave you bank transfer
13 information for the purposes of preparing expense
14 report then that's a way in which you might have
15 seen one. Correct?

16 A. Mostly the expenses were done with
17 things paid on credit cards or...I might see the
18 confirmation of a bank transfer but I was never
19 privy to...

20 963. Q. I understand.

21 A. ...you know what I mean.

22 964. Q. You wouldn't initiate the bank
23 transfer...

24 A. No.

25 965. Q. ...but you might see a confirmation

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1 A. Not statements, receipts.

2 954. Q. Receipts?

3 A. Yes.

4 955. Q. Okay.

5 A. But I was so fresh working with the
6 company that I wouldn't have...I can almost say that
7 I don't even think I prepared this, but I may have.
8 But I wouldn't have...I don't know. I wouldn't be
9 able to tell you what these were for.

10 956. Q. But it's fair to say that generally
11 in tracking expenses in respect of conferences, you
12 would review receipts?

13 A. Not always. I can't say that it was
14 each time 100 percent.

15 957. Q. And similarly, you would review
16 relevant bank transfers. Bank transfers relevant to
17 the convention?

18 A. No.

19 958. Q. And I ask that because there's an
20 indication on the page that we're looking at that
21 there was some bank transfers totalling around
22 \$336,000 having to do with hotel rooms.

23 A. Yes. I don't know. Like I said,
24 this was...I was thrown into this, so I may have
25 been given this or I don't know. But I wouldn't be

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1 in respect to a bank transfer?

2 A. Yes.

3 966. Q. And similarly, and presumably you
4 would have had receipts when you...for the purpose
5 of accounting...

6 A. Yes.

7 967. Q. ...for a convention at the end of
8 it?

9 A. Yes.

10 968. Q. And similarly, I would think that
11 you would have had credit card statements in
12 relation to conferences?

13 A. No, because that would be
14 accounting. I just collected the receipts and
15 handed them off.

16 969. Q. So, references, for example, to the
17 cash line items in this Portugal business expense
18 accounting.

19 A. Yes.

20 970. Q. Can you tell me where that
21 information would come from?

22 A. I honestly can't answer that. I
23 don't know.

24 971. Q. Okay. Leaving aside the Portugal
25 convention in respect of other conventions that you

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1 were involved in organizing on and reporting on. To
2 the extent that cash was expended, how would you
3 know or account for that?

4 A. Not...you know what...cash wasn't
5 really used, because when I'm booking hotels and
6 that, it's credit card. So, I don't know why
7 they're...some countries are different. Some
8 countries are weird and they like to...like you
9 know...how...I don't know if you've travelled to
10 many countries. But most of the things I dealt
11 with, with the other conventions, to my knowledge
12 and recollection were mostly credit card charges.

13 972. Q. Okay, thank you. Okay, at tab...

14 A. Unless it was like a coffee or
15 something.

16 973. Q. Thank you. Tab 19. Email from
17 yourself to Chris Smith, July 30, 2012.

18 A. Oh yes, I did do blogging.

19 974. Q. The subject: "Post Portugal blog."

20 A. Yes.

21 975. Q. So my question, and I've think you
22 just answered it.

23 A. I changed my mind about what I said
24 before, about the blogging.

25 976. Q. Did you do blogging in relation to

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1 981. Q. Okay. And it's meant to give them
2 information on what?

3 A. Sorry? I'm tired, could you repeat
4 that, sorry?

5 982. Q. We're almost done for the day. The
6 blogs are meant for the affiliates and it's meant to
7 provide them with what? Instructions,
8 information...

9 A. Blogs are like...

10 983. Q. ...notices, what was...

11 A. ...a feel good read.

12 984. Q. Okay. And what do you mean by that,
13 "a feel good read"?

14 A. Just, I mean...there could be
15 updates in a blog, but a blog is just like a...it's
16 kind of like a diary. It's like a feel good read.

17 985. Q. Okay.

18 A. You know.

19 986. Q. So, the affiliates would read the
20 blog that, for instance, the one that you wrote, and
21 then they would feel good about the business? Is
22 that the intention?

23 A. I don't...I couldn't...I don't know.

24 Are you talking about this blog posting in
25 particular, or in general?

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1 Banners Broker?

2 A. Initially, yes. Not when I went...I
3 did a few blogs...here, sorry, I gotta get my
4 bearings. That was two years ago.

5 977. Q. Okay.

6 A. I was asked to do a few blogs after
7 Portugal. This is the one that went up. And then
8 when I went to go open offices, and if I attended an
9 affiliate webinar, I was asked to make notes and
10 then the notes would be sent over and a blog would
11 be written. But that was only in the very
12 beginning.

13 978. Q. Okay. So, talking about that period
14 in the beginning. Just...I want to...I don't have a
15 blog and I don't use a blog. And I'm not familiar
16 with blogs. So, describe for me the Portugal
17 Banners Broker blog. For example, who was it meant
18 for, where would one see it?

19 A. Blog...

20 979. Q. What did you do to write it?

21 A. A blog is an online presence. So
22 it's meant for like the affiliates.

23 980. Q. Okay.

24 A. Something that they can read and
25 keep updated and...

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1 987. Q. In general.

2 A. It's hard...people write blogs for
3 different things, right. I can only speak to the one
4 that I personally wrote.

5 988. Q. Okay.

6 A. And this is the blog that you
7 personally wrote that we see behind the production,
8 tab 19?

9 A. I can't be certain if I wrote it all
10 on my own but I did have a part in putting it
11 together, yes.

12 989. Q. Okay.

13 A. It's basically just a summary of
14 what went on in that week.

15 990. Q. You say in the cover email, "Your
16 quote that I took from the recording is highlighted
17 in green." Does that refresh your memory in terms
18 of whether or not you wrote this blog?

19 A. I don't see the green. Do you guys
20 know?

21 MS. DOSANJH: Well maybe it's this one.

22 Maybe it's the quote at the bottom of the
23 page.

24 THE DEPONENT: Yes.

25 MS. DOSANJH: In closing.

1 THE DEPONENT: I took...it says, "In
2 closing Chris Smith, CEO, states..." and
3 then it has a paragraph.

4 991. MR. WARD: Right.

5 THE DEPONENT: So, that's what I was
6 referring to.

7
8 BY MR. WARD:

9 992. Q. So, can we agree then that you wrote
10 this blog?

11 A. I can't say that. I may have put it
12 together, but I may have had someone helping me.
13 It's been two years.

14 993. Q. But you can't...but sitting
15 here...if there was anyone else that you recall
16 helped with you it, I would like to know who that
17 person was?

18 A. It probably could have been Tara.

19 994. Q. Not could have been. But...

20 A. I don't remember.

21 995. Q. But...because I'm putting it to you,
22 Stephanie, in fairness, based on my reading of the
23 email, that you wrote this blog yourself and that
24 there was nobody else that co authored. Is that not
25 fair?

1 that if you were writing this, would you
2 sign it as "Stephanie" or would you sign it
3 as "BB Management"?

4 THE DEPONENT: Nothing's ever
5 signed...like I wouldn't sign anything.

6 MS. DOSANJH: So, who was...I guess, I
7 don't know...David, tell me if I'm over
8 working here.

9 1000. MR. WARD: Yes, this is helpful, and I
10 want to wrap as well, so this is helpful.

11 MS. DOSANJH: So, BB Management is
12 comprised of, I don't know, four people,
13 six people, or eight people that you guys
14 sit together once a month and you guys get
15 little notes and scripts from everyone and
16 put it together as a management team?

17 THE DEPONENT: Well it would be...

18 MS. DOSANJH: Or is it you that takes
19 the lead on this and just signs off as "BB
20 Management"?

21 THE DEPONENT: It would be on
22 behalf...like Chris Smith didn't write his
23 own blogs.

24 1001. MR. WARD: I appreciate that.

25 THE DEPONENT: It would be on behalf of

1 A. I can't really honestly answer that.
2 I could have done the...I could have written and had
3 someone helped me write it and then I made it flow.
4 But honestly, it was two years ago. I honestly
5 don't remember.

6 996. Q. Okay. But...

7 MS. DOSANJH: I don't know...maybe it
8 says it's signed as "BB Management," so I
9 don't know, maybe ask her who's apart of BB
10 management.

11 997. MR. WARD: Yes, I was just going to get
12 to that point.

13
14 BY MR. WARD:

15 998. Q. Your Counsel has pointed out that
16 this blog entry appears to be end noted, or signed
17 by BB Management.

18 A. To the best of my knowledge, and I
19 would have to have the blog in front of me, I think
20 that they were all signed "BB Management."

21 999. Q. Okay. So, if you were preparing it,
22 or part of it, you would similarly sign it "BB
23 Management"?

24 A. This is...

25 MS. DOSANJH: I think his question is

1 things that he wanted me to project.

2
3 BY MR. WARD:

4 1002. Q. Can we put it this way that to the
5 extent that you either authored, or co authored
6 Banners Broker blogs...

7 A. It would have been just this one.

8 1003. Q. ...it was standard practice for them
9 to be signed off on as "BB Management"?

10 A. Like I said, I would have to pull
11 the blog up and see. This is just the instructions
12 I was given and I followed.

13 1004. Q. I don't want to leave this until
14 we...who was instructing you to write these blogs?
15 Your sending it to Chris Smith. Was it Chris Smith
16 that instructed you to write this blog?

17 A. Yes it was Chris Smith.

18 1005. Q. Okay. And similarly it was Chris
19 Smith that instructed you to sign off as "BB
20 Management"?

21 A. If I signed off "BB Management" that
22 would have been the instruction given to me.

23 1006. Q. Okay.

24 A. Yes.

25 1007. MR. WARD: All right, let's call it a

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1 day. I think we'll adjourn this.

2 MS. DOSANJH: Do you want to...should we
3 just.

4 1008. MR. WARD: Off the record.

5
6 --- DISCUSSION OFF THE RECORD

7
8 1009. MR. WARD: So just to accompany today's
9 transcript, Counsel and I have agreed to
10 mark the document binder that I was
11 referring to as Exhibit A for
12 identification purposes.

13
14 --- EXHIBIT NO. A: Document binder

15 1010. MR. WARD: Thank you very much.

S. R. Schlacht

REPORTER'S NOTE:

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5
6 Please be advised that any undertakings, objections,
7 advisements and refusals are provided as a service to all c
8 their guidance only, and do not purport to be legally bindi
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15 I hereby certify the foregoing to be a true and accu
16 transcription of the above-noted proceedings held before me
17 29th DAY OF APRIL, 2015, and taken to the best of my skill,
18 ability and understanding.

19
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21 Certified Correct:

22
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26
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28 Matthew Dixon
29 Certified Verbatim Rep
30

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Court File No. CV-14-10663-00
ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1992, c. 27, s.2, AS AMENDED
AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE ISLE
OF MAN WITH RESPECT TO BANNERS BROKER INTERNATIONAL LIMITED
APPLICATION OF MILES ANDREW BENHAM AND PAUL ROBERT
APPLETON, IN THEIR CAPACITY AS JOINT LIQUIDATORS OF BANNERS
BROKER INTERNATIONAL LIMITED, UNDER PART XIII OF THE
BANKRUPTCY AND INSOLVENCY ACT (CROSS-BORDER INSOLVENCIES)

CC/am

This is the Continued Examination pursuant to the
Bankruptcy and Insolvency Act of STEPHANIE ROSE SCHLACHT,
taken at the offices of CASSELS BROCK & BLACKWELL, Suite
2100, Scotia Plaza, 40 King Street West, Toronto, Ontario,
on the 11th day of June, 2015.

APPEARANCES:

DAVID WARD

-- for the Receiver

ERIN CRADDOCK

GILLIAN GOLDBLATT

JEREMY MARTIN

KAREN DOSANJH

-- for Stephanie R.

SILVANA LOMBARDO (paralegal) Schlacht

ALSO PRESENT:

Gillian Goldblatt

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- 1 A. I think Colin Tuck and I were
2 talking about it.
- 3 1018. Q. Sorry, Mr...
4 A. Tuck, T-U-C-K.
- 5 1019. Q. Okay. And who was he?
6 A. He did, like, AV and computer work.
- 7 1020. Q. For who?
8 A. For Chris Smith.
- 9 1021. Q. Okay. So, did you understand him to
10 be a Banners Broker employee, or a Stellar Point
11 employee?
12 A. I never saw his pay stub, so I
13 wouldn't be able to tell you.
- 14 1022. Q. But you worked at Stellar Point,
15 correct?
16 A. Yes.
- 17 1023. Q. He...
18 A. He worked...
- 19 1024. Q. ...worked with you?
20 A. When I first started off, as I
21 explained last time, I started off at the Church
22 Street address, and he was working there. I never
23 saw his pay stub, so I couldn't tell you if he was
24 employed with Stellar Point or just straight with
25 Chris.

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- 1 STEPHANIE R. SCHLACHT, resumed
2 CONTINUED EXAMINATION BY MR. WARD:
- 3 1011. Q. Stephanie, the last time that we
4 met, you had talked about a...one of the things you
5 told us about was a convention in Portugal...
6 A. That is correct.
- 7 1012. Q. ...when your boss, at the time, who
8 was Mr. Kuldip Josun, I believe...
9 A. M'hmm.
- 10 1013. Q. ...was fired and asked to leave the
11 convention?
12 A. M'hmm.
- 13 1014. Q. You need to say yes or no for the
14 record, please.
15 A. Yes.
- 16 1015. Q. Okay. And you also indicated at the
17 time he was fired, he had been making threats to
18 management and staff?
19 A. That is what I heard, yes.
- 20 1016. Q. Okay. And who did you hear that
21 from?
22 A. I couldn't tell you exactly.
23 Everyone was talking about, so a number of people.
- 24 1017. Q. Okay. And, so, who were some of the
25 people that you...

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- 1 A. Q. And after you first started off,
2 you moved to the Carlow property?
- 3 A. So, we were in a small building at
4 1019 Nelson, as I told you last time.
- 5 1025. Q. So, was Mr. Tuck working with you in
6 the small building at 1019...
7 A. No, he wasn't.
- 8 1026. Q. ...Nelson Street?
9 A. Strictly at Church.
- 10 1027. Q. And where did you move after that?
11 A. Carlow Court.
- 12 1028. Q. Okay. And was Mr. Tuck working with
13 you at Carlow Court?
14 A. No, he was not.
- 15 1029. Q. Okay. Who else told you about the
16 threats that you told me about?
17 A. That was two years ago. We would
18 talk amongst ourselves. I couldn't give you a name
19 without feeling confident...
- 20 1030. Q. Okay, and...
21 A. ...other than Colin.
- 22 1031. Q. And you used the word "threats".
23 Why did you believe them to be threats?
24 A. Because he was threatening families,
25 and he was angry, so he was making, you know, verbal

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- 1 threats.
 2 1032. Q. What sorts of verbal threats?
 3 A. To be honest, I couldn't remember
 4 the exact words. I don't know whether it was
 5 against families or...I can't remember.
 6 1033. Q. Okay...
 7 A. I think it was against Chris Smith's
 8 family.
 9 1034. Q. Okay. And I am not asking for the
 10 exact words, but if someone is threatening someone's
 11 family, I mean, it is significant enough that there
 12 may be something else you remember. Short of the
 13 exact words, can you tell me what that was?
 14 A. No.
 15 1035. Q. Was he threatening...to your
 16 knowledge, was Mr. Josin threatening anyone other
 17 than Chris Smith and his family?
 18 A. I am not sure.
 19 1036. Q. So, I take it that would be a no?
 20 A. That would be a no...well, I am not
 21 sure. That is my answer.
 22 1037. Q. And what do you...
 23 A. I can't remember, sorry.
 24 1038. Q. Is there anything else that you
 25 remember about the circumstances of Mr. Josin's

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- 1 departure, apart from what you have told me today
 2 and when you were examined on April the 29th, 2015?
 3 A. No.
 4 1039. Q. So, you are certain of that?
 5 A. I am certain, yes.
 6 1040. Q. Okay. One of the other things that
 7 we talked about when we met in April was the Stellar
 8 Point expense reimbursement policy, and you told me
 9 that there was such a policy.
 10 A. Did I?
 11 1041. Q. Do you recall that?
 12 A. About a reimbursement, like, for
 13 expenses? Yes. Yes, I do recall that.
 14 1042. Q. Okay. And was that a policy in
 15 writing?
 16 A. I don't know.
 17 1043. Q. Did you ever see a policy in
 18 writing?
 19 A. I don't remember. I don't think so,
 20 but there may have been, but Grant D'Eall, the one
 21 who did all the policies, would be the person you
 22 would want to talk to about that.
 23 1044. Q. Okay. And when you say "all the
 24 policies", what other policies was Grant D'Eall
 25 involved...

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- 1 A. Well, Stellar Point as a company...
 2 1045. Q. Sorry, you just need to let me
 3 finish the question for the record.
 4 A. Okay, sorry.
 5 1046. Q. So, can I take it, then, that it is
 6 your evidence that Grant D'Eall prepared the expense
 7 reimbursement policy for Stellar Point?
 8 A. I couldn't be certain, but he did
 9 policies. So, that would be the person, I would
 10 think. But, like I said, I don't remember.
 11 1047. Q. Well, who did you deal with in terms
 12 of expense reimbursement?
 13 A. Jeanette Kennedy.
 14 1048. Q. Okay. And what did she do in
 15 relation to expense reimbursement?
 16 A. We gave our expenses to her, and
 17 that was it.
 18 1049. Q. And when you say "we", we are just
 19 talking about yourself now, correct? Or was there
 20 someone else you are referring to?
 21 A. When I had expenses, I went through
 22 her, or I went through Raj directly, because I was
 23 the assistant. I could go straight to him if I
 24 needed to.
 25 1050. Q. Okay. And if you went to Jeanette,

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- 1 what would you give her, and what would she do with
 2 it? I just need to understand from you, if I could,
 3 how the expense reimbursement policy...because you
 4 used the word "policy", worked.
 5 A. Well, I don't know if "policy" is
 6 the right word. You would write your expenses in a
 7 spreadsheet, you would attach your receipts, and you
 8 would hand it over to the office manager.
 9 1051. Q. Which was?
 10 A. Jeanette Kennedy...
 11 1052. Q. Okay.
 12 A. ...general manager, office manager,
 13 however you want to put it.
 14 1053. Q. And then...would you know what
 15 Jeanette Kennedy did with it?
 16 A. You would have to ask her.
 17 1054. Q. Well, did she approve them and write
 18 you a cheque?
 19 A. I didn't have a whole lot of
 20 expenses. So, if I could...like, if I am just
 21 referring to myself. It would either be out of
 22 petty cash or a cheque, but for me it wasn't, like,
 23 Raj...if I was travelling with Raj or doing things,
 24 I was usually with a person that could take care of
 25 my expenses themselves.

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1 1055. Q. Right. And am I correct that
 2 Jeanette reported to Mr. Dixit?
 3 A. You would have to ask her.
 4 1056. Q. Okay. Did you see her reporting to
 5 anyone other than Mr. Dixit?
 6 A. You would have to ask her.
 7 1057. Q. No, I am asking what you saw.
 8 A. My job was to be assistant to Rajiv
 9 Dixit. So, as far as I know, she only reported to
 10 Raj. But, like I said, you would have to ask her.
 11 1058. Q. Okay. And as far as you knew, and
 12 know, the only person who approved expense
 13 reimbursement within Stellar Point was Mr. Dixit, as
 14 well?
 15 A. As far as I know, yes.
 16 1059. Q. Okay.
 17 A. Approved them? Well, Jeanette could
 18 approve them based on guidelines.
 19 1060. Q. Okay. So, what guidelines are you
 20 referring to?
 21 A. You would have to ask her on that.
 22 I wouldn't be able to list a set of guidelines for
 23 you.
 24 1061. Q. But how is it that you know that...
 25 A. It is...

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1 get one over to you, for sure.
 2 MS. DOSANJH: Yes? Okay.
 3 1068. MR. WARD: Yes.
 4
 5 BY MR. WARD:
 6 1069. Q. Now, before we jump into this
 7 document, I would like you to have a look at the
 8 attachment, which is an independent contractor
 9 agreement?
 10 A. Yes.
 11 1070. Q. And you should, as well, familiarize
 12 yourself with the cover e-mail, because I have a
 13 number of questions on this set of documents.
 14 A. Okay, yes, go ahead.
 15 MS. DOSANJH: Sorry, tab 21?
 16 1071. MR. WARD: Okay.
 17 MS. DOSANJH: Tab 21, sorry?
 18 1072. MR. WARD: So, have you...yes, sorry,
 19 tab 21.
 20
 21 BY MR. WARD:
 22 1073. Q. Have you reviewed the cover e-mail
 23 and the independent contract agreement?
 24 A. I went through this binder. So,
 25 yes, I am familiar.

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1 1062. Q. Just let me finish the question,
 2 that Jeanette could approve expenses? And I take it
 3 you mean independent of Mr. Dixit, based on
 4 guidelines?
 5 A. What do you mean?
 6 1063. Q. How would you know that, based on
 7 what you just told me?
 8 A. Because I couldn't buy a new
 9 Mercedes, bring it in to Jeanette and say, "Can I
 10 get reimbursed for this?" I am talking guidelines.
 11 So, expenses when you are travelling, obviously you
 12 can't go out and spend thousands of dollars on a
 13 meal and then come back and say, "This was an
 14 expensed meal".
 15 1064. Q. Stephanie, did you ever see
 16 guidelines on expense reimbursements?
 17 A. No, I did not.
 18 1065. Q. Okay. All right. So, let's...if we
 19 could return to the binder, and we were at tab 21.
 20 MS. DOSANJH: Sorry to interrupt, is
 21 that a copy of the transcript?
 22 1066. MR. WARD: It is, yes.
 23 MS. DOSANJH: Okay. Would there be
 24 another copy available for any of us?
 25 1067. MR. WARD: Yes, no, we are welcome to

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1 1074. Q. Okay. So, looking at the e-mail on
 2 the bottom of page 1...
 3 A. M'hmm.
 4 1075. Q. ...from Mr. Dixit to...it is
 5 addressed to ic@bannersbroker.com...
 6 A. Yes.
 7 1076. Q. ...copied to yourself.
 8 A. M'hmm.
 9 1077. Q. Do you know what the IC would be?
 10 A. Independent contractors.
 11 1078. Q. Okay. And then the e-mail from Raj
 12 goes on to ask you to proofread it, correcting
 13 spelling or grammatical errors, and then send it out
 14 to certain independent contractors?
 15 A. Yes, that is correct.
 16 1079. Q. And did you do that?
 17 A. I was asked to do it, but I don't
 18 have the e-mail where I sent it out, so I can assume
 19 that I did.
 20 1080. Q. Okay. And then look at the e-mail
 21 directly above that, on the top of the page.
 22 A. Okay, yes?
 23 1081. Q. And halfway through that e-mail, it
 24 suggests to me that you also added some information
 25 to the contract?

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- 1 A. "...I notice upon reading there was
2 no place to sign..."
3 Yes, all I added was line for them to sign, because
4 there was no place for the independent contractors
5 to sign at the end of the agreement.
6 1082. Q. Okay.
7 A. So, all I added was a line with a
8 signature required.
9 1083. Q. And who were the parties to this
10 contract?
11 A. The parties, meaning who was it
12 being sent to?
13 1084. Q. Who was the contract between?
14 A. It was between the independent
15 contractors and Banners Broker International, it
16 looks like.
17 1085. Q. And when you say Banners Broker
18 International, you mean the Isle of Man entity?
19 A. Yes, that is what it says.
20 1086. Q. Okay. So, were you working for the
21 Isle of Man entity at the time?
22 A. No, I was not.
23 1087. Q. So, how was it that you were
24 reviewing and editing a contract between Banners
25 Broker International, the Isle of Man entity, and

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- 1 particular. I mean, clearly this was a...I think
2 hopefully that we can agree that this...you have
3 just told me that this was a Banners Broker
4 International contract...
5 A. Well, the independent contract...
6 1092. Q. Just, please, let me finish the
7 question. We can agree that Stellar Point is not a
8 party to this contract?
9 A. Stellar Point is the one that
10 handled all the administrative work for Banners
11 Broker International. So, I dealt with the
12 independent contractors. So, anything that Banners
13 Broker International wanted to give to the
14 independent contractors, I was in charge of passing
15 along that information.
16 1093. Q. Okay. And with respect to this
17 particular contract, we can agree that you were also
18 in charge of editing the contract, adding the
19 missing information and sending it to the
20 independent contractors on...
21 A. I wasn't...
22 1094. Q. Please let me finish the
23 question...on behalf of Banners Broker
24 International.
25 A. I worked for Stellar Point, so I

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- 1 independent contractors?
2 A. Because like I explained last time,
3 Banners Broker International...or, sorry, Stellar
4 Point, which is formerly Banners Broker Limited, did
5 consulting with Banners Broker International. So,
6 Stellar Point did a lot of work for Banners Broker
7 International.
8 1088. Q. So, did...
9 A. So, that is why.
10 1089. Q. So, did the work, the scope of work
11 that Stellar Point did for Banners Broker
12 International include drafting and sending out
13 contracts for Banners Broker International?
14 A. I believe this was a contract that
15 was sent...I couldn't be certain, because this was a
16 long time ago, but I believe this was something that
17 was drafted at...by someone for Chris Smith, and
18 then sent to us to review, and then I dealt directly
19 with independent contractors. So, I was the liaison
20 to give out any contracts or documents to them.
21 1090. Q. So, is the answer to my last
22 question yes, then?
23 A. I am not sure. Or not to my...this
24 in particular, or...
25 1091. Q. Well, let's start with this in

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- 1 don't know how I can answer that again. I was given
2 stuff from the client to review for grammatical
3 information, and then I sent it to who I was told to
4 send it to. If you want to know anything further,
5 you need to speak to either my husband or Chris
6 Smith. I just did what I was told.
7 1095. Q. Have a look at the page 2 of 3 of
8 the independent contractor agreement. The first
9 paragraph, second line says:
10 "...This service shall be in the form of
11 tickets and phone support..."
12 Now, when we met in April, you told me that you were
13 responsible for dealing directly with the
14 independent contractors and making sure they were
15 trained on customer service aspects?
16 A. Yes, that is correct.
17 1096. Q. And did those customer service
18 aspects...because at the time, you didn't remember
19 what that included, did they include training them
20 on forms of tickets and phone support?
21 A. I didn't do that myself. I would
22 probably say...sorry, can you repeat the question?
23 Did that include what?
24 1097. Q. In the course of the training that
25 you did for independent contractors, did you train

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1 them on forms of tickets and phone support as those
2 words are used in the independent contractor
3 agreement?

4 A. Well, the ticketing system phone
5 support was in place before I started. So, they
6 were all well-versed in it. So, I didn't...other
7 than...I didn't really give a formal training on
8 that, because they were already aware of how to do
9 it.

10 1098. Q. Okay. And, so, the answer to that
11 is no, you did not give formal training. What did
12 you train independent contractors on? Because we
13 know that you travelled to a number of countries.

14 A. Yes.

15 1099. Q. To meet with them? So, if you
16 didn't train them on forms of tickets and phone
17 support, what else...

18 A. Well, I went over that.

19 1100. Q. Please let me finish the question.
20 What aspects of customer service did you train the
21 independent contractors on?

22 A. Well, we would go up...well, you
23 know, I think maybe I need to change my answer,
24 because we would...if they had questions about the
25 ticket support, I would answer them. But, like I

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1 answer those questions, and they wouldn't come into
2 the Stellar Point office.

3 1104. Q. Because Stellar Point had trained
4 them on how to respond to affiliates, correct?

5 A. Well, they were trained by Stellar
6 Point, yes.

7 1105. Q. Right.

8 A. By myself or by somebody else from
9 Stellar Point.

10 1106. Q. Okay. And then secondly, just to
11 cover off this point, what did phone support consist
12 of?

13 A. You call in with a question as
14 opposed to writing in.

15 1107. Q. Okay. So, who would be calling who?

16 A. Affiliates would be calling in to
17 the support system to ask questions.

18 1108. Q. And where was the support system?

19 A. Stellar Point had a ticketing and a
20 support system, and then all of the independent
21 contractors opened up their own independent offices
22 where they took support questions and e-mails, as
23 well.

24 1109. Q. Okay. And you personally trained
25 the independent contractors on that support, how to

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1 said, most of them were well-versed on it, so they
2 didn't have a lot of questions about the ticketing
3 system.

4 1101. Q. Okay.

5 A. But if they did, of course, yes, I
6 would be able to answer the question.

7 1102. Q. Okay. So, what was ticket support?

8 A. When an affiliate had a question,
9 they would either call in to support, or they would
10 submit a support ticket.

11 1103. Q. And they would submit...and I have
12 never seen a support ticket, and I wasn't there, so
13 I am going to ask you to describe for us what a
14 support ticket was and where they would submit it.

15 A. If an affiliate had a question, they
16 would go on the Banners Broker website. They could
17 either call in, or they could submit a support
18 ticket. A support ticket is a question that they
19 have, like if you call Bell or if you call Rogers,
20 you have a question, you can go on the website and
21 write in a question and someone will answer, similar
22 to that. The independent contractors were being
23 trained, because anybody that wrote in from a
24 certain country where there was an independent
25 contractor, the independent contractor's team would

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1 use that support system?

2 A. It was myself, other people. Grant
3 did it at times. Sabi another assistant did it at
4 times.

5 1110. Q. Okay. So, the answer is, yes,
6 yourself and others?

7 A. Yes.

8 1111. Q. Okay. The contract references on
9 the same page, five paragraphs down, that:

10 "...Banners Broker International will
11 provide ongoing training and support to its
12 independent contractors and their staff..."
13 Is that reference to Banners Broker International
14 correct, or should that be Stellar Point?

15 A. Well, this is an older contract.

16 So, we were hired by Banners Broker International to
17 train. So, you would have to ask the person that
18 wrote this, but because we were contracted out to do
19 support...but this one here is referring to Banners
20 Broker International, but not Banners Broker
21 Limited.

22 1112. Q. So, in practice, what you are
23 telling me, then, is that it was Stellar Point or
24 Banners Broker Limited, because there was a name
25 change there...

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- 1 A. Yes.
- 2 1113. Q. ...that provided the ongoing support
- 3 and training to the independent contractors on
- 4 behalf of Banners Broker International?
- 5 A. While I was working there, correct.
- 6 1114. Q. And in fact, that was primarily what
- 7 you were involved in doing?
- 8 A. I was involved with that, as well
- 9 as...I was Rajiv Dixit's personal assistant, as
- 10 well.
- 11 1115. Q. Okay. So, on to the next tab, 22.
- 12 A. M'hmm.
- 13 1116. Q. You told me a number of times that
- 14 you were Rajiv Dixit's personal assistant. We do
- 15 see a lot of e-mails from Chris Smith directly to
- 16 yourself...
- 17 A. Yes.
- 18 1117. Q. ...having to do with particularly
- 19 wire transfers.
- 20 A. That is correct.
- 21 1118. Q. And this is an example. What were
- 22 your responsibilities in relation to Mr. Smith for
- 23 the processing of wire transfers?
- 24 A. Like I told you last time at the
- 25 questioning, if we refer to the transcript, I dealt

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- 1 remember the exact amount. I think it
- 2 was...actually, I can't remember, so I couldn't tell
- 3 you. But GCube Media is where independent
- 4 contractors sent their fees to.
- 5 1122. Q. Okay. And, so, in the course of
- 6 your responsibilities having to do with the
- 7 independent contractors, you would tell them where
- 8 to send their fees?
- 9 A. I would take instructions from Chris
- 10 Smith, and then I would pass it along to the
- 11 independent contractors.
- 12 1123. Q. And was Mr. Dixit involved in where
- 13 the...let me finish the question, where the
- 14 independent contractors would send their money?
- 15 A. Not that I can recall. When it came
- 16 to money, I dealt directly with Chris Smith, when it
- 17 came to Banners Broker International.
- 18 1124. Q. And when it came to money on the
- 19 Banners Broker Limited side, I take it you dealt
- 20 with Rajiv Dixit?
- 21 A. Jeanette Kennedy did more of the
- 22 financials. I didn't really touch any financial
- 23 aspects.
- 24 1125. Q. Jeanette Kennedy did more of the
- 25 financials than Mr. Dixit or than yourself?

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- 1 with the independent contractors, and there were a
- 2 lot of wires that went out for paying commissions.
- 3 So, I spoke with Mr. Smith directly on making sure
- 4 that those wires went out. That was one of my jobs,
- 5 dealing with the independent contractors.
- 6 1119. Q. So, have a look at...because part of
- 7 our responsibility here is a tracing exercise.
- 8 A. Yes, no, I understand.
- 9 1120. Q. And this was something that came to
- 10 you. So, could you look at the deposit details and
- 11 the attachment, and just walk me through what this
- 12 was that you were dealing with? For instance, I see
- 13 a reference to GCube Media, but I don't see a
- 14 reference to Banners Point or Vantage Broker or any
- 15 of the entities that we have discussed?
- 16 A. Well, I know that you guys already
- 17 know what GCube Media is, so when the independent
- 18 contractors...I don't know. Let me just take a look
- 19 first before I want to answer that.
- 20 1121. Q. Take your time, because we do need
- 21 to get this right.
- 22 A. GCube Media was where independent
- 23 contractors sent their fees in. To be an
- 24 independent contractor for Banners Broker
- 25 International, there was some sort of fee. I can't

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- 1 A. Like I said before in the previous
- 2 questioning in April, I didn't really have anything
- 3 to do with financials. That wasn't in my scope of
- 4 employment. So, anything to do with that, you would
- 5 need to ask Jeanette Kennedy or Rajiv Dixit.
- 6 1126. Q. Because they had more to do with
- 7 wire transfers and bank accounts than yourself?
- 8 A. I didn't have anything to do with
- 9 that in regards to Stellar Point. I only had
- 10 workings with independent contractors and
- 11 facilitating the wire transfers. I never did wire
- 12 transfers myself.
- 13 1127. Q. Okay. And when you say
- 14 "facilitating", what do you mean by that?
- 15 A. The independent contractors would
- 16 give their information. I would pass it along to
- 17 Chris Smith. Chris Smith would verify he received
- 18 or sent funds, and I would let the independent
- 19 contractor know that it had been done.
- 20 1128. Q. Okay. And conversely, Chris Smith
- 21 might give information to you for you to pass on to
- 22 the independent contractors, correct?
- 23 A. That is correct.
- 24 1129. Q. Okay. So, as far as the independent
- 25 contractors are concerned, you were the face of

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1 Banners Broker?

2 A. No, I was not. Chris Smith was
3 always the face of Banners Broker. I was just an
4 assistant.

5 1130. Q. Were you one of the faces of Banners
6 Broker?

7 A. No, I was not.

8 1131. Q. The next tab, 23, is another
9 contract.

10 A. M'hmm.

11 1132. Q. A different one. This is what is
12 called a...this seems to be called a corporate sales
13 agreement?

14 A. Yes.

15 1133. Q. And, again, I don't see...and you
16 can take a look at it and tell me if I am wrong,
17 Stellar Point is being a party to the contract, but
18 Stellar Point is identified as the person to contact
19 on behalf of Banners Broker International. So, they
20 are identified in the contract as being the...in the
21 notice provision on page 2.

22 A. I didn't write any of the contracts.

23 I just...it looks here that I just sent it along.

24 So, I wouldn't be able to answer any questions in
25 regard to the verbiage in the contract.

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1 1134. Q. So, where did you send it from?
2 Where did you receive it from, and where did you
3 send it to?

4 A. This goes back to...yes, I don't
5 know. Like I said, I didn't write the contracts.
6 You would have to ask...yes.

7 1135. Q. If you look at the cover e-mail,
8 which is dated August 17th, 2012...

9 A. Yes.

10 1136. Q. ...this is something that Mr. Dixit
11 prepared, and asked you to send to Mr. Smith?

12 A. Yes, I don't know. This was in the
13 beginning part of my employment. I don't know.

14 1137. Q. We agree that you passed it along to
15 Mr. Smith, and you need to...

16 A. It says:

17 "...Hi, Chris. Here is the corporate sales
18 agreement..."

19 And I attached it. So, it looks as though I passed
20 it on.

21 1138. Q. Okay.

22 A. But you would have to ask Chris
23 Smith or Rajiv Dixit for the particulars on this
24 contract.

25 1139. Q. Okay. But to the best of your

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1 knowledge, this is a corporate sales agreement that
2 you passed along to Mr. Smith, and it came from Mr.
3 Dixit?

4 A. I don't know. I passed it along to
5 Chris, but...

6 1140. Q. Well, do you see the e-mail where
7 Mr. Dixit sends it to yourself?

8 A. Yes, it looks that way.

9 1141. Q. It is dated 7:37 a.m. on August
10 17th, 2012?

11 A. Yes.

12 1142. Q. And then you just forward that along
13 to Mr. Smith?

14 A. That is correct.

15 1143. Q. And were you involved...and I think
16 you have told us that you weren't, but it wasn't in
17 response to a question that I had. So, let's
18 just...

19 A. Okay.

20 1144. Q. ...be clear on it.

21 A. Sure.

22 1145. Q. Did you have anything to do with
23 editing or proofreading this particular contract?

24 A. No, I don't believe so.

25 1146. Q. Okay. The next tab, then, is tab

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1 24, and the subject line of this e-mail is, "Success
2 Manual"?

3 A. Yes.

4 1147. Q. So, take a minute, and if you could
5 review the production...so, that would be the tab in
6 the e-mail and the attachments?

7 A. Yes, I am aware of what this is.

8 1148. Q. And then my question for you, as a
9 general matter, is what were your responsibilities
10 in relation to the success manual?

11 A. I was asked just to edit it for
12 grammatical, spelling and flow errors. And then
13 also, I was being...like, at this time, I was being
14 trained on the program, Banners Broker program, so I
15 just included some study questions that I had
16 written.

17 1149. Q. Okay. So, who asked you to do this?

18 A. To edit it?

19 1150. Q. To do whatever you just described.

20 A. To edit the manual would have been
21 Chris Smith.

22 1151. Q. And then you told me that you
23 prepared some study questions. Who asked you to do
24 what you did in relation to the success...

25 A. No one asked me. I am kind of a

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- 1 go-getter individual.
 2 1152. Q. Okay.
 3 A. So, I did it on my own accord.
 4 1153. Q. So...and stay on the first page. I
 5 will let you know when we are going to move on.
 6 A. Okay.
 7 1154. Q. The e-mail says:
 8 "...Here is the edited BB manual. We are
 9 in the process of creating a new training
 10 manual..."
 11 A. M'hm.
 12 1155. Q. So, do I take it from that that as
 13 at the time you wrote this e-mail, you were telling
 14 Mr. Smith that you were in the process of creating a
 15 new training manual?
 16 A. No, "we" doesn't refer to me. It
 17 refers to Stellar Point. Grant D'Eall was
 18 responsible for writing manuals.
 19 1156. Q. Okay. So, you are saying that "we"
 20 doesn't include you at all.
 21 A. No.
 22 1157. Q. Is that what you are saying?
 23 A. I did grammatical errors and
 24 sentence flow.
 25 1158. Q. Okay. So, "we" is...according to

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- 1 the success manual that we see at tab 24 that you
 2 gave them?
 3 A. Grant D'Eall did an updated one, so
 4 I believe it was the updated one, the one I used
 5 when I actually travelled. This was back in August
 6 before I started travelling.
 7 1164. Q. Okay. So, then, we can agree that a
 8 success manual and a training manual are the same
 9 thing? Because if there is another manual, I would
 10 like to know about it.
 11 A. I don't...the only manual would be a
 12 training...affiliates themselves would write their
 13 own manuals, but that didn't come from Stellar Point
 14 or Banners Broker International.
 15 1165. Q. Sorry, you said "affiliate"? I take
 16 it you meant independent contractors?
 17 A. No, affiliates.
 18 1166. Q. Okay. So, give me an example of why
 19 an affiliate would write a training manual?
 20 A. Because...
 21 1167. Q. Affiliates are the people, as we
 22 understood them up until you just spoke, were the
 23 little guys around the world who gave their money to
 24 Mr. Smith and Mr. Dixit.
 25 A. Well, the little guys around the

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- 1 you, it is Grant D'Eall?
 2 A. "We", I think, would be regarding
 3 Stellar Point as a whole, but Grant D'Eall...
 4 1159. Q. Okay.
 5 A. ...was responsible for those duties.
 6 1160. Q. Okay. And when it comes to the
 7 success manual, who, apart from Grant D'Eall, was
 8 responsible for preparing the success manual?
 9 A. The success manual was in place
 10 before my employment, so I have no idea who wrote
 11 the initial one.
 12 1161. Q. But as at this time, it is...there
 13 is reference to a training manual, then. Who was
 14 responsible for...and let me ask this first: Is a
 15 success manual the same as a training manual?
 16 A. I don't remember.
 17 1162. Q. Well, take a minute and look through
 18 it. I suspect you are going to find the answer in
 19 there.
 20 A. It is right here, yes. Yes, Banners
 21 Broker success manual, customer support.
 22 1163. Q. Right. So, when you travelled
 23 around the world and met with the independent
 24 contractors, and you told us the last time we met
 25 that you would give them a training manual, was it

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- 1 world, who were affiliates, they recruited. An
 2 affiliate...do you know what it is to be an
 3 affiliate? You recruit people, and it is
 4 commission-based. So, a lot of people would have a
 5 team. They would do their own meetings, they would
 6 write their own little manuals that had nothing to
 7 do with Banners Broker International. They wrote it
 8 on their own accord.
 9 1168. Q. Okay. And how do you know that?
 10 A. Because people posted this stuff
 11 online all the time.
 12 1169. Q. Okay. So, while you were working
 13 there, you would check the online postings about
 14 Banners Broker; is that fair?
 15 A. Not on a regular basis, no, but I
 16 was aware of what is on the Internet.
 17 1170. Q. Okay. So, throughout the 15 months
 18 that you were at Banners Broker, you were, as a
 19 general matter, aware of what was on the Internet
 20 about Banners Broker business?
 21 A. No. I mean, in regards to...the
 22 reason why I was aware of manuals, remember last
 23 time we spoke about Vector? And at one point I had
 24 been in contact with Vector because affiliates were
 25 using incorrect verbiage. So, it was in some of the

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1 manuals people wrote that verbiage was misused. So,
2 that is why I know there is manuals that people
3 wrote online.

4 1171. Q. Okay. But you didn't mean to say
5 that all of the 160,000 affiliates wrote manuals,
6 did you?

7 A. No.

8 1172. Q. Okay.

9 A. That would be silly to say.

10 1173. Q. Okay. And in fact, the reality is,
11 it would probably be a very small percentage of
12 those 160,000 people around the world...

13 A. I wouldn't be able to...

14 1174. Q. ...that would write manuals?

15 A. ...answer that. You would have to
16 ask the 160,000 people around the world for their
17 answer.

18 1175. Q. So, from the work that you did on
19 the Internet, checking about Banners Broker while
20 you were employed by Stellar Point, you don't have a
21 sense of that matter, as to what percentage of
22 affiliates were writing manuals?

23 A. If I were to make an educated guess,
24 it would be a small few.

25 1176. Q. Okay. And the review questions that

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1 A. That was when I first started. Tara
2 Josin was responsible for training at that point, so
3 she administered the test to me.

4 1180. Q. Okay.

5 A. Yes.

6 1181. Q. And just remind me, was Tara Josin,
7 was she working with you at Stellar Point, or was
8 she working with Chris at Banners Broker? Because I
9 know you have...

10 A. I wouldn't have...

11 1182. Q. ...wanted to make that distinction.

12 A. ...seen her paycheck, so you would
13 have to ask her directly. I believe she was working
14 for Stellar Point.

15 1183. Q. Okay.

16 A. But I couldn't...

17 1184. Q. Well, I am not asking about her
18 paycheck, but based on where you physically saw
19 her, you believe that she was working with you?

20 A. Yes.

21 1185. Q. At Stellar Point?

22 A. She worked out of our office...

23 1186. Q. Okay.

24 A. ...but she was only there until
25 August, and then she...

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1 you wrote, are they...there was a number of them.
2 Are they the 70 questions that follow the blue tab
3 in production 24?

4 A. Yes, these are questions I wrote
5 while I was studying, because I had to write an exam
6 to make sure I knew the Banners Broker program.

7 1177. Q. Okay. So, yes, I was going to ask
8 you about that next, actually, Stephanie. When you
9 say "studying", you don't mean studying at a college
10 or a university. This was something else you were
11 studying in relation to Banners Broker?

12 A. When I worked at Stellar Point,
13 Banners Broker was a client. So, because I was
14 going to be working with Banners Broker material, I
15 needed to be well-versed on it if I was going to
16 train or whatnot. So, I got that success manual. I
17 had to study it, and then I had to write a test.
18 And that is what all...

19 1178. Q. Okay.

20 A. ...customer support had to do.

21 1179. Q. Okay. And I don't know about the
22 test that you just described, and it is not
23 something that we have heard about to date. So, I
24 just want to talk about that for a minute. Who
25 administered the test?

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1 1187. Q. Okay.

2 A. ...parted ways.

3 1188. Q. Right. If somebody was working with
4 you at the Stellar Point office, would it have been
5 common for them to be paid by Banners Broker?

6 A. Not to my knowledge. Most of the

7 people...I can't really...I didn't see people's
8 paycheques, but all of the customer support, myself,
9 Jeanette, Grant, all those people were employed with
10 Stellar Point.

11 1189. Q. Okay. So, while you were...I take
12 it from your evidence that while you were studying
13 this success manual in preparation for a test that
14 Tara Josin was going to give you...

15 A. M'hmm.

16 1190. Q. ...you prepared these review
17 questions?

18 A. Yes.

19 1191. Q. And did you prepare the answers that
20 are set out below them, as well?

21 A. I took the answers right out of the
22 success manual document.

23 1192. Q. Okay. And why were you providing
24 that work to Chris Smith?

25 A. Because I just threw it in there. I

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1 was a go-getter, and we were...or Stellar Point was
2 in the midst of developing a new successful, so I
3 thought any verbiage...you know, would be nice to
4 pass along.

5 1193. Q. Okay.

6 A. But this was just my own personal
7 study.

8 1194. Q. Okay. So, timing-wise, we are
9 at...your e-mail was sent to Chris on August 2012,
10 August 19th?

11 A. Yes.

12 1195. Q. When in relation to that was the new
13 training manual that Stellar Point was developing?
14 When was that completed?

15 A. Probably within a couple of months
16 of that, but...

17 1196. Q. Okay.

18 A. ...you would have to ask Grant
19 D'Eall for the dates, because that was his...

20 1197. Q. And similarly, that is...

21 A. ...scope.

22 1198. Q. ...something you would have
23 proofread for grammatical errors and flow, as you
24 put it...just let me finish the question...the new
25 success manual?

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1 1205. Q. Okay. And just with reference to
2 this e-mail, am I correct that you were coordinating
3 a payment that Neil wanted to...a \$7,000 payment
4 that Neil wanted to make to Banners Broker, from
5 Banners Broker International...

6 A. Yes.

7 1206. Q. ...from his eWallet?

8 A. Yes, the IC fees, so like I said
9 before, each independent contractor had to pay
10 Banners Broker International a fee for being an
11 independent contractor. So, that looks like he was
12 paying it straight out of his eWallet.

13 1207. Q. Okay. And it looks like:

14 "...He will be paying the rest via bank
15 wire..."

16 A. That is what it says, yes.

17 1208. Q. And, so, would you have been
18 coordinating that, as well?

19 A. I would facilitate it between him
20 and Chris...

21 1209. Q. Okay.

22 A. ...that is correct.

23 1210. Q. And then the e-mail goes on to say:
24 "...Could you keep me updated on the status
25 of Raza's withdrawal?..."

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1 A. I believe I did look at it, yes, to
2 do grammar.

3 1199. Q. Okay. In fact, you would need to be
4 completely familiar with it, because you were
5 providing it to the independent contractors, and you
6 were a liaison for them?

7 A. That is correct.

8 1200. Q. Okay. There is an e-mail at tab 26.
9 I am going to skip a few and move forward. And we
10 will work backwards through this. It is just two
11 pages, but on the...because that is the way it
12 reads...

13 A. Okay.

14 1201. Q. ...but on the second page, you are
15 e-mailing Chris with respect to an IC from Spain?

16 A. Yes.

17 1202. Q. And by IC, you mean independent
18 contractor?

19 A. That is correct.

20 1203. Q. And his name was Neil?

21 A. Yes.

22 1204. Q. Do you remember dealing with Neil
23 from Spain?

24 A. I corresponded with him via e-mail,
25 that is correct, or phone.

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1 Now, is Raza...who was Raza? Someone other than
2 Neil, presumably.

3 A. I would assume. I don't really
4 recall. He would have been an affiliate, but I
5 don't remember.

6 1211. Q. Okay. So, Raza would have been an
7 affiliate, as opposed to an independent contractor?

8 A. He definitely wasn't an independent
9 contractor.

10 1212. Q. So, he definitely was an affiliate?

11 A. If he is doing withdrawal, then,
12 yes, he would have been an affiliate.

13 1213. Q. Okay. So, at this time in August of
14 2012, you were also facilitating affiliate
15 withdrawals for Mr. Smith?

16 A. No, with this one, it might have
17 been an odd one, but, no, that wasn't my job.

18 1214. Q. Okay. But in this case, you were
19 doing that, though, correct? It may have been...you
20 say it is an odd job, but it was something that you
21 were doing in August of 2012?

22 A. Sometimes support questions would
23 come in, and if it was someone...sometimes they get
24 passed along to me, and sometimes I would deal
25 directly with Chris, but not usually...it was just

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1 following up.
 2 1215. Q. Okay. But if you were asked to
 3 facilitate an affiliate withdrawal, presumably you
 4 would do it?
 5 A. Pardon? Could you repeat that?
 6 1216. Q. If you were asked to facilitate,
 7 which is your word, an affiliate withdrawal...
 8 A. No, sorry, not with affiliates. I
 9 may pass along a message from an affiliate to Chris,
 10 but I never facilitated withdrawals between
 11 affiliate and Banners Broker International.
 12 1217. Q. Okay. So...
 13 A. Just independent contractors.
 14 1218. Q. So, let's go back to this e-mail,
 15 then, and I am reading from the second-last
 16 sentence. You say:
 17 "...Also, could..."
 18 You are writing to Chris Smith:
 19 "...Also, could you keep me updated on the
 20 status of Raza's withdrawal via bank or
 21 wire so I can keep him posted?..."
 22 Now, first of all, do you have a specific
 23 recollection of what you were doing here?
 24 A. No, I do not. It was quite a few
 25 years ago. I was just asking for an update.

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1 1219. Q. Okay. And you were asking Mr. Smith
 2 for an update, presumably, because we are both
 3 looking at the same e-mail...
 4 A. Yes.
 5 1220. Q. ...with respect to an affiliate's
 6 ability to withdraw money by way of bank wire from
 7 his account, correct?
 8 A. That is what it seems like, but like
 9 I said, I was just passing on a message.
 10 1221. Q. Okay. And you went on to say:
 11 "...so I can keep him posted..."
 12 "Him" was...you meant Raza?
 13 A. That is what it seems like in the
 14 e-mail, yes.
 15 1222. Q. Okay. And then...just if we can
 16 move to the top of the e-mail chain on page 1?
 17 A. Yes?
 18 1223. Q. You say:
 19 "...The following accounts need tools..."
 20 And you are writing to Chris? What does that mean?
 21 "Need tools"? I am not familiar with that
 22 terminology.
 23 A. So, what it is, the Banners
 24 Broker International website, each independent
 25 contractor had a back office from a support side,

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1 and there were certain tools that they needed so
 2 they could help the affiliates in their region and
 3 get into their back office.
 4 1224. Q. Okay. And when you say "tool", is
 5 that a password? What is a tool?
 6 A. A tool, it is an online ability to
 7 do certain things.
 8 1225. Q. To gain access, right?
 9 A. To gain access.
 10 1226. Q. It is an ability to gain access so
 11 that they can...so that the ICs can communicate with
 12 their affiliates?
 13 A. So that if an IC calls in with a
 14 question, that IC or their staff can do directly
 15 into the affiliate's account and take a look at it.
 16 1227. Q. Okay. Okay. And, so, why would
 17 Stellar Point be involved in that aspect of
 18 operations in providing tools so that ICs could
 19 communicate with their own affiliates?
 20 A. Because Stellar Point did all of
 21 that type of work for Banners Broker International.
 22 Like I said, I worked with the independent
 23 contractors on all aspects of support and making
 24 sure that they got their commissions. So, this was
 25 an aspect of support.

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1 1228. Q. Okay. So, logistically, then, am I
 2 right that through the mechanism of these tools,
 3 Stellar Point could either allow or disallow the
 4 affiliates from...the independent contractors from
 5 using...providing back office to their affiliates?
 6 A. All information was the reason why I
 7 am always talking to Chris. Anything to do with
 8 Banners Broker, Chris and I either spoke directly or
 9 with his assistant, Brea.
 10 1229. Q. No, I appreciate that, but my
 11 question was, because I am trying to understand the
 12 mechanics of tools, because this is something, in
 13 fairness, that Gillian and Erin and Jeremy and I are
 14 not familiar with. The tools is like an ability
 15 to...as I understand it, correct me if I am wrong,
 16 it is like a gateway through which independent
 17 contractors can provide back office support to their
 18 ICs?
 19 A. To their affiliates.
 20 1230. Q. To their affiliates. I am sorry.
 21 Independent contractors can provide back office
 22 support to their affiliates?
 23 A. That is correct.
 24 1231. Q. And Stellar Point, on behalf of
 25 Banners Broker International, could control whether

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1 or not the ICs could access that back office to
2 provide support to their affiliates?

3 A. No, Chris was the only one that
4 could authorize that.

5 1232. Q. I am not asking who could authorize
6 it. I am just saying that, as a control
7 mechanism...

8 A. Banners Broker International was in
9 control of that, not Stellar Point.

10 1233. Q. But...

11 A. Stellar Point was just...

12 1234. Q. The intermediary?

13 A. Yes.

14 1235. Q. Okay. And then on tab 29, the same
15 book...

16 A. Yes?

17 1236. Q. ...there is an invoicing issue that
18 I wanted to ask you about.

19 MS. DOSANJH: Sorry, what tab is that?
20 28?

21 THE DEPONENT: 29.

22 1237. MR. WARD: 29.

24 BY MR. WARD:

25 1238. Q. The invoicing issue, you are writing

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1 A. Because Stellar Point was contracted
2 out for a lot of things to do with Banners Broker
3 International.

4 1245. Q. I see.

5 A. So...

6 1246. Q. Okay. And would that include
7 providing...could that have included providing
8 personal assistance for Mr. Smith?

9 A. It could have, but you would have to
10 check with them.

11 1247. Q. Okay. So, who is Christelle, then?
12 Do you know who Christelle was?

13 A. Christelle? She was the independent
14 contractor for France.

15 1248. Q. Okay. Just walk me through this
16 e-mail. I am trying to understand what the ask is.

17 A. What the what is? Sorry.

18 1249. Q. What is the request that you are
19 making of Brea here? Because I am trying to
20 understand what it has to do with the invoicing in
21 advance. What was the issue that you were
22 addressing?

23 A. I don't remember, to be honest. Let
24 me read it. I don't remember the specifics, to be
25 honest.

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1 to Brea?

2 A. Yes.

3 1239. Q. It is Brea Hardowa?

4 A. Correct.

5 1240. Q. Who was a Banners Broker
6 International employee?

7 A. I believe she was employed with
8 Stellar Point.

9 1241. Q. Okay.

10 A. But you would have to clarify with
11 her.

12 1242. Q. But she worked with you out of the
13 same office at various times, or was she at a
14 different office?

15 A. No, she was hired to be Chris'
16 assistant, and Chris worked from the Church Street
17 location only.

18 1243. Q. Okay. I would have thought that
19 that would have made Brea...working with Chris would
20 have made her...if she was Chris' assistant,
21 wouldn't she be a Banners Broker International
22 person?

23 A. You would have to check with her.

24 1244. Q. Okay, but why did you believe that
25 she was Stellar Point?

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1 1250. Q. Well, it is not...well, who was
2 invoicing who? I mean, you are drafting an e-mail.
3 You are Mr. Dixit's assistant, then you are drafting
4 an e-mail to Mr. Smith's assistant about an IC
5 invoice?

6 A. I don't remember, but you could ask
7 Rajiv because it says Raj had asked if she could
8 write an invoice. So, that was a direction that I
9 was getting from Raj. So, you can ask Raj to
10 clarify that for you, would probably be the best
11 bet.

12 1251. Q. But you wrote the e-mail. So, while
13 I have got you...and I will ask Raj about it when I
14 see him...

15 A. Yes, I already answered...

16 1252. Q. But...

17 A. ...that I don't remember.

18 1253. Q. But because I am with you, and
19 because you authored the e-mail, I think it is fair
20 to ask...

21 A. It is fair to ask it, but I am
22 answering. I don't remember.

23 1254. Q. What you meant by it? Okay.

24 A. This was in 2012. It is 2015. I
25 don't remember every single e-mail I wrote. It had

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1 to do with an invoice. I could not give you the
2 specifics. You could ask Raj.

3 1255. Q. So, as a general matter, you were
4 facilitating, to use your word from earlier, a wire
5 transfer from the independent contractor in France,
6 Christelle, to Mr. Smith. Can we agree on that,
7 leaving aside the specifics?

8 A. That is what it appears to look
9 like, yes.

10 1256. Q. I will move on. And then the next
11 tab is tab 30, which...you may have a similar answer
12 to this. Again, you are e-mailing Chris, and there
13 is a reference to bank info, invoice from Trinidad &
14 Tobago; that is in the subject line?

15 A. Yes.

16 1257. Q. Who is...and then further on, who is
17 Ephraim?

18 A. Ephraim was the independent
19 contractor for Trinidad & Tobago, and I was just
20 facilitating information passed on from him and
21 giving it to Chris, so...

22 1258. Q. Okay. So, you would deal with
23 Ephraim and get bank information and invoicing
24 information, and then you would take that and you
25 would give it to Mr. Smith?

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1 1263. Q. That wasn't...

2 A. ...paid...

3 1264. Q. If you could wait for a question.
4 The invoice is addressed to Banners Broker
5 International Limited?

6 A. Correct.

7 1265. Q. So, you may have already given me
8 this answer, but was it common for you to receive,
9 being a Stellar Point employee reporting to Mr.
10 Dixit, to receive any deal with invoices to a
11 different company?

12 A. Like I told you about ten times
13 already, my job was to deal with independent
14 contractors in relation to Banners Broker
15 International Limited, hence why I spoke to Chris
16 Smith a lot, hence why I am passing on things for
17 Banners Broker International Limited. My job as a
18 Stellar Point employee was working with the client,
19 Banners Broker.

20 1266. Q. Okay. So, given that the
21 independent contractors that you were working with,
22 Stephanie...

23 A. Yes?

24 1267. Q. ...what was he invoicing you for?

25 A. I was simply passing along the

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1 A. Like I said before many times, I did
2 all of that for every independent contractor.
3 Ephraim was an independent contractor, so I was just
4 doing my job.

5 1259. Q. Okay. Did Mr. Smith...do you know
6 of any examples where Mr. Smith dealt with Ephraim
7 directly?

8 A. You would have to ask Mr. Smith.

9 1260. Q. Okay. Because you don't know, then,
10 correct?

11 A. I don't know.

12 1261. Q. And then the invoice is for \$21,000.
13 You will see that attached, the first invoice is?

14 MS. DOSANJH: Are these the two
15 attachments referred to in the body of the
16 e-mail?

17 1262. MR. WARD: That is my understanding,
18 yes.

19 MS. DOSANJH: Okay.

20 THE DEPONENT: I am just...it says in
21 the e-mail, I am just passing the
22 information around. I wasn't paid to
23 analyze the information. I was just...

24
25 BY MR. WARD:

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1 information, so you would either have to speak with
2 Ephraim directly or Mr. Smith directly.

3 1268. Q. So, your evidence is that you simply
4 passed along information? You didn't look at or
5 consider anything?

6 A. That is correct.

7 1269. Q. Okay. Tab 31, I don't propose to
8 spend a lot of time on this, because we talked about
9 payout statements as a general matter last time
10 without reference to documents.

11 A. Okay.

12 1270. Q. But can you tell me, is this the way
13 IC commissions would typically be paid? This
14 production speaks to the month of September 2012,
15 and as I read it it is describing a process whereby
16 ICs start asking you for their commissions, then
17 Smith provides you with statistics for sales, and
18 then you provide Smith with a commission
19 calculation?

20 A. Sorry, can you repeat that? Just
21 the part...

22 1271. Q. Well, why don't you describe for me
23 what is going on in this production?

24 A. So, I would get the statistics from
25 Chris.

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- 1 1272. Q. Which statistics?
 2 A. For the commissions...
 3 1273. Q. You mean sales statistics?
 4 A. Sales statistics for each country.
 5 1274. Q. Okay.
 6 A. He had told me how to figure out the
 7 commission. It is by a certain percentage, which
 8 you can look back in your notes. I explained it all
 9 then. And then I would let the independent
 10 contractor know the details.
 11 1275. Q. The details of what?
 12 A. Of how much commission they would be
 13 getting.
 14 1276. Q. Right.
 15 A. They had to fill out a form to get
 16 paid with all their banking information each time.
 17 I would pass it along to Chris, Chris would
 18 facilitate the wire, Chris would let me know the
 19 wire had been paid. I would go back to the
 20 independent contractor, letting them know the wire
 21 had been sent.
 22 1277. Q. Okay. And if the independent
 23 contractor had any questions regarding that
 24 calculation, they would put them to yourself?
 25 A. They would send them to me and then

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- 1 became more and more familiar with the types of
 2 questions that these ICs were putting to Banners
 3 Broker.
 4 A. Well, they asked me the question.
 5 So, yes, I was aware of questions.
 6 1283. Q. Okay. And you were aware of the
 7 answers to those questions?
 8 A. The answers only had to do with
 9 money, and that was only dealt with by Chris Smith.
 10 1284. Q. Okay. Tab 32 of the same book is an
 11 e-mail from yourself to Chris.
 12 A. M'hmm.
 13 1285. Q. And it starts with:
 14 "...Hello from India..."
 15 A. M'hmm.
 16 1286. Q. The date of October 2012?
 17 A. Yes.
 18 1287. Q. And it says:
 19 "...Just followed up. I have not received
 20 stats from Matt..."
 21 Is that Matthew Lynn?
 22 A. That is Matthew Lynn.
 23 1288. Q. And what stats were you waiting to
 24 receive from Matthew?
 25 A. The commission statistics...

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- 1 I would pass them to Chris.
 2 1278. Q. But if you could address the
 3 question yourself, then you would deal with it. It
 4 would only be the ones that you couldn't answer that
 5 you would pass on to Mr. Smith, correct?
 6 A. That is correct, because it was a
 7 simple mathematical equation, so it is pretty black
 8 and white.
 9 1279. Q. Right.
 10 A. But they generally didn't have a
 11 question about that. They generally have a question
 12 that only Chris Smith could answer.
 13 1280. Q. And if that was the case, Chris
 14 Smith would explain the answer to you, and you
 15 would, again, deal with the independent contractor?
 16 A. He would send me back an e-mail, and
 17 I would generally just forward it to the independent
 18 contractor.
 19 1281. Q. Okay. But you would look at the
 20 e-mail, and you would understand that the answer was
 21 responsive to the question? Would you do that at
 22 least?
 23 A. I would make sure it was responsive
 24 to the question, and then I would forward it on.
 25 1282. Q. So, presumably, as time went on, you

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- 1 1289. Q. Okay.
 2 A. ...that we just spoke about.
 3 1290. Q. And what was the...when you say
 4 "Hello from India", were you in India on Banners
 5 Broker business?
 6 A. It must have been to do with
 7 training, because that is the reason why I travel.
 8 1291. Q. So, you were in India on Banners
 9 Broker business, then?
 10 A. In regards to training, yes.
 11 1292. Q. Okay.
 12 A. No, any...all my travelling...yes.
 13 Yes, I would assume so.
 14 1293. Q. Okay. Were you in India more than
 15 once or just one?
 16 A. I believe I went twice.
 17 1294. Q. Okay. And was the other occasion
 18 that you went to India for the purpose of Banners
 19 Broker business?
 20 A. Stellar Point was opening an office
 21 in India.
 22 1295. Q. Okay. So, both times you went to
 23 India were for the purpose of Banners Broker
 24 business?
 25 A. Was in regards to support training

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- 1 for Banners Broker, yes.
 2 1296. Q. Okay. And this e-mail is dated
 3 October 2012, so we can agree that you were in India
 4 in October 2012?
 5 A. That is what it looks like from the
 6 e-mail, yes.
 7 1297. Q. Okay. And when was the other
 8 occasion that you were in India on Banners Broker
 9 business?
 10 A. I don't want to give you an exact
 11 month, but I believe it was in the early new year of
 12 2013.
 13 1298. Q. Okay. And on this occasion that you
 14 were in India on Banners Broker business, who were
 15 you travelling with, and just...I know you have told
 16 me you were there for training, but...
 17 A. Yes.
 18 1299. Q. ...I would like to know in a little
 19 more detail who you trained, what you trained them
 20 on, for how long...just describe for me, who were
 21 you training, and what you did?
 22 A. It would have been staff that were
 23 going to be taking support questions out there, like
 24 I did on every single trip. I know on this trip,
 25 David Hooker came along from a Banners Broker

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- 1 A. I know his mom came on one trip, but
 2 I don't remember which one she came on. She was
 3 translating.
 4 1308. Q. One trip to India?
 5 A. Yes.
 6 1309. Q. Okay.
 7 A. Translating in Indian, like...
 8 MS. DOSANJH: Okay.
 9 THE DEPONENT: ...the language, because
 10 Raj doesn't speak it.
 11 MS. DOSANJH: I guess the purpose of her
 12 attending with them is for...
 13 THE DEPONENT: Translation.
 14 1310. MR. WARD: Okay.
 15 MS. DOSANJH: Okay.
 16
 17 BY MR. WARD:
 18 1311. Q. And did you go to Bangalore with
 19 Raj...
 20 A. I did, yes.
 21 1312. Q. ...during this period? Okay. Is
 22 that...was that a third trip, or was that connected
 23 to one of these trips?
 24 A. I don't remember if there was a
 25 third trip, but it would have been connected.

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- 1 International aspect, and he did his own, like,
 2 seminars.
 3 1300. Q. Okay. So, is it just yourself and
 4 David?
 5 A. Raj came on that, as well.
 6 1301. Q. Anyone else?
 7 A. Not that I can remember.
 8 1302. Q. Okay. And then the early 2013 trip,
 9 was that also for training?
 10 A. I believe so.
 11 1303. Q. And who came along on that trip?
 12 A. I don't remember.
 13 1304. Q. Were you alone?
 14 A. No, I never travelled alone.
 15 1305. Q. Okay. So, you have only been to
 16 India twice, and the first time you were there with
 17 Raj and Hooker?
 18 A. M'hmm.
 19 1306. Q. The second time, you tell me you
 20 have no recollection at all as to who you were there
 21 with?
 22 A. I was with Raj, but I can't remember
 23 if anybody else came.
 24 1307. Q. Okay. Was his...do you know if
 25 Raj's family was there with you?

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- 1 1313. Q. So, it was part of one of these
 2 trips, you went to Bangalore?
 3 A. I know I went to Bangalore, but I
 4 don't remember what trip it was on. But I do
 5 remember, I did go to Bangalore.
 6 1314. Q. Okay. And when you went to
 7 Bangalore, did you go to another country, apart from
 8 Bangalore?
 9 A. Bangalore isn't a country.
 10 1315. Q. Well, did you go to...I thought that
 11 it was a country.
 12 MS. DOSANJH: Actually, it is a state.
 13 THE DEPONENT: India is the country, and
 14 then...
 15 MS. DOSANJH: So, it is...
 16 THE DEPONENT: ...Bangalore is a state.
 17 MS. DOSANJH: So, how it is is you have
 18 India like this, I think, like that. So,
 19 Bangalore is, like, right north of Bombay.
 20 So, it is like a state...
 21 1316. MR. WARD: Okay.
 22 MS. DOSANJH: ...in southern Indian.
 23
 24 BY MR. WARD:
 25 1317. Q. So, was Raj's sister with you on

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1 that trip?
 2 A. She did come on one trip, but I
 3 don't remember which one she came, but I believe she
 4 was in Bangalore.
 5 1318. Q. Okay. And was she there on Banners
 6 Broker business, as well?
 7 A. You would have to ask Raj or her.
 8 1319. Q. Okay. Did you see her...but you
 9 didn't see her doing any Banners Broker business,
 10 did you?
 11 A. No. She wasn't...
 12 1320. Q. Okay.
 13 A. She wasn't employed with...
 14 1321. Q. Okay.
 15 A. ...other than to do cooking at
 16 Stellar Point, she wasn't...
 17 1322. Q. Right, right.
 18 A. ...employed.
 19 1323. Q. So, on the first trip, let's go back
 20 to the training aspect of it...
 21 A. Okay.
 22 1324. Q. ...because you were there to do
 23 training?
 24 A. That is correct.
 25 1325. Q. Who did you train, and where did you

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1 1330. Q. And what would you do with the notes
 2 that you took? What was the purpose of taking
 3 notes?
 4 A. Just...the purpose of taking notes
 5 was because I was an assistant, so I was there to
 6 take notes, and also because it was affiliates. I
 7 believe I would pass them along to Chris Smith so he
 8 could know what was going on in the field.
 9 1331. Q. Okay. And would you pass them on to
 10 Mr. Dixit, as well?
 11 A. Well...
 12 1332. Q. He would be there with you,
 13 presumably, right?
 14 A. He would be there with me. So, it
 15 would be going...I would probably cc him on it, but
 16 like I said, I cc'd him on a lot of things.
 17 1333. Q. Okay.
 18 A. So, I am sure I would have cc'd him
 19 on it.
 20 1334. Q. And the early 2013 trip, just while
 21 we are on the subject of visits to India...
 22 A. Yes.
 23 1335. Q. ...and Bangalore, what was...do you
 24 recall what you did on that trip?
 25 A. Yes, that was training. Stellar

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1 train them? What did you train them on?
 2 A. Actually, the first trip, I don't
 3 think I did any training. I just was there to take
 4 notes.
 5 1326. Q. Okay. Take notes of what?
 6 A. It is a long time ago. I believe it
 7 was leaders that were, like, affiliates that were
 8 considered leaders, they would come in with
 9 questions from their team, and I believe David was
 10 responding to those questions, and I believe I was
 11 taking some sort of notes. I could have done
 12 training then, but I don't remember if I did
 13 training on that trip.
 14 1327. Q. Okay. And when you say "training",
 15 we are talking about a situation where you were
 16 training independent contractors or affiliates?
 17 A. Independent contractors.
 18 1328. Q. Okay. Apart from taking notes of
 19 Mr. Hooker's seminars, do you recall doing anything
 20 else on the October 2012 trip to India?
 21 A. No. I could have done some
 22 training, but like I said, other than training and
 23 notetaking, I wasn't...
 24 1329. Q. Okay.
 25 A. ...doing anything else.

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1 Point was opening an office in Bangalore...
 2 1336. Q. Right.
 3 A. ...similar to the one that was in
 4 Whitby. So, I was there to train the staff.
 5 1337. Q. Okay. Train them on what?
 6 A. Support.
 7 1338. Q. Supporting affiliates?
 8 A. The same support I have been
 9 training at...all the other things that I have
 10 talked about.
 11 1339. Q. Which was supporting affiliates?
 12 A. Customer support, customer service,
 13 yes.
 14 1340. Q. Right. And the customers were the
 15 affiliates?
 16 A. That would be correct.
 17 1341. Q. Okay. And then just to close off on
 18 this, I would like to, if you can recall, tell me
 19 approximately how long you were in India on each
 20 occasion?
 21 A. The first one was, I think, just
 22 over two weeks, and the second one, I believe, was a
 23 week.
 24 1342. Q. Okay. So, for the first one, when
 25 you were taking notes, would you have been...you can

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1 tell me, presumably you wouldn't, but I take it you
2 weren't taking notes every day for two weeks? Some
3 of that was a holiday time, was it?

4 A. None of it was holiday.

5 1343. Q. Okay. So, you had two weeks of
6 meeting with affiliates, then?

7 A. Yes, I may have, like, an afternoon
8 off, and then I would go, kind of...

9 1344. Q. Okay.

10 A. ...take a look at the sights.

11 1345. Q. Okay.

12 A. But that was on my own personal
13 time.

14 1346. Q. Okay. So, you and Mr. Hooker...Mr.
15 Dixit must have met with a lot of affiliates in
16 India if you did that for two weeks?

17 A. Yes.

18 1347. Q. Okay. And where would you meet
19 them? Was it in a convention hall? Is it in a
20 restaurant?

21 A. If you haven't been to India, it
22 could be anywhere. It could be in a reception hall.
23 It could be in a caf, on the side of the street.

24 1348. Q. Right. And, so, how many...was
25 there such thing as a typical meeting that you would

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1 late August of 2013...

2 A. Yes?

3 1354. Q. ...did you have an understanding or
4 an appreciation of the size and scope of the Banners
5 Broker operations?

6 A. The Banners Broker...

7 1355. Q. The size of the international scope.
8 I mean, the numbers of affiliates around the
9 world...

10 A. Yes, I have an understanding.

11 1356. Q. Okay. And I take it you had that
12 understanding because of information similar to that
13 that we see produced at tab 36, which is described
14 as a confidential list of account membership?

15 A. I wouldn't be...I was just cc'd on
16 this e-mail, so I probably didn't read it, but
17 working with Chris and working on Banners Broker
18 International things, I was aware of how many
19 affiliates.

20 1357. Q. So, is it...

21 A. The exact number...

22 1358. Q. Yes, but as a general matter,
23 presumably you knew, having been copied on
24 information like this, that there were tens of
25 thousands of affiliates in scores of countries

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1 have with affiliates? Because I want to get a sense
2 of the numbers.

3 A. David Hooker was doing seminars.
4 So, those would generally have, like, a couple of
5 hundred people, or I would say anywhere from 20 to a
6 couple hundred people.

7 1349. Q. Okay. And that is where you
8 monitored and took notes, at the seminars?

9 A. Yes.

10 1350. Q. Okay. And apart from the seminars,
11 were there other meetings with affiliates?

12 A. There was...leaders would come in
13 with questions from their team, and sit down with
14 David Hooker and Raj.

15 1351. MR. WARD: Okay. Why don't we just go
16 off the record, please?

17 --- A BRIEF RECESS

18
19 STEPHANIE R. SCHLACHT, resumed

20 CONTINUED EXAMINATION BY MR. WARD:

21 1352. Q. So, tab 36 of the binder...

22 A. Yes?

23 1353. Q. And my question is, when you were
24 working at Stellar Point between May of 2012 and
25

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1 around the world?

2 A. Yes, I was aware of that.

3 1359. Q. Just...there is actually two charts,
4 Erin points out, that you were copied on. Lynn sent
5 them to...

6 MS. DOSANJH: Are those the attachments
7 with the...

8 1360. MR. WARD: They are.

9 MS. DOSANJH: Yes, okay. With the
10 country names and some codes on the bottom?

11 1361. MR. WARD: That is right, and they are
12 described as being...the first chart is
13 "Total Members", and the second chart is
14 "Paid Members".

15 MS. DOSANJH: Page 10.

16 THE DEPONENT: Okay, yes, I know what
17 you are talking about.

18
19 BY MR. WARD:

20 1362. Q. Okay. So, what is the distinction
21 there? So, just to help us...if you can just
22 educate us on that?

23 A. When you signed up as an affiliate
24 for Banners Broker International, you could test
25 things out as a free member, and then...

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- 1 1363. Q. Right.
 2 A. ...when that was about to expire,
 3 you would have to purchase a package at that time.
 4 Some people never purchased packages, so they would
 5 just be a member. If they went on to purchase
 6 something, they would be a paid...
 7 1364. Q. Okay, thank you. And then tab 37,
 8 it appears that you authored this e-mail, and the
 9 subject line is "site updates".
 10 A. Yes.
 11 1365. Q. Now, does this...were you
 12 responsible for website updates, or some aspect of
 13 website updates?
 14 A. I never physically did website
 15 updates, no.
 16 1366. Q. So, just help me understand this
 17 e-mail, because the first sentence says...and you
 18 are writing to Vince and Johnny, and I would like to
 19 know who they are, as well.
 20 A. They were programmers. When I am
 21 talking in regard to site updates, as a different
 22 country, as the independent contractors were trained
 23 and their offices were opened for business, they
 24 would need to be added to the website under the
 25 support section, so that when an affiliate had a

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- 1 International website, it had a list of all the
 2 independent contractors, and it would have had their
 3 office information and details. So, that is what
 4 that is regards to.
 5 1372. Q. Okay. And it was also in regards to
 6 an update in respect of Spain?
 7 A. Yes, it looks like he changed
 8 office...
 9 1373. Q. Right.
 10 A. ...address or whatnot, so it was
 11 just an update that I was passing along.
 12 1374. Q. Right. And then tab 38, I don't
 13 understand either. And it is your e-mail, please
 14 review it.
 15 A. Yes?
 16 1375. Q. Do I take it that you were...or
 17 Stellar Point, and you can tell me if there is a
 18 distinction there, were preparing invoices for GCube
 19 Media to send out to independent contractors?
 20 A. No, that would have been directly to
 21 Chris Smith. Because it was a Banners Broker
 22 International matter, he would have needed to
 23 provide those details.
 24 1376. Q. So, the question that you are
 25 putting to Smith and Dixit, because they are the

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- 1 question, they could click on Spain or India, and
 2 then those questions would go to their support
 3 system as opposed to Stellar Point, who was...
 4 1367. Q. Okay.
 5 A. ...doing the support system.
 6 1368. Q. Right. So, Vince and Johnny were
 7 computer programmers at Stellar Point?
 8 A. I believe they were employed with
 9 Stellar Point.
 10 1369. Q. Okay. And, so, I guess the purpose
 11 of this e-mail...and thank you for that explanation,
 12 it is just that you were telling Vince and Johnny to
 13 make sure that the Stellar Point website is updated
 14 to support...
 15 A. No, not the Stellar Point, sorry.
 16 The Banners Broker International website.
 17 1370. Q. I see. But the point was that you
 18 wanted to make sure that Vince and Johnny updated it
 19 from a technical standpoint so that it would support
 20 tickets and phone support for India?
 21 A. That is correct.
 22 1371. Q. Okay. And then further on, you were
 23 also giving them some instructions in regard to
 24 Spain?
 25 A. Yes, on the Banners Broker

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- 1 recipients, is what? Again, you wrote this, and
 2 just help me understand what is being proposed here.
 3 A. Yes. So, independent contractors,
 4 when we became an independent contractor for Banners
 5 Broker International, they needed to pay an initial
 6 fee. So, to pay that fee, Chris requested that they
 7 send the money to GCube Media.
 8 1377. Q. Right.
 9 A. But they needed an invoice.
 10 1378. Q. Okay. So, you say, in the last
 11 sentence of this e-mail:
 12 "...Please advise me on what information to
 13 include on the invoice, or how you want me
 14 to move forward with this..."
 15 A. Yes.
 16 1379. Q. So...
 17 A. I am just asking them to...
 18 1380. Q. So, the proposal, if I am reading
 19 this correctly, was that you would prepare the
 20 invoice so that the independent contractors could
 21 send their fees to GCube Media?
 22 A. I didn't prepare invoices. I think
 23 I was...
 24 "...Please advise me on information,
 25 invoice or how you want me to move

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- 1 forward..."
- 2 Yes, I don't remember, but I know that I didn't
- 3 prepare the invoices, so I can only...
- 4 1381. Q. So, if one of your...the independent
- 5 contractors that you were liaising with, for
- 6 instance, this one, required an invoice in respect
- 7 of a payment that they needed to make, how would you
- 8 address that...
- 9 A. I would...
- 10 1382. Q. ...requirement?
- 11 A. ...send a request over to Chris, and
- 12 either himself or Brea would make the invoice.
- 13 1383. Q. Okay. And then they would provide
- 14 the invoice to you, and you would provide it to the
- 15 independent contractors?
- 16 A. That is correct.
- 17 1384. Q. So, when you say in this e-mail:
- 18 "...Please advise me on what information to
- 19 include on the invoice..."
- 20 I take it that they didn't, because you are saying
- 21 that you didn't prepare the invoice, that somebody
- 22 else did, ultimately?
- 23 A. I think I meant that if they wanted
- 24 me to...if Chris wanted me to put one...I don't
- 25 know. I know that I didn't write them. I may have

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- 1 A. Did I make the itinerary?
- 2 1392. Q. Yes?
- 3 A. I can assume so. Yes, it is not
- 4 here, but...
- 5 1393. Q. No.
- 6 A. ...I did generally...when we went on
- 7 trips, if we had meetings booked, I would create for
- 8 everybody that was going. I would create, like, a
- 9 day-by-day, what meetings were where...
- 10 1394. Q. Right.
- 11 A. ...type thing.
- 12 1395. Q. And where would you get the
- 13 information to be able to prepare that?
- 14 A. From the independent contractor,
- 15 because they would be the ones...if we were going to
- 16 their country, they would be the ones that were...
- 17 1396. Q. Requesting the meetings?
- 18 A. Yes, requesting setting them up. If
- 19 there was a seminar...
- 20 1397. Q. Okay.
- 21 A. ...that type of thing.
- 22 1398. Q. So, when it came to meeting
- 23 requests, just so we are clear, when it came to
- 24 meeting requests from the independent contractors in
- 25 relation to overseas travel, you would coordinate

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- 1 been asking if he needed me to do one, but
- 2 I didn't...that wasn't in my job usually...
- 3 1385. Q. Okay.
- 4 A. Yes.
- 5 1386. Q. And that wasn't in your job...were
- 6 there any occasions that you can recall, just to
- 7 close off on this...
- 8 A. Yes.
- 9 1387. Q. ...and move in on it. If not, were
- 10 you prepared, actually prepared as opposed to just
- 11 forwarded on?
- 12 A. Not that I can recall.
- 13 1388. Q. Prepared or completed invoices to
- 14 independent contractors?
- 15 A. Not that I can recall.
- 16 1389. Q. And then over the page, tab 39, it
- 17 is an e-mail to Chris with reference to Trinidad &
- 18 Tobago trip?
- 19 A. Yes.
- 20 1390. Q. And you say, second sentence:
- 21 "...I will be providing you with a
- 22 day-by-day itinerary, which I will e-mail
- 23 you once finalized..."
- 24 A. M'hmm.
- 25 1391. Q. Did you go on to do that?

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- 1 those meeting requests and set the itineraries for
- 2 Mr. Smith and presumably Mr. Dixit and others?
- 3 A. And others that travelled, correct.
- 4 1399. Q. Okay. And then, perhaps, an example
- 5 of that is at tab 41. This relates to in Ireland.
- 6 And behind the cover e-mail, there is a document
- 7 entitled "Tour Schedule"?
- 8 A. M'hmm.
- 9 1400. Q. Do you see that?
- 10 A. Yes.
- 11 1401. Q. Was this different from the
- 12 itineraries that we were just discussing, or this...
- 13 A. This is different.
- 14 1402. Q. Okay. Similarly, was it something
- 15 that you prepared?
- 16 A. No. This, I believe, was prepared
- 17 by Colin Tuck. This just goes...when the
- 18 conventions were...this is a convention schedule.
- 19 1403. Q. Right.
- 20 A. So, Colin is the one that organized
- 21 the media side of the conventions. So, this would
- 22 be...this is going through the event itself, who is
- 23 speaking when.
- 24 1404. Q. Right.
- 25 A. So, no, I didn't. I may have passed

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- 1 this document along, but this would have been
2 prepared by Colin.
- 3 1405. Q. Okay. So, on the second page,
4 Saturday, December 1, 2012...
- 5 A. Yes?
- 6 1406. Q. ...there is a half-hour timeslot
7 which seems to be dedicated to yourself?
- 8 A. Yes.
- 9 1407. Q. It says:
10 "...Subject: Panels/sales credits..."
11 So, did that presentation actually take place?
- 12 A. We talked about this extensively
13 last time. Is there a new question about it? Like,
14 you spent about a half an hour on this subject last
15 time...
- 16 1408. Q. And there is a couple of ways we can
17 do this. First of all, we are now turning to
18 specific documents. So, when I put questions to
19 you, you have the benefit of knowing...
- 20 A. Okay.
- 21 1409. Q. ...what information the receiver
22 has. I think it is a fairer way to approach these
23 documents with you, Stephanie.
- 24 A. Okay.
- 25 1410. Q. So...

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- 1 imagine there were more than one conventions that
2 you spoke at?
- 3 A. No, I only spoke at this time.
- 4 1419. Q. So, you only ever spoke at one
5 convention?
- 6 A. That is correct.
- 7 1420. Q. Okay. But in addition, there were
8 meetings of affiliates that you would have spoken
9 at?
- 10 A. No.
- 11 1421. Q. So, your evidence is that in the
12 entire 15 months that you were at Banners Broker,
13 you only spoke to either affiliates or independent
14 contractors in a seminar or presentation context on
15 this one occasion?
- 16 A. Yes. I only ever spoke in front of
17 a large group of people in regards to this the one
18 time. The rest of the time I was doing training
19 with independent contractors.
- 20 1422. Q. And I wasn't qualifying my question
21 by saying large groups of people. I need to know
22 every occasion that you were not doing training and
23 speaking to these people.
- 24 A. I only did training. I didn't do
25 any...other than this one...

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- 1 A. Shouldn't that have just been done
2 the first time, to avoid all that wasted time, then?
- 3 1411. Q. No. That is not the way...
- 4 A. All right, ask away.
- 5 1412. Q. ...that we are going to proceed.
- 6 A. Yes, ask away.
- 7 1413. Q. And we did talk a little bit, in
8 fairness, about, as a general matter, what you did
9 at conventions.
- 10 A. Yes.
- 11 1414. Q. Okay? But now we have a specific
12 example which I think is deserving...
- 13 A. Okay, fair...
- 14 1415. Q. ...of some inquiry.
- 15 A. ...enough. Ask away.
- 16 1416. Q. Can you just confirm for me that
17 this proceeded, and you spoke on December 1st for
18 half an hour and provided a PowerPoint
19 presentation...
- 20 A. Yes.
- 21 1417. Q. ...on panels and sales credits to...
- 22 A. It was more about 15 minutes, but,
23 yes, I did speak at that convention.
- 24 1418. Q. Okay. And this particular
25 convention, because correct me if I am wrong, but I

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- 1 1423. Q. Okay, thank you.
- 2 A. Yes.
- 3 1424. Q. Now I am clear on that now. So, tab
4 42, something that I think we need to spend some
5 time on. The subject is "Sweden Update".
- 6 A. Sure.
- 7 1425. Q. And you are writing to Raj. I take
8 it he was not in Sweden with you in December of
9 2012?
- 10 A. No, he was not.
- 11 1426. Q. Okay. So, you are reporting to him
12 on what you are doing in Sweden?
- 13 A. Correct.
- 14 1427. Q. And who were you with...was this
15 trip on Banners Broker or Stellar Point business?
- 16 A. I was with David Hooker. I was
17 there to train an independent contractor, and David
18 Hooker was there to do seminars for...
- 19 1428. Q. Okay.
- 20 A. ...Banners Broker International.
- 21 1429. Q. Okay. Was anybody else there on
22 this trip?
- 23 A. No.
- 24 1430. Q. Okay. So, the third paragraph, you
25 are telling Raj:

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1 "...We have covered day one of training..."

2 A. M'hmm.

3 1431. Q. "...which is the review of the
4 program, a condensed version of the
5 one-week training that we do in Canada..."

6 So, this is training of ICs, presumably?

7 A. This is support training to the ICs.

8 1432. Q. Okay. And I am intrigued by the
9 reference to a week of training in Canada.

10 A. Yes.

11 1433. Q. Would some ICs come to Canada for a
12 week to be trained?

13 A. No. One-week training was in
14 regards to the training that Stellar Point employees
15 got if they were doing support.

16 1434. Q. Okay. Okay. You say that these
17 independent contractors that you are training in
18 Sweden need extra attention in the areas of blind
19 network and organic traffic?

20 A. That is correct.

21 1435. Q. And the blind network in particular
22 is something that we hear from time to time, but I
23 have never understood it.

24 A. Yes.

25 1436. Q. What is a blind network in the

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1 going into detail, because it has been so many
2 years.

3 1440. Q. So when you say "people didn't know
4 where their ads were being placed", those people
5 were the affiliates or Banners Broker?

6 A. Those were the affiliates, because
7 there was a choice network and a blind network. A
8 choice network, when you are uploading your banners,
9 you could choose where you wanted your ad or your
10 banner to go, whereas a blind network, you
11 could...the blind network, how it worked is you
12 could choose a location and, like, the type of
13 website, but you couldn't choose the specific
14 website, whereas the choice network, there was a
15 list of websites to choose where you wanted your
16 banner to go.

17 1441. Q. Okay.

18 A. Does that...

19 1442. Q. And did Banners Broker have a blind
20 network, or did somebody else have...like, where
21 would we see the blind network? Where did it
22 reside?

23 A. Banners Broker International had an
24 outside company that they used. I don't know. You
25 would have to ask Chris Smith about those details.

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1 Banners Broker context?

2 A. Those were to do with websites,
3 blind network that was in regards to websites. But
4 it has been so long since I have dealt with any of
5 that. I wouldn't feel comfortable giving you a good
6 explanation of it.

7 1437. Q. Well, just any explanation that you
8 might be able to offer, and I appreciate it has been
9 two or three years.

10 A. M'hmm.

11 1438. Q. But, I mean, it was something at the
12 time that you were travelling around the world
13 training people on?

14 A. Yes.

15 1439. Q. So, what...again, any explanation as
16 to what a blind network would be appreciated.

17 A. Like I said, I don't feel
18 comfortable giving you a specific definition, but it
19 was in regards to websites with Banners Broker. So,
20 when people were uploading their banners, it would
21 go to a blind network. So, the blind network was a
22 compilation of websites, but because it was blind,
23 people didn't know where their ads were being
24 placed. There is a further explanation but...it is
25 a little bit confusing, so I don't feel comfortable

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1 I wasn't privy to that, but they used an outside...

2 1443. Q. Okay. And similarly, the choice
3 network, was that part of Banners Broker, or was
4 that...where would we see that?

5 A. Those websites...like, when you are
6 on the Banners Broker website, you could see the
7 websites. Where those websites came from, you would
8 have to Chris Smith.

9 1444. Q. Okay.

10 A. I am not sure.

11 1445. Q. But even though you are not sure
12 now, because some time has passed, can I take it
13 that at the time, in December of 2012, when you were
14 in Sweden, you understood that a blind network was,
15 and you explained it to these people?

16 A. I understood what it was, yes. And
17 I explained it to...like, I see...it was difficult
18 for people to understand the blind network. So,
19 yes, but do you understand what I mean between blind
20 and choice?

21 1446. Q. Well, I don't, and if there is
22 anything further you can tell me, that would help.
23 That would be fine.

24 A. Yes.

25 1447. Q. But if you are telling me that you

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- 1 don't remember, then I will accept that as your
2 answer.
3 A. Okay. It is just difficult to
4 explain, and...
5 1448. Q. Okay.
6 A. I don't want to misspeak.
7 1449. Q. Okay. So, then, the second term
8 that we see in your e-mail is organic traffic...
9 A. Yes.
10 1450. Q. ...which you note:
11 "...I explained this in detailed, and we
12 did live examples..."
13 A. Yes.
14 1451. Q. So, what are you referring to by
15 "organic traffic"?
16 A. I don't remember, to be honest.
17 Traffic is visits to websites. Organic traffic, I
18 would have to look it up. I don't remember.
19 1452. Q. Okay. But, again, at the time...
20 A. At the time, yes.
21 1453. Q. ...that you were training people,
22 presumably you knew everything there was to know
23 about organic traffic, so you could explain it in
24 detail...
25 A. Yes.

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- 1 the terms and conditions, and we would go over it,
2 yes.
3 1462. Q. And you would answer any questions
4 that they had?
5 A. If I knew the answer. If I didn't,
6 then I would pass it along to Chris.
7 1463. Q. Okay. And then:
8 "...Key points of refund policy..."
9 Is your answer the same as for terms and conditions,
10 that you would provide the refund policies and
11 answer questions to the extent that you could?
12 A. That is correct.
13 1464. Q. And it says:
14 "...List and explain all tabs in your back
15 office..."
16 Was that something that you did as well for the ICs?
17 A. Listing and explaining all the tabs?
18 Yes.
19 1465. Q. Okay. And what are the tabs in the
20 back office?
21 A. Tabs would have been...like, when
22 you go into the back office as...
23 1466. Q. How would I go into the back office
24 if I wanted to...
25 A. You would...so, you go to

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- 1 1454. Q. ...as you note?
2 A. That is correct.
3 1455. Q. Okay. And similarly, there is a
4 list of bullet points on the bottom of page 1?
5 A. Yes.
6 1456. Q. "...Homework given on day one..."
7 A. Yes.
8 1457. Q. The first one is:
9 "...Steps to get organic traffic..."
10 A. Yes.
11 1458. Q. So, was that something you trained
12 the ICs on?
13 A. Yes.
14 1459. Q. "...Key points of terms and
15 conditions..."
16 What was that?
17 A. The Banners Broker International
18 website had terms and conditions. So, that would be
19 just reviewing that and making sure that they
20 understood.
21 1460. Q. Which was something that you did?
22 A. Sorry, train them on the terms and
23 conditions?
24 1461. Q. Yes.
25 A. I would provide them with a copy of

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- 1 bannersbroker.com...
2 1467. Q. Right.
3 A. ...and then there would be a login
4 page. As an affiliate, you would log in, and then
5 you would get into your back office. There is
6 different tabs for purchase, you know...
7 1468. Q. Okay.
8 A. ...different things. I can't tell
9 you the tabs, I don't remember, but I would make
10 sure that the independent contractors knew the back
11 office front to back, so they knew.
12 1469. Q. Is it kind of like an account?
13 Like, a Banners Broker affiliate's account?
14 A. Yes.
15 1470. Q. Okay. And then you would similarly,
16 just finishing off on the list, you had explained to
17 the independent contractors when you trained them,
18 including in Sweden, on how to apply for the BB
19 Mastercard?
20 A. That is correct.
21 1471. Q. And how to distinguish between
22 notarized, non-notarized, and standard versus
23 premium in regards to the BB Mastercard?
24 A. That is correct.
25 1472. Q. And then just flipping the page, am

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1 I correct that the second day that you were in
2 Sweden, yourself and Mr. Hooker trained these people
3 on the seven items that are bullet-pointed?

4 A. I trained on the support. David
5 Hooker was there to speak to the independent
6 contractors about compliance issues, because that
7 was his role.

8 1473. Q. Okay. And then finally, you had an
9 information session?

10 A. Yes.

11 1474. Q. And just...can you explain for me
12 how that...what that consisted of and how it went?

13 A. So, that is what was David Hooker's
14 role. He was out there to talk about compliance and
15 the business aspect for Banners Broker
16 International. So, that was his seminar.

17 1475. Q. Okay. Great. So, let's move on.
18 Tab 43.

19 A. Yes?

20 1476. Q. And this is the...I take it...and
21 you will tell me if I am wrong, that this is the
22 withdrawal policy. And you will see it behind the
23 blue sheet?

24 A. Yes, that is correct.

25 1477. Q. So, as I read the cover e-mail, Mr.

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1 that you...presumably you would go to Mr. Smith and
2 get clarification?

3 A. I wasn't paid to understand. I was
4 just paid to make the changes.

5 1482. Q. But, again, in fairness, if he asked
6 you to do something that you didn't understand...

7 A. Yes, of course. If I needed
8 clarification, I would get it from him.

9 1483. Q. Okay. The next one is tab 45,
10 please. And I think this is a document that we need
11 to spend some time on. I know you will have read it
12 in advance of today. This is an e-mail that is
13 marked 100 percent confidential?

14 A. Yes.

15 1484. Q. And you are one of a limited number
16 of recipients?

17 A. M'hmm.

18 1485. Q. And it appears that it was written
19 by Mr. Dixit, and the date is January 25, 2013?

20 A. M'hmm.

21 1486. Q. Do you recall receiving this?

22 A. I was cc'd, and I was asked to just
23 forward along to everyone. So, I do recall getting
24 it. So...

25 1487. Q. Right.

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1 Smith is instructing you on January the 7th, 2013,
2 to update it with the new language?

3 A. It would be, like, verbiage. So, I
4 was just...in regards to this, I was editing any
5 changes. So, Chris Smith told me what to change,
6 and I changed it and then e-mailed it back.

7 1478. Q. Okay. So, looking at it, can
8 you...do you recall, one way or the other, what it
9 is that you did to change this document?

10 A. I would have just made any changes
11 that they requested. I couldn't...it has been so
12 long, I couldn't tell you the exact edits I made.

13 1479. Q. "They" being Mr. Smith and Mr.
14 Dixit?

15 A. Mr. Smith. Mr. Smith was the only
16 one that could authorize changes in regards to
17 Banners Broker International.

18 1480. Q. I am just intrigued by the use of
19 the word "update". Can you tell me why this needed
20 updating, or what you were updating?

21 A. I can't recall. I would have just
22 been given a list of things to change, and then make
23 those changes.

24 1481. Q. And if there were changes that you
25 were asked to make that you didn't understand, or

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1 A. ...I just followed the
2 instructions...

3 1488. Q. Okay.

4 A. ...from Raj.

5 1489. Q. Okay.

6 A. Anything in the e-mail, you would
7 have to talk to Raj about, because I was just...

8 1490. Q. But you...

9 A. ...passing it on.

10 1491. Q. So, you received it. Presumably you
11 read it, as well?

12 A. I probably...I got a lot of e-mails.
13 I can't say I read the whole thing. If I was just
14 asked to send it along, I might have just sent it
15 along. I wasn't an executive. I was just an
16 assistant.

17 1492. Q. Well, he says to you:
18 "...Stephanie, please, can you indicate
19 this to everyone?..."

20 A. M'hmm.

21 1493. Q. Who is everyone?

22 A. Like I said, this is a few years
23 ago, so I don't know who everyone would have been.
24 Probably just...

25 1494. Q. In fact...in fairness, and let me

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1 give you a chance to read this more carefully. It
2 looks like what Raj is asking you to communicate to
3 everyone is the date of the meeting.

4 A. I don't...

5 1495. Q. February 5th or 6th, but the actual
6 e-mail was addressed to yourself. You were not just
7 copied on it.

8 A. It was addressed to everybody.

9 1496. Q. Right. And...

10 A. Sorry, I didn't read it properly.

11 1497. Q. ...are these people that it is
12 addressed to, are they...I have seen them described
13 as the executive team. Have you heard that
14 expression before?

15 A. I have heard that expression before,
16 but I would have to look at everybody.

17 1498. Q. Okay.

18 A. I wouldn't call everyone on here...

19 MS. DOSANJH: Sorry, does it say
20 "executive team" in the document?

21 1499. MR. WARD: I think that it does. I am
22 just trying to find it.

23 MS. DOSANJH: Okay.

24 THE DEPONENT: No, it says "executive
25 meeting".

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1 executive?

2 A. I was an assistant, and if something
3 was asked to be forwarded along, I just followed
4 instructions. I wasn't snoop, so I didn't read
5 every word of...if I asked to forward it on,
6 generally I would just forward it on.

7 1507. Q. Okay. So, this, just so we are
8 clear, was addressed to yourself and some others...

9 A. Okay.

10 1508. Q. ...and it is an interesting e-mail,
11 that we do need to go through.

12 A. Okay.

13 1509. Q. So, it starts on the second page.
14 And at the bottom of the second page, Mr. Dixit is
15 referring to current challenges that most of you
16 will know, and some changes that are being made.

17 A. It would probably be best if you
18 just asked Mr. Dixit himself, because I don't want
19 to answer anything because he is the author of it,
20 and I was a recipient along with many other
21 people...

22 1510. Q. Yes, and I...

23 A. It probably would be best to ask
24 him.

25 1511. Q. I am not going to ask you what he

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1 1500. MR. WARD: All right.

2 MS. DOSANJH: I think the last paragraph
3 says:

4 "...Fifth executive meeting..."

5 1501. MR. WARD: Right.

6 THE DEPONENT: It would probably be
7 best...I wouldn't be able...I don't know.
8 This is a long time ago.

9
10 BY MR. WARD:

11 1502. Q. Did you attend executive meetings?

12 A. Most of them.

13 1503. Q. And, so, things that were sent to
14 the executive, you received?

15 A. Things that were sent to executives,
16 I received?

17 1504. Q. Yes.

18 A. Can you...

19 1505. Q. Well, this is an example of a
20 document that is marked "100 percent
21 confidential"...

22 A. Yes.

23 1506. Q. ...in respect of an executive
24 meeting. So, my question is, did you receive
25 confidential information that was provided to the

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1 intended, okay? But I do need to ask you what you
2 understood.

3 A. Okay, ask your questions.

4 1512. Q. Okay?

5 A. I will answer them to...

6 1513. Q. Okay.

7 A. ...the best of my ability.

8 1514. Q. Did you understand Banners Broker to
9 be facing current challenges as at January 25th,
10 2013, when this e-mail was sent around to the
11 executive?

12 A. Banners Broker International, I know
13 there was...let me read it. Banners Broker
14 International...and I couldn't tell you the
15 specifics of the issues. But, yes, other...I can
16 read it, and maybe if we...

17 1515. Q. Well, again, I don't want to dissect
18 this, and I am not asking you to interpret it...

19 A. Yes.

20 1516. Q. ...but, I mean, this is an unusual
21 e-mail for a couple of reasons.

22 A. Okay.

23 1517. Q. One, it is marked 100 percent
24 confidential; two, it goes to the executive team.

25 A. Yes.

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- 1 1518. Q. Three, it is talking about
2 fundamental changes to the business.
3 A. Yes.
4 1519. Q. It also refers to challenges, and
5 portions of it are in all caps...
6 A. Yes, but...
7 1520. Q. And so...
8 A. ...it would be best to ask Raj. He
9 wrote it. Like, I don't know what you want me to
10 answer.
11 1521. Q. Well, I just want to get your
12 understanding, as executive assistant at the time,
13 what the situation was as at Banners Broker...
14 A. I don't remember. Like, I
15 don't...do you want me to take a half an hour to
16 read it and...
17 1522. Q. We are going to...
18 A. ...digest it?
19 1523. Q. We do need to go through the e-mail.
20 And, again, it would help if I can get my questions
21 on the record before you answer. But as at the time
22 that you received this...
23 A. Can you ask specific questions to do
24 with specific things in the e-mail, and that will
25 make it easier for me?

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- 1 1524. Q. I think it will make it easier for
2 you.
3 A. Okay.
4 1525. Q. So, let's do that. So, I am at the
5 bottom of page 2.
6 A. Yes.
7 1526. Q. And, again, I am not asking you what
8 Mr. Dixit meant when he wrote this, but the bottom
9 of page 2, he is describing some current challenges
10 that the company is facing, that are going to be
11 dealt with at this pending executive meeting.
12 A. Okay.
13 1527. Q. So, did you have an appreciation at
14 the time as to what those challenges were?
15 A. I am sure I would have known. I am
16 sure I would have known what the...but I didn't know
17 details. I was an assistant.
18 1528. Q. So, as a general matter, what was
19 the challenges that you appreciated as existing as
20 at that time?
21 A. To my knowledge and what I can
22 remember, I think this had to do with compliance
23 issues, but I couldn't be certain. You would have
24 to ask Mr. Dixit for full clarification.
25 1529. Q. Just so you know, everything that

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- 1 you say, I am going to assume that it is to the best
2 of your knowledge, and it is what you can remember.
3 A. Trust me, if I could remember, I
4 would tell you, so I could...
5 1530. Q. No, I know...
6 A. ...go father.
7 1531. Q. ...so you don't need to preface your
8 answers by saying...
9 A. But he would be the one to ask. He
10 would be able to tell you. He wrote it. I don't
11 remember. I don't know. Maybe I didn't do my job
12 100 percent, and I didn't pay attention to every
13 detail.
14 1532. Q. Okay.
15 A. I don't remember.
16 1533. Q. I am just saying that I am going to
17 assume that you what you don't remember, you won't
18 tell me. So, you don't need to preface your answers
19 by saying, "To the best of my knowledge".
20 A. Okay. Then I will just say...
21 1534. Q. Okay?
22 A. ...I...
23 1535. Q. You can if you wish...
24 A. Okay, then, now I will just say I
25 don't remember, and then that is done answering.

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- 1 1536. Q. If you truly don't remember...
2 A. I don't remember.
3 1537. Q. ...then...
4 A. Like it says right here:
5 "...Fifth, traffic packs must be sold as
6 they were intended..."
7 Yes, at the time I know what traffic packs are, but
8 I can't remember...
9 1538. Q. I am not taking you to those
10 details. You asked me to direct you to a
11 specific...
12 A. At the time, I would have been aware
13 that there were issues.
14 1539. MR. WARD: Let's take a break. Off the
15 record.
16 --- A BRIEF RECESS
17
18 STEPHANIE R. SCHLACHT, resumed
19 CONTINUED EXAMINATION BY MR. WARD:
20 1540. Q. So, Stephanie, we are still in tab
21 45, which is the e-mail to the executive team.
22 A. Yes.
23 1541. Q. The e-mail concludes, by Mr. Dixit
24 writing to yourself and others, saying in the
25

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1 third-last paragraph:

2 "...Recent events have made the need to
3 clean up our house and implement these
4 changes an immediate task..."

5 So, it is in that context that I am asking you, what
6 was your understanding of the challenges that the
7 company was facing at that time?

8 A. It is my understanding, and just
9 going on how I understood it, looking back, because
10 I am sure at the time I fully understood what was
11 going on, is that affiliates were...there were
12 certain things in the program that were meant to be
13 done a certain way, but affiliates were going in and
14 kind of, like, doing things their own way, which
15 wasn't compliant with the program. So, David Hooker
16 was in charge of compliance. So, the reason why he
17 was brought on board was because the affiliates were
18 kind of like loose cowboys doing their own things,
19 making up their own rules, and it was having a
20 negative backlash on Banners Broker International.

21 1542. Q. Okay.

22 A. So, that is what I believe is...

23 1543. Q. Okay.

24 A. Sorry, let me turn my phone off.

25 Sorry.

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1 1544. Q. So, sitting here now, looking back
2 on it, you believe that those were some of the
3 challenges that the company was facing?

4 A. That is correct.

5 1545. Q. Were there any others that you
6 wanted to mention?

7 A. I am trying to think of when the
8 timeline...can I just take a second to read?

9 1546. Q. Yes, by all means.

10 A. What was happening at this time is
11 people...like, just reading...like, one of the big
12 concerns is Stellar Point was being confused for
13 Banners Broker International, and they are two
14 separate entities.

15 1547. Q. Okay.

16 A. So, that was one of the big things.

17 1548. Q. Why were they being confused?

18 A. They are being confused because in
19 the beginning, Raj used to do a lot of speaking for
20 Banners Broker International. Like, he used to get
21 on stage and do...this was before I was even with
22 the company. And when he...because he used to be a
23 reseller. That was before I was with the company,
24 but I know that he was a reseller for a specific
25 period of time for Canada, and because there was

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1 some compliance issues, he no longer wanted or could
2 have that role. So, that is when he kind of went
3 into the support aspect. I started when the support
4 aspect was happening. So, I can't really answer
5 anything before that, but I know that that was the
6 case. So, people were getting confused, because
7 Banners Broker Limited used to be a reseller, and
8 then just changed to just doing consulting and
9 support, that is why people got confused.

10 1549. Q. Okay. So, I take it that change in
11 Raj's role wasn't clear to people that dealt with
12 the company?

13 A. I couldn't really answer that yes or
14 no, but that is how I felt.

15 1550. Q. Okay. And just to that point, I
16 understand, and it is what Raj said in the e-mail,
17 that he publicly had the title of chief operating
18 officer of Banners Broker International right up
19 until...

20 A. Sorry, can you repeat that?

21 1551. Q. Just to the discussion that we were
22 having about people confusing Banners Broker and
23 Stellar Point, do you see, on the second-last page
24 of the production, there is a paragraph where Mr.
25 Dixit is talking about the change in his title?

S.R. Schlacht - 289

1 A. I believe, and I am only speaking
2 from...that was before I worked there. Like, when I
3 worked with Stellar Point, his role was just Stellar
4 Point. So, I am not sure, but I do know that he
5 used to speak...sorry.

6 1552. Q. Okay.

7 A. He used to be referred to as the COO
8 of Banners Broker International.

9 1553. Q. Right, and I mean, I think that is
10 what he is saying here. He is telling you, as one
11 of the recipients of the e-mail, that he is no
12 longer to be publicly identified as the chief
13 operating officer of Banners Broker International.
14 Do you see that?

15 A. That is what it says, but you would
16 have to...for any clarification, you would have to
17 go for him. But that is what I am...

18 1554. Q. Right.

19 A. ...reading it as.

20 1555. Q. Right.

21 A. Yes.

22 1556. Q. And, so, he is writing to you in
23 January of 2013?

24 A. Yes.

25 1557. Q. Okay. So, can we agree, then, that

S.R. Schlacht - 290

1 from and after January of 2013, you understood that
2 Mr. Dixit was not to be identified as the COO of
3 Banners Broker International?

4 A. I understood that from when I
5 started, like, in August. Or maybe it was January.
6 I don't remember, I am sorry, the dates. It could
7 have been...

8 1558. Q. Right, well, the reason why...

9 A. January...

10 1559. Q. ...he is telling you and others...

11 A. Yes.

12 1560. Q. ...that he is no longer to be
13 publicly identified as the COO of BBI. So, I don't
14 think I am reading too much into it when I...

15 A. Yes, that is what it seems like.

16 1561. Q. Yes.

17 A. I thought it was before then, but

18 I...

19 1562. Q. Okay.

20 A. ...could be wrong. I don't...go
21 with January, because that is what the e-mail says.

22 1563. Q. And then just scrolling up the
23 e-mail, if you can flip back one page...

24 A. Yes.

25 1564. Q. ...towards the front of the book.

S.R. Schlacht - 292

1 an example of a brand ambassador.

2 1568. Q. Okay. And was he one that was
3 hosted out of Stellar Point's office?

4 A. He wasn't employed with Stellar
5 Point.

6 1569. Q. Okay. So, when Raj is saying in
7 this e-mail to you and others:

8 "...Effective immediately, Stellar Point
9 will not have brand ambassadors..."

10 A. Because...see, I can't really...Raj
11 would be your best person to ask, because I don't
12 want to give an answer that is wrong. But to my
13 knowledge, brand ambassadors...like, we...at one
14 point there was, like, the odd meeting or two that
15 was done out of the Stellar Point offices, but
16 because coming near that time, there was so much
17 negative backlash about Banners Broker
18 International, Raj wanted to keep it...didn't want
19 it in and around it, because...

20 1570. Q. Right.

21 A. ...Raj was trying to develop Stellar
22 Point. Stellar Point wasn't just exclusively for
23 Banners Broker International. He was trying to
24 bring on other clients. Because there was so much
25 negative backlash with Banners Broker International,

S.R. Schlacht - 291

1 There is a discussion in this e-mail, and this is an
2 important e-mail, so forgive me for spending some
3 time on it, but it says:

4 "...Stellar Point offices worldwide will
5 not have brand ambassadors, and will not
6 host public information sessions..."

7 But then it goes on to say that there are still
8 going to be webinars and things like that.

9 A. Yes.

10 1565. Q. So, just starting with the brand
11 ambassador's aspect of it, remind me, because I
12 don't think we have discussed it, but a brand
13 ambassador, where did they fit into the Stellar
14 Point terminology?

15 A. It is not a Stellar Point
16 terminology. Brand ambassador would have been,
17 like, someone who promoted Banners Broker that
18 worked for Banners Broker International. We used to
19 host them out of Stellar Point, out of offices...

20 1566. Q. I see.

21 A. ...but...I don't know, but they
22 chose not...they didn't want...Stellar Point didn't
23 want to have that responsibility anymore.

24 1567. Q. Okay.

25 A. So, Lorenzo Guarini would have been

S.R. Schlacht - 293

1 he was trying to just keep things just from a
2 support...he did consulting for them. Like, that
3 is...I am sure he has told that himself. He did a
4 lot of work with them, but he wanted to keep it
5 separate from the...

6 1571. Q. Right, so this...

7 A. ...Stellar Point brand.

8 1572. Q. So, this was an effort, I take
9 it...or you understood...

10 A. To clean up Stellar Point's image.

11 1573. Q. ...it to be an effort to
12 disassociate Stellar Point from Banners Broker?

13 A. Not disassociate, because they were
14 a client of Stellar Point, but people were confusing
15 Banners Broker International for Stellar Point.

16 1574. Q. They were actually confusing the
17 companies?

18 A. They were thinking they were one and
19 the same.

20 1575. Q. Okay. And what was the negative
21 backlash that you referred to a moment ago?

22 A. Because this, I don't think,
23 revolves around this time period, but I mean, as you
24 guys know, Banners Broker International obviously,
25 like, they didn't give back a lot of money to

S.R. Schlacht - 294

1 people. You know, it is common knowledge now, and
2 it was...I can't say it is January, but coming along
3 those months, Chris wasn't doing payouts regularly,
4 and it was having a negative backlash on Stellar
5 Point.

6 1576. Q. Okay. And that negative backlash,
7 presumably, was...you would see that on the
8 Internet?

9 A. I never sourced the Internet for
10 that, but Raj...or Stellar Point was having a hard
11 time getting new clients, because as soon as they
12 Googled Stellar Point, negative stuff about Banners
13 Broker came up, and then obviously it killed...

14 1577. Q. Okay.

15 A. ...the clients.

16 1578. Q. And similarly, did the independent
17 contractors that you liaised with, did they share
18 your concerns about negative backlash?

19 A. That wouldn't be something that they
20 would share with me.

21 1579. Q. Who would they share that with, if
22 not yourself? Because I am just thinking of the
23 structure...

24 A. If they had a concern, they
25 wouldn't...like, usually, if it came to stuff like

S.R. Schlacht - 296

1 This is one of the reasons why I understood you,
2 Stephanie, to be on the executive team...

3 A. Yes.

4 1584. Q. ...because you had a BB e-mail
5 address?

6 A. Everyone had a BB e-mail address to
7 start, because Banners Broker Limited...but because
8 we...Banners Broker Limited had a name change, not a
9 complete new company, right?

10 1585. Q. Yes.

11 A. So, when we were formerly known as
12 Stellar Point, all the e-mails changed to Stellar
13 Point. I think there was a few of us...because I
14 dealt with...I think I had to keep my other one for
15 a little bit. Because I dealt with Chris a lot...

16 1586. Q. Right, so you kept your Banners
17 Broker e-mail address?

18 A. For a little bit, but eventually it
19 was taken away, and I just used my Stellar Point.

20 1587. Q. Okay.

21 A. But at this time, I think I was
22 still using my BB one.

23 1588. Q. And the other executive team members
24 also were using their BB e-mail address? They
25 continued on?

S.R. Schlacht - 295

1 that outside of commission payments, they would just
2 say, "I need to talk to Chris directly", or, "I need
3 to set up a meeting", and then I would set up the
4 meeting, and they would discuss this.

5 1580. Q. Right.

6 A. I was never...I didn't pass
7 along...like, I passed along...like, if there was
8 something they needed to talk about that was...you
9 know? Confidential, but more of, like, a...like, I
10 wasn't the one that passed on the specific
11 information necessarily. If they wanted to talk to
12 Chris, I would set up a time for them to talk, and
13 then he would speak to them.

14 1581. Q. Right.

15 A. My main job was just support,
16 training, and making sure they got their commission
17 payouts.

18 1582. Q. And just the very next paragraph,
19 moving through the e-mail:

20 "...All Stellar Point employees must, by
21 Monday, have a stellarpoint.ca e-mail
22 address..."

23 A. Yes.

24 1583. Q. "...Chris and I need the BB e-mail
25 addresses for the executive team..."

S.R. Schlacht - 297

1 A. I don't know how long they would
2 have...Chris always used a BB e-mail address.

3 1589. Q. Okay. Well, we can check that,
4 so...

5 A. Yes, I am not sure.

6 1590. Q. And just the public information
7 sessions that Stellar Point decided you would no
8 longer hold...

9 A. Yes?

10 1591. Q. ...what were they? Like, we have
11 talked about training sessions, we have talked about
12 conventions. What was the public information
13 session?

14 A. The public information session was
15 when someone...you know when you want to promote a
16 program with someone, you would be like...I don't
17 know if you are aware of MLM type businesses.

18 1592. Q. No.

19 A. You would get invited to an
20 information session. So, kind of...let's put Avon.

21 1593. Q. Right.

22 A. Avon would have information sessions
23 about their product, and then they would try to get
24 people to sign up. Same thing.

25 1594. Q. So, let's put...instead of Avon,

S.R. Schlacht - 298

1 let's talk about Banners Broker.

2 A. Okay.

3 1595. Q. What sort of information sessions
4 did Stellar Point have for Banners Broker?

5 A. Stellar Point, they would just have
6 them at the location, the Stellar Point offices,
7 because it was a big warehouse.

8 1596. Q. I see.

9 A. But it would be people like Lorenzo
10 Guarini or David Hooker that would actually do the
11 seminars.

12 1597. Q. Okay. And they would do the
13 seminars to potential new members?

14 A. Yes.

15 1598. Q. And they would be...Lorenzo would
16 basically be pitching them on joining Banners
17 Broker?

18 A. That is correct.

19 1599. Q. I see, okay. I understand. And
20 then just over the page, there is just a few more
21 aspects of it that I wanted to deal with. There is
22 a paragraph that says:

23 "...Six, effective Monday, January 28th,
24 you can only do withdrawal request if you
25 have uploaded ID only..."

S.R. Schlacht - 300

1 A. Yes.

2 1605. Q. I mean, I thought that the Stellar
3 Point is...the service provider was responsible for
4 the things that we looked at, for instance website
5 development...

6 A. They were.

7 1606. Q. ...the tools...

8 A. Sorry, they were, but all
9 instructions came from Chris Smith.

10 1607. Q. Okay.

11 A. So, if Chris Smith made a mistake or
12 didn't advise the programmers to do something, and a
13 mistake happened, it fell on Chris Smith's
14 shoulders, not Stellar Point.

15 1608. Q. Right. So, Chris Smith would
16 provide instructions to Stellar Point, is your
17 evidence?

18 A. Yes.

19 1609. Q. And presumably, Stellar Point would
20 seek instructions from Mr. Smith?

21 A. That is correct. When it came to
22 anything to do with Banners Broker International.

23 1610. Q. Yes, okay. The tab 47 of the binder
24 has to do with some travel that strikes the receiver
25 as a little bit unusual, in that it seems to have

S.R. Schlacht - 299

1 Do you know what Raj is talking about here?

2 A. So, in the back office with Banners
3 Broker International, people were creating,
4 like...affiliates were signing up under fake people,
5 or they would have two accounts. So, when the
6 affiliate signed up, they had to upload their valid
7 ID to make sure it was an actual person.

8 1600. Q. Okay.

9 A. So, when someone was trying to get
10 their commissions out, it needed to be going to the
11 actual person that owned that account.

12 1601. Q. Right. So, prior to this uploaded
13 ID requirement, people could cheat the system?

14 A. When the program first...like, by
15 the time I was there, they were already
16 implementing, like, more structured...because people
17 were cheating the system.

18 1602. Q. Right.

19 A. Yes.

20 1603. Q. And the system they were cheating
21 was the system that was managed by Stellar Point?

22 A. Stellar Point never managed the
23 system. It was always Banners Broker International.

24 1604. Q. Well, let's just be clear on what
25 you mean and what I mean by the system?

S.R. Schlacht - 301

1 been a charter jet to Tel Aviv...

2 A. Yes.

3 1611. Q. ...in February 2013?

4 A. That is correct.

5 1612. Q. And did you coordinate this trip,
6 Stephanie?

7 A. What do you mean by "coordinate"?

8 Like...

9 1613. Q. Did you arrange the bookings and set
10 the travel schedules and find the charter...and just
11 organize it?

12 A. Yes, I did.

13 1614. Q. Okay. So, I would like to know a
14 bit about this trip, because...

15 A. Sure.

16 1615. Q. ...it is...from what we can tell,
17 from the financial analysis we have done, it was
18 incredibly expensive. What was the purpose of the
19 trip to Israel in February of 2013? And who went on
20 the trip?

21 A. I would have to look.

22 1616. Q. Did you go on the trip?

23 A. I did, yes.

24 1617. Q. And do you recall who was with you?

25 A. I believe there was myself, there

S.R. Schlacht - 302

1 was Raj, Chris, they both brought their families
 2 with them, and Grant, I think, came, and there may
 3 have been a few more, but those are the people that
 4 I can recall.
 5 1618. Q. And did you all travel together to
 6 Israel on the charter jet?
 7 A. We did.
 8 1619. Q. And did you all return together from
 9 Israel on the charter jet?
 10 A. I don't know if everybody returned
 11 on the charter jet, but...
 12 1620. Q. Okay. And how many hundreds of
 13 thousands of dollars did the charter jet cost?
 14 A. I can't remember. I would have to
 15 see an invoice in front of me.
 16 1621. Q. There is a chart...if it helps, I
 17 can't tell if it is a quote, but there is a charter
 18 price document behind the same tab, that you are
 19 welcome...
 20 A. These are just quotes. So, let me
 21 look closer. Yes, these two were just quotes. I am
 22 not sure...I couldn't give you the exact number of
 23 what was...
 24 1622. Q. Right.
 25 A. ...oh, right here...I believe it to

S.R. Schlacht - 304

1 A. It says \$196,000.
 2 1629. Q. It is page number 2543.
 3 MS. DOSANJH: There is two, right?
 4 There is...
 5 THE DEPONENT: There is 2543/1.
 6
 7 BY MR. WARD:
 8 1630. Q. Okay. Now, all of these...
 9 MS. DOSANJH: One moment.
 10
 11 BY MR. WARD:
 12 1631. Q. ...quotes, or the charter documents,
 13 are...
 14 A. Okay.
 15 1632. Q. ...seem to have been directed to
 16 yourself and Mr. Dixit. I don't see Chris Smith's
 17 name on...
 18 A. We did bookings...for anything to do
 19 with Banners Broker International and travel,
 20 Stellar Point did the bookings, but it would have
 21 been Chris Smith who authorized any prices, or any
 22 monies that were spent in regards to Banners Broker
 23 International when it came to training, travel,
 24 anything, it was all authorized by Mr. Smith.
 25 1633. Q. But you say "any monies". I mean,

S.R. Schlacht - 303

1 be on this page here.
 2 1623. Q. Right.
 3 A. This one is an assigned document, so
 4 I don't know whether it was the final one, but if
 5 you look at the bottom of the air charter service,
 6 it has a price. But like I said, this isn't a
 7 signed document, so I am not sure if this was the
 8 exact...
 9 1624. Q. Okay.
 10 A. ...one.
 11 1625. Q. But it was...
 12 A. That was chosen.
 13 1626. Q. ...a couple, like...\$196,000, is
 14 that the number you are looking at?
 15 A. The 296? No, I am looking at...
 16 1627. Q. What number are you looking at?
 17 MS. DOSANJH: Here is a couple of
 18 prices. There was one for 196, and then
 19 \$221,473.
 20 THE DEPONENT: I am looking at the one
 21 that is on the booking request form.
 22
 23 BY MR. WARD:
 24 1628. Q. Well, what is the number you are
 25 looking at?

S.R. Schlacht - 305

1 wasn't it the case that Stellar Point would spend
 2 what they thought was required to provide the
 3 services, and then...
 4 A. They would spend...
 5 1634. Q. Just let me finish the question.
 6 A. Sorry.
 7 1635. Q. And then you would get reimbursed
 8 from Chris Smith?
 9 A. That is correct.
 10 1636. Q. Okay. So, it wasn't the case that
 11 Mr. Smith would authorize in advance...
 12 A. Well, we...
 13 1637. Q. ...any money that was spent by
 14 Stellar Point in providing services to BBI?
 15 A. No, that is not correct. So, if
 16 there was a trip that was being done, and it was
 17 Banners Broker International-related, whether it be
 18 training, whether it be information sessions. Any
 19 expense...Stellar Point did the bookings often.
 20 Chris did some of the bookings directly himself, but
 21 any expense that was made needed to be authorized by
 22 Chris Smith before any money was spent, even if it
 23 was Stellar Point money.
 24 1638. Q. Okay. So, it is major expenses,
 25 then? And this order of magnitude that Mr. Smith

S.R. Schlacht - 306

1 would authorize in advance?
 2 A. It would be...yes, that is what I
 3 would...
 4 1639. Q. Okay.
 5 A. ...in regards to travel.
 6 1640. Q. Okay.
 7 A. That is all...
 8 1641. Q. So...
 9 A. ...that I have the scope of
 10 knowledge on.
 11 1642. Q. So, with reference to this trip that
 12 you organized, do you recall getting Mr. Smith's
 13 approval for the \$200,000 expense?
 14 A. Yes.
 15 1643. Q. Can you tell me about that?
 16 A. Well, the protocol that I had in
 17 place would be, before anything was booked, it
 18 needed to be confirmed with the client. So, I can
 19 most likely say that, yes, I would have had
 20 commission before anything of that nature...
 21 1644. Q. Right, but...
 22 A. ...any number was spent like that.
 23 1645. Q. But do you specifically recall
 24 contacting Mr. Smith and having a discussion or
 25 exchanging e-mails with him? Because we haven't

S.R. Schlacht - 308

1 1653. Q. ...with a tentative schedule for
 2 Israel/Cyprus?
 3 A. That is correct.
 4 1654. Q. Is this an example of one of the
 5 travel schedules that we talked about earlier, that
 6 you would have prepared based on your understanding
 7 of the needs and requirements of the independent
 8 contractors?
 9 A. That is correct, or whoever was
 10 travelling.
 11 1655. Q. Okay. So, you set this travel
 12 itinerary?
 13 A. Are you saying did I create it?
 14 1656. Q. Yes.
 15 A. Yes, I did.
 16 1657. Q. So, you went to Cyprus, as well, on
 17 this trip. Am I right?
 18 A. Yes.
 19 1658. Q. Were there any meetings with banks
 20 in Cyprus that you are aware of?
 21 A. No.
 22 1659. Q. So, you don't know whether or not
 23 Raj met with the Bank of Cyprus...
 24 A. I was doing...
 25 1660. Q. ...when he was there?

S.R. Schlacht - 307

1 found any.
 2 A. I did e-mails, and I talked to him
 3 on the phone, but I would have had to have confirmed
 4 that with him.
 5 1646. Q. Okay.
 6 A. Or Raj would have confirmed it with
 7 him himself.
 8 1647. Q. Okay. So, you don't personally,
 9 specifically recall confirming this with Mr. Smith?
 10 A. No, I don't remember.
 11 1648. Q. Okay. And do you know why it was
 12 that a charter was taken to Israel...
 13 A. I am not sure...
 14 1649. Q. ...as opposed to a commercial?
 15 A. I just did the booking. You would
 16 have to ask Mr. Smith, or Mr. Dixit.
 17 1650. Q. But you didn't ask at the time?
 18 A. It was none of my business.
 19 1651. Q. Okay. And then did you...just over
 20 the page, because I am on to the next production,
 21 Stephanie. It is 48?
 22 A. Yes.
 23 1652. Q. And you are e-mailing Smith and
 24 Grant and Hardowa...
 25 A. Yes.

S.R. Schlacht - 309

1 A. I was doing training, so...
 2 1661. Q. Okay.
 3 A. ...I wouldn't be able to tell you if
 4 Raj had any...not to my knowledge.
 5 1662. Q. Okay. Did you ever personally have
 6 any dealings with the Bank of Cyprus?
 7 A. No.
 8 1663. Q. Or have a credit card from the Bank
 9 of Cyprus?
 10 A. I do, but it has nothing to do with
 11 Banners Broker.
 12 1664. Q. So, you have an account...just so I
 13 am clear, and if you tell me that it has nothing to
 14 do with Banners Broker, I will need to accept that,
 15 but you have a bank at the Bank of Cyprus that has
 16 nothing to do with Banners Broker?
 17 A. No, it was created long after I
 18 worked for Stellar Point.
 19 1665. Q. Why...so, tell me why that has
 20 nothing to do with Banners Broker or Stellar Point?
 21 A. Am I allowed to have bank accounts?
 22 It has nothing to do with Banners Broker or Stellar
 23 Point.
 24 1666. Q. Did you set that account up, or did
 25 somebody set it up for you?

S.R. Schlacht - 310

1 A. It had nothing to do with Banners
 2 Broker, so I don't feel comfortable answering...
 3 1667. Q. Just with a view to exploring that,
 4 I would like to know whether you set that up, or
 5 somebody else set it up for you.
 6 A. It has nothing to do with Banners
 7 Broker or Stellar Point, and it was created far
 8 after I worked for Stellar Point or had anything to
 9 do with Banners Broker, so it is really none of your
 10 business.
 11 1668. Q. Okay. So, I will take that as a
 12 refusal.
 13 A. Well, how else do you...
 14 MS. DOSANJH: I think...
 15 THE DEPONENT: It is not a refusal.
 16 MS. DOSANJH: ...in fairness...
 17 THE DEPONENT: It has nothing to do...
 18 MS. DOSANJH: ...to the question, I
 19 think what her...what she means by that is,
 20 I think the purpose of the questioning, or
 21 the examination here, is with respect to
 22 Banners Broker, and I think if something
 23 was...I think it is her view that...I
 24 wouldn't say it is a refusal. I think her
 25 view is that if it was created after the

S.R. Schlacht - 311

1 fact, then it really doesn't involve
 2 anything with respect to the line of
 3 questioning of Banners Broker. I mean,
 4 that is how I would take it, but I mean...I
 5 don't think...
 6 1669. MR. WARD: I mean...
 7 MS. DOSANJH: She is not refusing. I
 8 think she is just saying that...
 9 1670. MR. WARD: Right, well...
 10 MS. DOSANJH: ..."Listen, what is the
 11 relevance here?"
 12 1671. MR. WARD: Okay. Then give me a chance
 13 to review to explain that. The receiver
 14 has investigatory powers that go beyond
 15 Banners Broker, and specifically include
 16 Stellar Point and Dixit Holdings and other
 17 companies. And part of what we are doing
 18 is a flow of funds analysis to
 19 understand...
 20 THE DEPONENT: Okay.
 21 1672. MR. WARD: ...where...
 22 THE DEPONENT: I think I can better
 23 answer your question, then. Can I try?
 24
 25 BY MR. WARD:

S.R. Schlacht - 312

1 1673. Q. So, just let me finish.
 2 A. Sorry.
 3 1674. Q. Where the affiliates' contributions
 4 may have ended up.
 5 A. Okay.
 6 1675. Q. And, so, that is...and there are
 7 indications that money is in Cyprus. So...
 8 A. Okay, fair enough. Can I answer?
 9 1676. Q. So, we are intrigued by the fact
 10 that you have an account there.
 11 A. I do have an account there. No
 12 money...all the companies that you listed in the
 13 front of the binder that are being investigated, no
 14 money has ever come in from those sources. It is my
 15 account.
 16 1677. Q. Right.
 17 MS. DOSANJH: So, maybe you want to
 18 say...
 19 1678. MR. WARD: Well, we are...
 20 MS. DOSANJH: Where any of the sources,
 21 the source of funds...
 22 1679. MR. WARD: Well...
 23 MS. DOSANJH: ...with respect to the
 24 investigation that is ongoing.
 25 1680. MR. WARD: Yes, you know what? Thank

S.R. Schlacht - 313

1 you for that. Fortunately, we have a book
 2 of financial documents that we are going to
 3 have to get to at some point.
 4 MS. DOSANJH: Okay.
 5 1681. MR. WARD: And, so, we can explore that
 6 a little further.
 7 THE DEPONENT: That is fine.
 8
 9 BY MR. WARD:
 10 1682. Q. All right. And perhaps we can have
 11 a look at tab 50 of the binder. This is an e-mail
 12 message from Rajiv to...I am not sure who it is.
 13 Maybe you can tell me, but...
 14 A. Anna.
 15 1683. Q. ...Anna...
 16 A. Onofre.
 17 1684. Q. Okay. And remind me, who was Anna?
 18 A. She was the reseller for India.
 19 1685. Q. Okay. And you are copied on it,
 20 which is why I am raising it with you.
 21 A. Yes.
 22 1686. Q. It is dated March 2013. And there
 23 is reference to a \$50,000 USD wire to Stellar Point
 24 from Dreamspace Ventures Limited...
 25 A. Okay.

S.R. Schlacht - 314

- 1 1687. Q. ...as a shareholders investment
 2 funding.
 3 A. Okay.
 4 1688. Q. Do you know anything about
 5 Dreamscape Ventures Limited?
 6 A. No, I don't.
 7 1689. Q. Have you ever heard of Dreamscape
 8 Ventures Limited before today?
 9 A. Well, I have received this e-mail.
 10 I have heard about it, but I don't know any of the
 11 details of the company.
 12 1690. Q. What had you heard about it?
 13 A. I have seen it come up in e-mails,
 14 but I don't know anything about the company, or
 15 any...I wouldn't be able to answer anything about
 16 that.
 17 1691. Q. Okay. And just...when you say you
 18 have seen it come up in e-mails, in what context
 19 have you seen Dreamscape Ventures Limited come up in
 20 e-mails?
 21 A. I can't remember, but I am cc'd on
 22 this e-mail, so obviously I have seen that name
 23 before, but I don't know any specifics about the
 24 company.
 25 1692. Q. Right. But do you know anything at

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- 1 International, mainly, but I know that there was a
 2 few. I think they are listed here.
 3 1699. Q. Now, can you...in fairness, we
 4 understand the companies listed here to be related
 5 to Mr. Dixit. Can you name for me any...can you
 6 identify for me any Stellar Point clients that were
 7 not connected to your husband or...
 8 A. I don't know any of these
 9 companies...
 10 1700. Q. Right.
 11 A. Like, my husband and I don't really
 12 discuss his business aspects.
 13 1701. Q. Okay. So, without looking at this
 14 e-mail, I take it you wouldn't be able to identify
 15 for me any other Stellar Point customers, apart from
 16 Banners Broker?
 17 A. Well, these are all clients.
 18 1702. Q. That is right, but you didn't have
 19 any dealings with them?
 20 A. No.
 21 1703. Q. And I take it you don't know whether
 22 those clients are related to your husband or not?
 23 A. No, I do not.
 24 1704. Q. Okay. Okay, then, tab 52. This is
 25 an e-mail that you appear to have authored with Mr.

S.R. Schlacht - 315

- 1 all about the company?
 2 A. No.
 3 1693. Q. Do you have any understanding as to
 4 why you would have been copied on this e-mail?
 5 A. Well, I was Rajiv's assistant, so I
 6 was copied on a lot of things.
 7 1694. Q. So, I take it that he never asked
 8 you to do anything in relation to Dreamscape
 9 Ventures Limited that you can remember?
 10 A. No.
 11 1695. Q. Tab 51, I am just wondering if you
 12 can help me out with this e-mail.
 13 A. Sure.
 14 1696. Q. Subject is "Money Wires", and you
 15 are copied on it. It is between Smith and Dixit.
 16 A. Okay.
 17 1697. Q. And part of it includes a
 18 description of Stellar Point?
 19 A. Yes.
 20 1698. Q. Can you tell me, when you were at
 21 Stellar Point, apart from Banners Broker
 22 International, what other customers did Stellar
 23 Point have?
 24 A. They had a few. I didn't work with
 25 them. My focus was just Banners Broker

S.R. Schlacht - 317

- 1 Smith.
 2 A. M'hmm.
 3 1705. Q. That is a yes?
 4 A. Yes, sorry.
 5 1706. Q. Okay.
 6 A. Yes.
 7 1707. Q. Paragraph 2 references an affiliate,
 8 and I just wanted to know what it was
 9 that...instructions that you were seeking, or
 10 questions you had in relation to that affiliate, and
 11 what was the...
 12 A. In paragraph 2?
 13 1708. Q. Yes.
 14 A. This would have been large
 15 withdrawals. I wasn't responsible for that. That
 16 would have been Rachel. She assisted me.
 17 1709. Q. And she assisted you in allowing
 18 affiliates to make large withdrawals?
 19 A. No. The large withdrawals were
 20 withdrawals that affiliates requested. She would
 21 simply take that information and pass it along to
 22 Chris, similar to what I did for the independent
 23 contractors...
 24 1710. Q. Right.
 25 A. ...but because I oversaw...like,

S.R. Schlacht - 318

1 Rachel would come to me if there was questions. I
2 would often update Chris, but I didn't deal directly
3 with the withdrawals.

4 1711. Q. Okay.

5 A. Just for the independent
6 contractors.

7 1712. Q. Right. But Rachel assisted you?
8 Did she report to you?

9 A. I think technically she reported to
10 Raj, but often I would give her tasks. So, she
11 would often follow up with me.

12 1713. Q. Okay. So, given that, why was it
13 that you were making this inquiry of Chris in
14 regards to a large withdrawal on behalf of an
15 affiliate?

16 A. Because Chris was really, really bad
17 at getting back to people. Like, Rachel would
18 e-mail him several times, and he just wouldn't
19 answer. And Chris, I could bug him enough that he
20 would get back to me. So, often, if she couldn't
21 get a hold of him, she would say, "Steph, please.
22 You know, I have been trying to get a hold of Chris,
23 and he is not answering. Can you follow up?"

24 1714. Q. Okay. So, to that extent, you would
25 assist Rachel in facilitating associate withdrawals?

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1 So, I can't...this wasn't within my scope of job
2 description.

3 1718. Q. Okay. So, it wasn't within your
4 normal...but, I mean, you didn't have a job
5 description, in fairness, right?

6 A. Well, I did have a job description.
7 But, yes, often I was asked to do things outside of
8 that scope.

9 1719. Q. Okay.

10 A. But I never...this is just passing
11 on information.

12 1720. Q. Well, let's just stop there for a
13 second, because, I mean, I honestly didn't think
14 that you had a formal job description. Did you have
15 something in writing?

16 A. When I first got hired, yes, and
17 then when I moved on to be Raj Dixit's assistant, I
18 don't think another job description was drafted.

19 1721. Q. Right. So, in fairness, isn't the
20 way to look at it that your job description was to
21 do, as Mr. Dixit's personal assistant, what he asked
22 you to do as his personal assistance?

23 A. That would be correct.

24 1722. Q. Right. And, similarly, the same for
25 Mr. Smith, right? You would...

S.R. Schlacht - 319

1 A. Not facilitating it. If Rachel
2 wasn't getting a hold of him, I would simply be,
3 like, "Chris, you need to get back to Rachel", and
4 he would deal directly with her on that. I didn't
5 have...that wasn't my area.

6 1715. Q. Okay. But in this case, maybe this
7 is different, but you are saying:

8 "...Please let me know how to move forward,
9 and how you would like the bank details or
10 invoice sent to you..."

11 It seems to me that you were involved in dealing
12 with this affiliate.

13 A. I was never involved directly with
14 affiliates. Like I said, I often worked with
15 Rachel, but I don't know.

16 1716. Q. Because this is...you prepared this
17 e-mail, and Rachel is not even copied on it.

18 A. No, I know.

19 1717. Q. So, just...

20 A. Or it could have been...like, if
21 Chris would come on trips with us, often affiliates
22 would talk to him independently, and he may have
23 talked to an affiliate about something, and then
24 they may have found a way to bug me, and followed up
25 with me. I don't know. I am just following up.

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1 A. No.

2 1723. Q. You would...

3 A. Sorry.

4 1724. Q. ...respond to Mr. Smith's questions,
5 and...

6 A. No, not necessarily. I only dealt
7 with Mr. Smith when it came to independent
8 contractors, commissions, but because...sometimes,
9 it is hard to explain. Like, because I travel quite
10 a bit, affiliates would somehow get my e-mail, or
11 someone would pass it on, and often I would get
12 bugged.

13 1725. Q. I see.

14 A. So, then, if it was something that I
15 thought was important, I wouldn't ignore it.
16 Obviously, I would pass it along to Chris, but that
17 wasn't my regular job description. But like I said,
18 affiliates, they can...if they get anyone's
19 information, they will e-mail you over and over and
20 over with things, but if it was out of my scope...I
21 worked just with training and independent
22 contractors. So, if there was an affiliate that was
23 bugging me over and over and over, often I would
24 pass that message on to Chris, because I didn't want
25 to be bugged anymore.

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- 1 1726. Q. Okay.
 2 A. So, if that answers that, that
 3 would...
 4 1727. Q. Right. And, so, in this case, it
 5 looks...and you may know better than I do, but it
 6 looks like you passed the message on to Chris with
 7 respect to an affiliate, and you sought instructions
 8 on how to move forward with respect to an affiliate?
 9 A. That is what it seems like, yes.
 10 MS. DOSANJH: Do you mind if we take a
 11 break?
 12 1728. MR. WARD: Sure, let's take one. Off
 13 the record.
 14
 15 --- A BRIEF RECESS
 16
 17 STEPHANIE R. SCHLACHT, resumed
 18 CONTINUED EXAMINATION BY MR. WARD:
 19 1729. Q. Tab 53, what is a...just with
 20 reference to the terminology, "Dashboard"?
 21 A. Dashboard? Yes, when affiliates
 22 would go to www.bannersbroker.com, on the sign-in
 23 page, that would be the dashboard. So, there would
 24 often be updates or events that were going on, but
 25 that was what is considered the dashboard.

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- 1 1730. Q. Okay. So, this is an e-mail that
 2 you drafted?
 3 A. Yes.
 4 1731. Q. And it is sent out in...is that
 5 March of 2013, or May?
 6 A. I don't...it would have been...it is
 7 to do with...
 8 1732. Q. To do with the cancellation of a
 9 convention in Niagara?
 10 A. Well, if it was Niagara, that never
 11 got cancelled, but if it was Niagara, it would
 12 probably be May.
 13 1733. Q. Okay.
 14 A. But I can't be certain.
 15 1734. Q. All right. So, have a look at the
 16 attachment to the e-mail. It is addressed, "To our
 17 Valued Affiliates". Did you write this note?
 18 A. I was being dictated, so I just...
 19 1735. Q. What do you mean by "being
 20 dictated"?
 21 A. With anything to do with
 22 events...like, I am not the decision-maker behind
 23 the event. So, in reading this, I know that it
 24 would have been something that someone dictated, and
 25 then I drafted the e-mail.

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- 1 1736. Q. Okay. So, who dictated?
 2 A. I...
 3 1737. Q. You know, I take it you don't
 4 recall, but...
 5 A. I don't.
 6 1738. Q. ...you drafted the note?
 7 A. It would have been...yes, I did
 8 draft it.
 9 1739. Q. Okay. And then you provided it,
 10 just following the e-mail, to Raj or Chris for
 11 approval?
 12 A. Yes.
 13 1740. Q. And to instruct if any changes need
 14 to take place?
 15 A. If I needed to make any changes in
 16 the e-mail.
 17 1741. Q. Right. And then furthermore, in
 18 your e-mail that we have in front of us, you told
 19 Sara, Johnny or Colin...
 20 A. Yes.
 21 1742. Q. ...to...once approved, to put it on
 22 the bannersbroker.com website?
 23 A. Yes, so the affiliates could see it.
 24 1743. Q. Okay. And what is...just in terms
 25 of your note, what was the yearly convention that

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- 1 was not to proceed as planned?
 2 A. Well, the first, in Portugal, that
 3 was the first big convention. There were a few
 4 small conventions, and then Niagara was to be the
 5 second annual convention, like the second large
 6 convention.
 7 1744. Q. Right. And it was scaled back? Is
 8 that what happened?
 9 A. It was scaled back, because Banners
 10 Broker International was having some issues. Like,
 11 I don't...Chris wasn't able to pay the affiliates.
 12 I don't know the details about it. All I know is
 13 that there wasn't money to put on such a large
 14 scale.
 15 1745. Q. It says you wrote:
 16 "...An event of such grandeur..."
 17 A. Because it was meant to be, like, a
 18 huge event.
 19 1746. Q. Okay.
 20 A. Yes.
 21 1747. Q. And were you involved in organizing
 22 what was meant to happen?
 23 A. I was.
 24 1748. Q. Okay. And were you able to scale
 25 that back? Were there any cancellation fees, or

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- 1 other fees incurred in...
- 2 A. Scotiabank, that was where we had
- 3 the convention. I don't believe there were any
- 4 fees. They worked with us, really good, like, in
- 5 the planning part.
- 6 1749. Q. Sorry, what was...the Bank of Nova
- 7 Scotia was involved in this?
- 8 A. No, the Scotiabank Convention Centre
- 9 in Niagara...
- 10 1750. Q. Okay.
- 11 A. ...that is the name of the
- 12 convention centre...
- 13 1751. Q. Okay.
- 14 A. ...where it was to be held.
- 15 1752. Q. Right. And, in fact, you had a...I
- 16 am asking you, but did you end up having a smaller
- 17 event there?
- 18 A. Yes, that was.
- 19 1753. Q. And how big was that event? Your
- 20 note suggests 350 tickets were available?
- 21 A. Yes, I don't even think that many
- 22 people showed up. I think it was a couple hundred.
- 23 1754. Q. Right. Whose decision was it to
- 24 cancel the larger event?
- 25 A. Chris'.

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- 1 1755. Q. And how do you know that?
- 2 A. Because he was the only one that
- 3 would have been able to cancel an event.
- 4 1756. Q. But what I need to know from you, do
- 5 you have a specific recollection of Chris telling
- 6 you that he had cancelled it?
- 7 A. I wouldn't have a specific
- 8 recollection. I just knew that it had been
- 9 cancelled.
- 10 1757. Q. Okay. And how did you learn that it
- 11 had been cancelled?
- 12 A. I can't remember. It would have
- 13 either been from Chris himself or from Raj.
- 14 1758. Q. Okay. So, then, 55, tab 55 is
- 15 another one, and it is just the second one in the
- 16 binder, but it is an e-mail that I consider to be a
- 17 little more significant than some of the others?
- 18 A. Yes.
- 19 1759. Q. And just looking at the exchange, I
- 20 see from the e-mail at the very top of page 1 that
- 21 when you received this from Chris, you wrote back to
- 22 him and said...or you replied and said:
- 23 "...I have some thoughts. Will discuss
- 24 with Raj..."
- 25 A. Yes.

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- 1 1760. Q. And presumably, you are referring to
- 2 this lengthy e-mail that follows that came in from
- 3 David Hooker?
- 4 A. Yes, that is correct.
- 5 1761. Q. Okay. And that e-mail is dated
- 6 Monday, July 22, 2013?
- 7 A. Yes.
- 8 1762. Q. Subject to personal comment. Do you
- 9 recall this being passed along to yourself?
- 10 A. Yes, I remember exactly what this
- 11 was.
- 12 1763. Q. Okay. Because, in fairness, this
- 13 would have been a memorable e-mail because of the
- 14 content?
- 15 A. Yes.
- 16 1764. Q. Okay. And what did you understand
- 17 Mr. Hooker's concerns to be, as expressed?
- 18 A. So, this was based on a blog that
- 19 somebody had put on the Internet. And the reason
- 20 why I was cc'd on it was because my name was
- 21 mentioned in the blog.
- 22 1765. Q. Right.
- 23 A. And, you know, negative stuff about
- 24 anybody, it is going to make you upset.
- 25 1766. Q. Right.

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- 1 A. And then we thought, or I had
- 2 thought that it was someone that...one of the brand
- 3 ambassadors, I thought it was him who contacted the
- 4 blog, and...because there was certain information
- 5 that only certain people would know.
- 6 1767. Q. Yes?
- 7 A. But I only was concerned about what
- 8 it said about me, because it wasn't true and it hurt
- 9 my feelings a little bit.
- 10 1768. Q. So, just rewind a little bit, I
- 11 don't know that I have seen that blog. I may have,
- 12 because we have seen a lot of blogs, but what is the
- 13 blog that you are referring to?
- 14 A. It is a blog...I don't remember who
- 15 put it up. It was some guy in the U.K. It was just
- 16 talking...I couldn't even remember what was in it,
- 17 other than me, because...
- 18 1769. Q. Sure. What did it say about
- 19 yourself?
- 20 A. It said something because, in May, I
- 21 gave my resignation, because I wanted to move home,
- 22 back to Vancouver and, you know, things with Banners
- 23 Broker International, like, I could see that client
- 24 relationship no longer existing, and there was just
- 25 a lot of stuff going on, and I wanted to move home

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1 and be with my family, and I was dating someone at
 2 the time anyway. So, I wanted to move home, and
 3 then...so, I put in my resignation with Raj and I
 4 say, "You know, thank you for the opportunity. You
 5 know, had a great knowledge with working with you,
 6 but it is time for me to move on". And then he
 7 convinced me to stay because he said...Raj was,
 8 like, "You know, I know we are not going to have
 9 Banners Broker as a client anymore, but I really
 10 want to build my business, and you have been such a
 11 good assistant, and I really want you to stay on".
 12 So, then I told him that I would stay on for another
 13 couple of months, and then there was the blog that
 14 went up saying...the reason why I thought it was
 15 someone that had worked with us is because no one
 16 else knew I was quitting, except for a couple of
 17 people.

18 And then I went up on the blog saying, "Oh,
 19 Stephanie tried to quit, and then, you know, they
 20 convinced her to stay with a favourable salary and"
 21 something stupid, anyway. It just...

22 1770. Q. Right.

23 A. ...I am a private person, and it
 24 really upset me that I was publicly announced on a
 25 blog like that, and I felt like...

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1 really matter who wrote it, but that is...

2 1778. Q. All right. In addition to yourself,
 3 did the blog have comments regarding jets and
 4 prostitutes?

5 A. I believe there was something about
 6 that.

7 1779. Q. If the blog still available? Like,
 8 where would we find it if we wanted to?

9 A. I have no idea. It was...

10 1780. Q. Where was it posted?

11 A. I don't know. I was just given a
 12 copy and paste of it. I didn't want to even look
 13 online. I didn't want to...like, it made me that
 14 upset that I just didn't want to...because I had the
 15 personality that if I know it is up there and I know
 16 where to find it...

17 1781. Q. Okay.

18 A. ...I would look at it too much.

19 1782. Q. So, have a look at tab 56, please.

20 A. Yes?

21 1783. Q. Now, I want to take you to some
 22 companies...

23 A. Sure.

24 1784. Q. ...that are identified in this
 25 account.

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1 1771. Q. So, you had an idea as to who did
 2 it?

3 A. I had speculations of who did it.

4 1772. Q. Okay. But you don't know, I take
 5 it?

6 A. No, I don't know.

7 1773. Q. And do you think it was an
 8 independent contractor that you dealt with...

9 A. No.

10 1774. Q. ...that might have learned that
 11 information?

12 A. They wouldn't have known that
 13 information, so, no.

14 1775. Q. And reading this e-mail, do you know
 15 whether Terry...do you know whether David Hooker was
 16 concerned that he might be fingered as the author of
 17 that?

18 A. I think that David was concerned,
 19 because he was one of the people that knew certain
 20 information.

21 1776. Q. I see.

22 A. Yes, I thought it was David Hooker.
 23 Not that that matters...

24 1777. Q. And he is basically denying it.

25 A. Yes, I don't know. It doesn't

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1 A. Yes?

2 1785. Q. And if you can, please tell me...I
 3 am going to have two questions.

4 A. Sure.

5 1786. Q. One, whether the company name I give
 6 you is in some way connected to Stellar Point...

7 A. Okay.

8 1787. Q. ...if you know, and you may not
 9 know.

10 A. Okay.

11 1788. Q. But secondly, and equally
 12 importantly, whether or not you are involved in one
 13 of the companies.

14 A. Okay.

15 1789. Q. Okay?

16 A. Yes.

17 1790. Q. So, the first one is Jetsetter
 18 Dating Ltd.

19 A. So, can I just say something before
 20 you ask...

21 1791. Q. By all means.

22 A. Okay. There is a few companies
 23 that...Canadian companies that my husband, when we
 24 were engaged at the time, he asked to put my name on
 25 it because he had such bad Internet presence. He

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- 1 said, "Can you put your name on?" And I said,
2 "Yes". Those companies are now closed down, but I
3 can't remember whether I was on Jetsetter Dating or
4 not.
5 1792. Q. Okay.
6 A. So, I am not trying to lie. I
7 just...I could have been...
8 1793. Q. Right.
9 A. ...or I could not.
10 1794. Q. So, I take it from your answer that
11 you have heard of Jetsetter Dating, then?
12 A. I have, yes.
13 1795. Q. And was that...there is another one
14 of your husband's companies?
15 A. I couldn't...he was involved in it.
16 I don't know whether he owned it or what.
17 1796. Q. Okay.
18 A. I wouldn't be able to answer that.
19 1797. Q. But what was the connection between
20 Jetsetter and Stellar Point Inc.?
21 A. I am not sure. I only know...there
22 is only certain ones that I know just because I have
23 heard it, or because he asked me to put my name on
24 it.
25 1798. Q. Okay. So, sitting here today, you

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- 1 knowledge, that was connected in some way with
2 Banners Broker or Stellar Point?
3 A. No.
4 1806. Q. And I see...you will see from the
5 note on page 2 from the account, that the law firm
6 was invoicing for a resolution electing yourself as
7 a director?
8 A. Yes. So, that would have been one
9 of the companies that my husband asked me to put my
10 name on.
11 1807. Q. Okay. And RevStar Hosting Inc.?
12 A. Yes, I believe my name was on that
13 one, as well.
14 1808. Q. Right. But did that company have
15 anything to do with Banners Broker or Stellar Point?
16 A. No, not to my knowledge.
17 1809. Q. And there is another one, beside the
18 May 23rd entry: 8889732 Canada Ltd.
19 A. Yes.
20 1810. Q. Do you know what that company did
21 or...
22 A. No.
23 1811. Q. Okay.
24 A. Certain companies that I did know, I
25 only knew as a name, not as a numbered company. So,

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- 1 are not aware of any connection between Jetsetter
2 Dating Ltd. and Stellar Point Inc.?
3 A. No. Like, what do you mean,
4 related? They are two separate companies. So, how
5 can they be related?
6 1799. Q. Well, I don't know, but one of the
7 reasons why I am asking is because the law firm is
8 billing Stellar Point for all of this work that was
9 done in respect of your husband's other companies.
10 A. I have no idea. I don't know how...
11 1800. Q. Okay.
12 A. ...they...I don't know.
13 1801. Q. Okay.
14 A. Yes, sorry.
15 1802. Q. The Routerclick Computers Inc., are
16 you familiar with that...
17 A. No, I am not.
18 1803. Q. ...company? Okay. And, so, again,
19 you are not aware of any relationship between...any
20 business dealings between Routerclick Computers Inc.
21 and Stellar Point Inc.?
22 A. No.
23 1804. Q. Global Merchant Pay Inc.
24 A. Okay.
25 1805. Q. Is that a company, to your

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- 1 I don't recognize that one.
2 1812. Q. And then RevStar Hosting Inc. Tell
3 me about RevStar Hosting?
4 A. RevStar Hosting? So, RevStar
5 Hosting...I don't know much about it. That was just
6 one that my husband...his Canadian company that my
7 husband asked if I could put my name.
8 1813. Q. Right.
9 A. But I don't know. You would have to
10 ask him about the details of that.
11 1814. Q. DPR Consultants Ltd. Have you heard
12 of that? It is on the first page of the account.
13 A. It doesn't sound familiar, no.
14 1815. Q. Okay. And the Dixit Consortium
15 Inc.?
16 A. That...
17 1816. Q. Have you heard of that?
18 A. My husband would be able to answer
19 more about that, but I don't know anything about the
20 specifics.
21 1817. Q. Okay. And do you have any reason to
22 believe that the Dixit Consortium Inc. ever did
23 business with Banners Broker or Stellar Point?
24 A. I don't think so, but you would have
25 to ask Raj about that. I don't know anything about

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1 that company.

2 1818. Q. Okay. So, then, just tab 60.

3 A. 60, yes?

4 1819. MR. WARD: Just off the record for one
5 second.

6
7 --- DISCUSSION OFF THE RECORD

8
9 BY MR. WARD:

10 1820. Q. This is just...for your reference,
11 it is the Industry Canada confirmation that you were
12 a director of RevStar Hosting Inc.?

13 A. Yes, that is correct.

14 1821. Q. And then behind it, there is another
15 tab. I don't know if you have seen this before, but
16 it is a...it mentions your name, which is why I am
17 bringing it to your attention.

18 A. Yes. No, I know that my husband
19 asked me if I would be a director...

20 1822. Q. Right.

21 A. ...because his Internet presence was
22 really bad. So, I said, "Yes", and then I was taken
23 off and the company was closed. That is...

24 1823. Q. So, just go, if you would, please,
25 to the next tab, tab 61?

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1 1830. Q. And do you know whether or not there
2 is a relation between RevStar Hosting Inc. and
3 RevStar Global?

4 A. You would have to talk to Paul
5 Redmayne or my husband about that.

6 1831. Q. Okay.

7 A. Because I don't know, I am sorry.

8 1832. Q. Okay. Now, I take it from your
9 answers that you are more familiar with RevStar
10 Hosting than you are RevStar Global?

11 A. Well, RevStar Hosting, my name was
12 on the company. So, I am aware.

13 1833. Q. Okay.

14 A. RevStar Global, I have nothing to do
15 with.

16 1834. Q. But you are not aware of the
17 business of RevStar Hosting?

18 A. No. But I do know that that company
19 is shut down.

20 1835. Q. Okay. And how do you know that?

21 A. Because my husband told me.

22 1836. Q. And at tab 62, Alaco Group Ltd.?

23 A. Yes, that is my company.

24 1837. Q. Okay. And does this company, now or
25 at any point in time, do business with or have any

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1 A. 61, sorry. Yes?

2 1824. Q. Okay. So, this is something that
3 relates to RevStar, and your name is in it on page
4 2?

5 A. Yes.

6 1825. Q. And I am just wondering, do you know
7 whether or not RevStar had a legitimate business?

8 A. I can't answer anything about
9 RevStar Global. My name was on RevStar Hosting,
10 which is a different company. This is just...I took
11 a look at this because I did see my name, and I was
12 like, "What is this?" This is just someone writing
13 up a blog.

14 1826. Q. Okay.

15 A. But, no, I had nothing to do with
16 that.

17 1827. Q. Right. So, your name is on RevStar
18 Hosting?

19 A. Hosting, yes. Global, I believe you
20 would need to talk to Paul Redmayne about Global.

21 1828. Q. Paul Redmayne is...but Global is
22 your husband's company, though, right?

23 A. No.

24 1829. Q. No?

25 A. Not to my knowledge.

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1 sort of dealings with Banners Broker or Stellar
2 Point, or any companies in that group?

3 A. No, this company is actually
4 completely dormant. There has been no business
5 activity.

6 1838. Q. Okay. And furthermore, it never had
7 anything to do with Banners Broker or Stellar Point
8 or any of those companies?

9 A. No. This is my personal company.

10 1839. MR. WARD: Off the record.

11
12 --- DISCUSSION OFF THE RECORD

13
14 THE DEPONENT: So, if that is the one
15 that matches that...okay. That is because
16 the law firm helped me to open it up, but
17 when they did their billing, they just
18 stuck me under my husband instead of
19 keeping it separate, which legally that is
20 what they are supposed to do, I guess they
21 just added it on to Raj's account.

22
23 BY MR. WARD:

24 1840. Q. Okay.

25 A. But, no, that is just my thing.

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1 MS. CRADDOCK: And to clarify for the
 2 record, you are referring to the 8889...
 3 THE DEPONENT: Let me just make sure it
 4 is the same one. I only know it as Alaco,
 5 so let me just...I need to personally make
 6 sure.
 7 MS. CRADDOCK: Yes.
 8 THE DEPONENT: Because the law firm
 9 helped me open that, so I just have to
 10 confirm. What tab is that?
 11 MS. DOSANJH: 62 is the federal
 12 corporate record search. 56 is the...
 13 THE DEPONENT: 56.
 14 MS. DOSANJH: ...ledger. It is page 2
 15 of the MSN invoice. And it is page 2 of
 16 the invoice.
 17 THE DEPONENT: Page 2?
 18 MS. DOSANJH: Yes, May 23rd, 2014.
 19 THE DEPONENT: Yes, so that is that one.
 20 I am not sure why they would be billing it
 21 to Stellar Point, because...

BY MR. WARD:

24 1841. Q. Okay. Well, also, with relation to
 25 that one...

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1 husband asking if I could go on as a director, but I
 2 know that...or I am under the impression that it has
 3 been closed down, and I have been removed.
 4 1847. Q. Okay. But do you know anything,
 5 now, or might you, about the time as to the business
 6 purpose or...
 7 A. No.
 8 1848. Q. ...dealings of Global Merchant Pay
 9 Inc.?
 10 A. No.
 11 1849. Q. And do you know of any connection
 12 between Global Merchant Pay Inc. and Banners Broker
 13 group, one way or the other?
 14 A. To my knowledge, there is no
 15 connection, but you would have to...Raj would be the
 16 best person to ask.
 17 1850. Q. Tab 54 of the binder.
 18 A. Yes?
 19 1851. Q. 64, I am sorry. 64. The
 20 second...Casino Dreamscape. Are you familiar with
 21 that entity? Have you heard of that before?
 22 A. I haven't.
 23 1852. Q. There is a tweet, or a retweet that
 24 is second from the top of the page?
 25 A. Yes.

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1 MS. DOSANJH: Sorry, and you say "that
 2 one", you mean 8889732 Canada Limited?
 3 THE DEPONENT: Yes, because that is my
 4 company, Alaco, yes.

BY MR. WARD:

7 1842. Q. Okay. So, just so that I could
 8 understand the connection or the lack of connection
 9 between Alaco and some of the other companies we
 10 have talked about today, did Alaco ever receive an
 11 investment, or startup capital or a loan or a grant?
 12 A. No, it is a completely dormant
 13 company.
 14 1843. Q. Did it ever receive an investment
 15 from Stellar Point or Banners Broker or...
 16 A. No.
 17 1844. Q. ...any of the other companies that
 18 we have talked about?
 19 A. No.
 20 1845. Q. Okay. Global Merchant Pay Inc. is
 21 in the Industry Canada form at tab 63?
 22 A. Yes.
 23 1846. Q. And you are identified as, at one
 24 time, having been a director?
 25 A. Yes, that was just, once again, my

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1 1853. Q. Was that something that you
 2 retweeted?
 3 A. No, I did not.
 4 1854. Q. And then very quickly, tab 65,
 5 Paytronics. Have you heard of that name before?
 6 A. No, I have not.
 7 1855. Q. And tab 67, Vegas360Live? Do you
 8 know anything about that?
 9 A. No. Sorry, I didn't even look at
 10 this. Yes, I don't know what this is.
 11 1856. Q. Ian Driscoll...and this is with
 12 reference to tab 68, the last tab...
 13 A. Yes.
 14 1857. Q. ...in the binder. You are seeking
 15 instructions from David Hooker...
 16 A. Yes.
 17 1858. Q. ...copied to Raj as to whether Ian
 18 would be paid for December commissions, as he was
 19 terminated, this being in January of 2013?
 20 A. Can I just read it for a second?
 21 1859. Q. Yes.
 22 A. Sorry, from David or...
 23 1860. Q. From you to David.
 24 A. Okay. Yes, so Ian wasn't...I
 25 couldn't remember the details of the guidelines to

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1 be an IC, but if you ever were in breach of them,
2 your contract would be terminated. So, I don't know
3 the specific details. I wasn't involved in that,
4 but I did know that Ian was terminated, and I was
5 just clarifying whether he would be getting his
6 December commissions or not.

7 1861. Q. Right. And how was it you learned
8 that Ian was terminated?

9 A. I can't remember exactly. It could
10 have been from Chris, it could have been from David.
11 It could have been from Raj.

12 1862. Q. Okay. And did you deal with Ian
13 Driscoll prior to his termination?

14 A. He was a reseller, and then an
15 independent contractor. So, yes, I dealt with him
16 on a regular basis.

17 1863. Q. Okay. And was he...did he do
18 anything that was deserving of termination?

19 A. I can't remember what it...I do
20 remember now. Yes, he was in violation.

21 1864. Q. Of what?

22 A. When you were an independent
23 contractor for Banners Broker International, you
24 weren't allowed to promote another MLM or
25 affiliate-based program, and he was using Banners

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1 directly with Chris. But then when he became an
2 independent contractor, he dealt with me.

3 1870. Q. Okay. Towards the end he was
4 dealing...prior to his termination, he was dealing
5 mainly with yourself?

6 A. I mean, he could have talked
7 directly with Chris, but...

8 1871. Q. Okay.

9 A. ...I am not aware of any of those
10 conversations.

11 1872. Q. Okay. And do you know when and how
12 the decision to terminate him was made?

13 A. When or how, I don't know the
14 specifics. I know it was around this time, just by
15 looking at the e-mail.

16 1873. Q. Right. And do you know who would
17 have made that decision?

18 A. It...do I concretely know, or...I
19 don't. I can't give you...I don't know. Like, I
20 would think...I don't want to say something in case
21 it is not true, but I believe that it would have
22 been Chris' final decision.

23 1874. Q. On Raj's recommendation?

24 A. No, it would have been Chris'.

25 Raj...because I was in charge of the independent

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1 Broker meetings to promote his other...no, he was
2 Banners Broker meetings and bringing Banners Broker
3 affiliates to the meetings, and then trying to push
4 another program, and that violates the independent
5 contractor terms.

6 1865. Q. Okay.

7 A. And, so, then he was terminated.

8 1866. Q. Okay. And how do you know that he
9 was doing that?

10 A. Well, I don't know exactly. I think
11 another affiliate videotaped something and then sent
12 it in. I don't know. I don't know the details, but
13 that is...

14 1867. Q. Okay.

15 A. I do know that that is the reason
16 why he was terminated.

17 1868. Q. Okay.

18 A. Or one of the reasons. I don't know
19 the...

20 1869. Q. So, within the Stellar Point/Banners
21 Broker organization, who primarily dealt with Ian
22 Driscoll? Would you, as the point of contact for
23 ICs?

24 A. I know in the beginning, before I
25 came, he was a reseller. So, I think he dealt

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1 contractors, I still reported to Raj, not Chris.
2 So, Raj knew everything that was going on with the
3 ICs.

4 1875. Q. Right.

5 A. But I don't think it would have been
6 Raj's final decision. I believe it would be Chris'.

7 1876. Q. So, in respect of Mr. Driscoll, am I
8 right that you reported to Raj, that Driscoll was
9 doing these things that put him out of compliance?

10 A. Yes.

11 1877. Q. And then...

12 A. I think I would have reported to
13 David, because he was in charge of compliance.

14 1878. Q. Right.

15 A. And David would have either spoken
16 to Raj or Chris. I am not sure. You would have to
17 ask David about that, but I think, because it was a
18 compliance issue, my proper chain of command would
19 have been to go to David.

20 1879. Q. Right. And whenever...like, when
21 someone says would have, I need to ask, do you
22 specifically recall reporting this to David or not?
23 Because if you don't recall, then just tell me, and
24 I will take, "I don't know" as an answer.

25 A. I don't know.

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1 1880. MR. WARD: Let's go off the record.
 2 THE DEPONENT: Okay.

3
 4 --- A LUNCHEON RECESS

5
 6 STEPHANIE R. SCHLACHT, resumed
 7 CONTINUED EXAMINATION BY MR. WARD:

8 1881. Q. Good afternoon.

9 A. Afternoon.

10 1882. MR. WARD: Why don't we...if we could
 11 mark for identification purposes this book
 12 of financial documents? Because I am going
 13 to be referring to most of the tabs. And,
 14 so...thank you. And do you have a copy we
 15 can mark? Just because mine has got notes
 16 on it. So, let's mark...so, what exhibit
 17 are we at? So, we will mark as Exhibit B
 18 on Ms. Schlacht's examination the binder,
 19 three-ring binder of banking documents with
 20 26 tabs.

21
 22 --- EXHIBIT B: Binder of banking documents (26
 23 tabs)

24
 25 BY MR. WARD:

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1 company that did that volume of business to have a
 2 corporate credit card for the purposes of charging
 3 expenses?

4 A. Yes, I never saw a credit card that
 5 had Stellar Point or Dixit Holdings on it as the
 6 formal name.

7 1888. Q. Okay. So, when you travelled with
 8 people, and because you have told us that, in most
 9 cases, when you were travelling with others, they
 10 would pay the bills, including your bills...

11 A. Yes.

12 1889. Q. ...and submit the expense report.
 13 Do I take it they were using personal credit
 14 cards...

15 A. I believe...

16 1890. Q. ...and being reimbursed through the
 17 company?

18 A. I believe so, and I know some of
 19 them had the Vector cards...

20 1891. Q. Okay.

21 A. ...but we talked about that last
 22 time.

23 1892. Q. But the Vector cards are pre-loaded
 24 cards? Like, they are...

25 A. That is correct.

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1 1883. Q. And you will make sure that we have
 2 26 tabs. So, there is...just before we begin with
 3 the binder, the two Dixit companies that the
 4 receiver is most interested in are the ones that are
 5 subject, obviously, to the receivership, and they
 6 are Stellar Point and then, secondly, Dixit Holdings
 7 Inc.

8 A. Okay.

9 1884. Q. And do you know whether there were
 10 corporate credit cards issued to either of those
 11 companies at any point in time?

12 A. Corporate...I don't believe so. I
 13 don't think so.

14 1885. Q. Okay. Did you ever have access to a
 15 Visa or an American Express or a MasterCard that
 16 said Stellar Point on it or...

17 A. No.

18 1886. Q. ...Dixit Holdings? So, you have
 19 never...did you ever see anybody else use a
 20 corporate credit card for Stellar Point or Dixit
 21 Holdings Inc.?

22 A. No.

23 1887. Q. And we believe that millions of
 24 dollars went through those companies, and I would
 25 think that...you know, it would be usual for a

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1 1893. Q. ...more a means of payout. And I am
 2 talking more about charge cards.

3 A. Not...like I said, most of the time,
 4 I wasn't the one who signed for the cards, but I
 5 don't recall ever seeing one that had...

6 1894. Q. Okay.

7 A. ...those two company names.

8 1895. Q. And to the same point, when you are
 9 travelling with Rajiv Dixit, did he use a personal
 10 credit card to charge expenses related to Stellar
 11 Point and Dixit Holdings, and then get reimbursed by
 12 the companies later? Was that the way it works?

13 A. You would have to ask him.

14 1896. Q. Okay.

15 A. I don't know. I don't...yes, he
 16 would probably give you the better answer for that.

17 1897. Q. I mean...

18 A. Because I know he did use a credit
 19 card, but I don't think that it was...I never saw a
 20 credit card that had those company names on it.

21 1898. Q. Right.

22 A. Debit cards, yes.

23 1899. Q. Okay. So, I mean, you know that
 24 Rajiv Dixit did use a credit card. We can agree on
 25 that?

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- 1 A. Yes.
- 2 1900. Q. And you have told me already that
- 3 you have never seen a credit card that said "Stellar
- 4 Point" or "Dixit Holdings" on it?
- 5 A. I have never seen that, right.
- 6 1901. Q. Okay, fair enough. Now, in terms of
- 7 debit cards, which you could use like that in an ATM
- 8 or for...
- 9 A. Yes.
- 10 1902. Q. ...debit transactions, did Stellar
- 11 Point or Dixit Holdings ever have debit cards issued
- 12 that you saw?
- 13 A. I believe there was debit cards,
- 14 yes.
- 15 1903. Q. Okay. And tell me about the debit
- 16 cards. Did you see them? Did you have one? Who
- 17 had them? What were the protocols surrounding their
- 18 use?
- 19 A. Raj was the only one one that had
- 20 them.
- 21 1904. Q. Okay. And what did he use it for?
- 22 A. I don't know.
- 23 1905. Q. How do you know that he had one?
- 24 A. Because I had been through his
- 25 wallet before.

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- 1 1914. Q. ...electronic access and signature
- 2 card form...
- 3 A. Okay.
- 4 1915. Q. And that is your signature beside
- 5 the X in the box?
- 6 A. That? That is Rajiv's signature.
- 7 1916. Q. No, I am looking at...
- 8 A. You are on tab...
- 9 1917. Q. The first tab. It is a few pages
- 10 into the production. It looks like this.
- 11 A. Okay. This is my signature, and I
- 12 was added on...Raj added me on just in case I needed
- 13 to pay a bill or sign a cheque. I only ever signed
- 14 one cheque, and that was, I believe, for sewage and
- 15 water. But it was just put...I was just put on
- 16 there because this is when I still worked for him.
- 17 We weren't together as a couple. This is when I
- 18 just worked for him, and it was just in case I
- 19 needed to sign something...
- 20 1918. Q. Okay.
- 21 A. ...or pay a bill.
- 22 1919. Q. Okay. So, when you say "sewage and
- 23 water", did Dixit Holdings...were they receiving
- 24 sewage and water bills that you paid? Is that...
- 25 A. No, well, I don't know. I believe

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- 1 1906. Q. Okay.
- 2 A. And I am married to him.
- 3 1907. Q. And it says...sorry, did it say
- 4 "Stellar Point" on it, or was it Dixit Holdings?
- 5 A. No, I don't remember. I don't even
- 6 know if he had one for...I don't think he ever had a
- 7 Dixit Holding debit card. I don't know. I don't...
- 8 1908. Q. Okay, well, let me take you to...
- 9 A. Sorry.
- 10 1909. Q. ...because maybe this will help.
- 11 The very first tab that we are going to look at...
- 12 A. Yes.
- 13 1910. Q. ...is tab 1, which is the
- 14 account-opening documentation...
- 15 A. Yes.
- 16 1911. Q. ...in respect to the CIBC account in
- 17 the name of a numbered company...
- 18 A. Yes.
- 19 1912. Q. ...called 8163871 Canada Limited,
- 20 which was also known as Dixit Holdings Inc.
- 21 A. Okay.
- 22 1913. Q. And if you look about halfway
- 23 through the production, you will see an authorized
- 24 signing authority...
- 25 A. I see that.

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- 1 that is the only one I paid, because my name was
- 2 never on Stellar Point, but I remember I did write a
- 3 cheque for something to do with...it was some sort
- 4 of amenity. I don't want to say sewage in case it
- 5 wasn't sewage.
- 6 1920. Q. Okay. Now, it looks to me, from
- 7 this form that we are looking at, that you also had
- 8 a CIBC convenience card?
- 9 A. Yes.
- 10 1921. Q. And you will see the card number,
- 11 and there is a date, June 13th, 2013?
- 12 A. I don't think I ever used...I
- 13 couldn't actually say I never used it. I don't even
- 14 know if I had it in my position, or if Raj hung onto
- 15 it.
- 16 1922. Q. Okay. So, you never recall having
- 17 one?
- 18 A. I don't recall having one.
- 19 1923. Q. Okay. But you believe that Rajiv
- 20 had a debit card for...
- 21 A. I believe so, yes.
- 22 1924. Q. For Stellar Point?
- 23 A. Are we talking about Dixit Holdings,
- 24 or...
- 25 1925. Q. Well, I am going to talk about both

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1 of them, but...

2 A. I don't know about Stellar Point...

3 1926. Q. Okay. But for Dixit Holdings, you

4 believe that he did?

5 A. I think so.

6 1927. Q. All right. And were you the office

7 manager of Dixit Holdings Inc. as is indicated on

8 the form?

9 A. I was never the office manager, so I

10 am not sure why I was put on as that. You would

11 have to ask the banker.

12 1928. Q. Did you receive bank statements from

13 CIBC, monthly or annual bank statements from CIBC in

14 respect of this account?

15 A. No, I did not.

16 1929. Q. Did you ever go online to do online

17 transactions in respect of this account?

18 A. No, I did not.

19 1930. Q. So, moving forward in the Exhibit B,

20 there is a white tab with an account number on it,

21 ending with 7137...

22 A. Yes.

23 1931. Q. ...311. It has 13 tabs behind it

24 related to Dixit Holdings Inc.

25 A. Okay.

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1 1932. Q. Okay? So, these are 13 financial

2 documents that relate to Dixit Holdings Inc., and

3 the first one is a cheque payable to yourself for

4 consulting services? Can you tell me, the question

5 is, can you tell me what consulting services you

6 were providing to Dixit Holdings?

7 A. I never provided any consulting

8 services, but I believe that this was...because it

9 was in January, February, March, April, May, June,

10 July...October 18th? Is that where that would be

11 2013?

12 1933. Q. Yes, it was.

13 A. Yes, I never provided consulting

14 services. So, I am not sure why that was put there.

15 1934. Q. Do you recall receiving and cashing

16 this cheque?

17 A. I don't, but it is a possibility

18 that I could have, but I am not...this is around...I

19 was no longer...like, I just finished up my

20 employment with Stellar Point. So, I am thinking it

21 was outstanding. I don't know. I have no idea.

22 1935. Q. Okay.

23 A. Sorry.

24 1936. Q. It is Dixit Holdings Inc., as well,

25 Erin reminded me.

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1 A. This was Dixit Holdings?

2 1937. Q. Yes. The next 13 documents that I

3 am going to show you are all Dixit Holdings.

4 A. Yes, I have no idea.

5 1938. Q. And then within the same tab,

6 flipping forward to the next document...

7 A. M'hmm.

8 1939. Q. Okay. This is a bank statement in

9 respect to the same CIBC account...

10 A. Yes?

11 1940. Q. ...that identifies yourself...

12 A. Yes.

13 1941. Q. ...as the depositor...

14 A. Yes.

15 1942. Q. ...of a \$24,000 amount to that Dixit

16 Holdings account...

17 A. Yes, that is correct.

18 1943. Q. ...on November 27th, 2013. Can you

19 tell me what that related to?

20 A. That is a loan that I gave my

21 husband, and we have a loan agreement at home. It

22 is from my personal account.

23 1944. Q. So, why were you paying money into

24 Dixit Holdings Inc.?

25 A. Well, we were about to get married,

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1 and my husband needed the money, and I had the

2 money, so I lent it to him.

3 1945. Q. You are lending it to...and is there

4 a loan agreement that describes loan term? I mean,

5 you say "loan"...

6 A. Yes.

7 1946. Q. ...I just want to understand it.

8 A. My husband needed the money, and I

9 had it sitting in my personal account, and he asked

10 if he could borrow it from me. So, I said yes,

11 because you know...like I told you before, the only

12 reason why, at this time, I am on there is because

13 my husband didn't have a will in place, and I made

14 him put me on the company. Back in June 2013, or

15 whenever this one was, that was when I was still

16 working for Stellar Point, and he may have needed me

17 to do some things for him. This is when we were

18 engaged, and I made him put me on Dixit Holdings

19 because I wanted to make sure that if something

20 happened to him and he didn't have a will in place,

21 that at least I was on the company. Remember we

22 talked about that last time?

23 1947. Q. Yes. I just...okay. So, let me

24 stop you there. Was the loan to Dixit Holdings or

25 your husband? Because we are talking about a Dixit

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1 Holdings account here.
 2 A. My husband needed it, and he asked
 3 me where I should deposit, and he said, "Into the
 4 Dixit Holding account".
 5 1948. Q. Okay. So, you went to your personal
 6 account because he asked you to, and you paid
 7 \$24,000 into the Dixit Holdings account?
 8 A. I lent him \$24,000, yes.
 9 1949. Q. Okay. So, when you say "loan", you
 10 don't mean...maybe you do, but there wasn't,
 11 like...you didn't see lawyers and draft a loan
 12 agreement with interest or anything like that?
 13 A. No, we actually did have the
 14 lawyer...we weren't legally married because I am,
 15 like, anal.
 16 1950. Q. Okay.
 17 A. We weren't legally married. So,
 18 like, if we were legally married at that time, I
 19 would have just given it to him...
 20 1951. Q. Right.
 21 A. ...but we had a draft put in place
 22 just in case, you know, Heaven forbid, we didn't get
 23 married...
 24 1952. Q. Right.
 25 A. ...that I would have that money

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1 was doing business-wise.
 2 1959. MR. WARD: Okay. Off the record for one
 3 second.
 4
 5 --- DISCUSSION OFF THE RECORD
 6
 7 BY MR. WARD:
 8 1960. Q. The receiver would like to see a
 9 copy of your loan agreement.
 10 A. I would have to find it.
 11 1961. Q. Okay. Could you...
 12 A. But...yes...
 13 1962. Q. And the reason is, just...
 14 A. I think I still have it.
 15 1963. Q. Okay.
 16 A. One was written. So if I can find
 17 it, I will let you...
 18 1964. Q. Please, if you would, because it has
 19 a Dixit Holdings component, obviously. And then...
 20 A. ...know...
 21 MS. DOSANJH: I think it arises out of
 22 the question. So, I mean, if there is an
 23 explanation, the explanation is it is a
 24 loan, well, then, that is why it comes out
 25 that if there is a loan, and the answer is

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1 returned to me.
 2 1953. Q. Okay. And when is that money
 3 ultimately repaid?
 4 A. It is supposed to be repaid
 5 eventually. But, no, it hasn't been repaid.
 6 1954. Q. Were there any other loans that you
 7 made to Dixit Holdings Inc., apart from this one?
 8 A. No.
 9 1955. Q. And what was the purpose of the
 10 loan?
 11 A. My husband said that he needed the
 12 money. So...
 13 1956. Q. But he must have told you more than
 14 that. What was it for?
 15 A. I honestly don't know what it is
 16 for. My husband takes care of the finances. I take
 17 care of the family, and when you are married you do
 18 things for your partner, right?
 19 1957. Q. But you weren't married at this
 20 time, though.
 21 A. We were getting married in a few
 22 months.
 23 1958. Q. Okay. And you didn't ask him what
 24 the \$24,000 was for?
 25 A. He said he needed it for whatever he

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1 there is a loan agreement, my understanding
 2 is then you would have produced the loan
 3 agreement...
 4 THE DEPONENT: Yes, that is fine.
 5 1965. MR. WARD: Right, okay. And...
 6 MS. DOSANJH: Is what your answer...
 7 1966. MR. WARD: So, thank you for that. And
 8 then, to the extent that you may not have a
 9 copy...
 10 THE DEPONENT: I am pretty sure I do.
 11 1967. MR. WARD: Okay.
 12 THE DEPONENT: Yes.
 13
 14 BY MR. WARD:
 15 1968. Q. And was it Maconald Sager Manis that
 16 would have prepared that?
 17 A. I can't remember if we got a law
 18 firm to do it, or if I just wrote it up and had him
 19 sign it.
 20 1969. Q. Okay. So, the very next page in the
 21 production...
 22 MS. DOSANJH: Sorry, I am just going to
 23 write that down...
 24 1970. MR. WARD: Thank you, and we will make a
 25 note of it for sure, as well.

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1 MS. DOSANJH: ...the loan agreement?
 2 1971. MR. WARD: There hasn't been a lot of
 3 undertakings, so...
 4 MS. DOSANJH: Right. So, I am just
 5 going to...so, that was a loan agreement?
 6 1972. MR. WARD: The loan agreement is
 7 between...the loan agreement relating to
 8 the \$24,000 deposit into the Dixit Holdings
 9 Inc. bank account at CIBC on November 27th,
 10 2013.
 11 MS. DOSANJH: And that is at tab...
 12 1973. MR. WARD: 1.
 13 MS. DOSANJH: Tab 1, okay.
 14 1974. MR. WARD: Thank you.
 15 THE DEPONENT: If I...
 16 MS. DOSANJH: Do you want me to give you
 17 an undertaking to provide that, or...
 18 1975. MR. WARD: Please, yes.
 19 MS. DOSANJH: Okay, to the best of our
 20 ability to...
 21 1976. MR. WARD: Whatever you are comfortable
 22 doing.
 23 MS. DOSANJH: Okay. U/T
 24 THE DEPONENT: Like, I am 99.9 percent
 25 sure, because I am really organized, that I

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1 1983. Q. Okay.
 2 MS. DOSANJH: Is this the \$20,000...
 3 1984. MR. WARD: This is for a different
 4 amount, and it is a different date. It
 5 just happens to be behind the same tab
 6 as...
 7 THE DEPONENT: I don't know what this
 8 is.
 9 MS. DOSANJH: So, he is asking about the
 10 instrument. The instrument reflects that
 11 it is payable to you, and it is \$20,000.
 12 The question, David, from my understanding,
 13 is, "What is that for?"
 14 1985. MR. WARD: And do you have any knowledge
 15 of...
 16 THE DEPONENT: I can't remember.
 17 1986. MR. WARD: ...this document, in terms of
 18 how, when, why it was prepared?
 19 THE DEPONENT: Does it know if it was
 20 cashed or not? Because maybe he was going
 21 to pay me back and then didn't.
 22
 23 BY MR. WARD:
 24 1987. Q. Well, I just need to know what you
 25 know about it, and if you don't know anything about

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1 have it filed away. If for some reason I
 2 can't find it, then I can't find it. Okay.
 3
 4 BY MR. WARD:
 5 1977. Q. So, have a look at the next document
 6 in the same tab. It is at the back of tab 1.
 7 A. Okay, yes?
 8 1978. Q. This is a bank draft for \$20,000
 9 payable to yourself?
 10 A. Payable to me?
 11 1979. Q. Yes. You should see your name at
 12 the top. The date is December 17, 2012.
 13 A. In 2012?
 14 1980. Q. Sorry, 2013, it is an image of a
 15 cheque. So, it can be difficult to make out, but...
 16 A. Is this the one that I gave Dixit
 17 Holding?
 18 1981. Q. You will need to tell me what this
 19 is, but this is a Dixit Holdings Inc. bank draft
 20 payable to yourself personally.
 21 A. I don't think so, because I lent my
 22 husband \$20,000.
 23 1982. Q. Yes, and it may not be related to
 24 that.
 25 A. Yes.

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1 it...and let me ask you this: Did you receive
 2 \$20,000 from...
 3 A. No, I didn't.
 4 1988. Q. ...Dixit Holdings Inc...
 5 A. No.
 6 1989. Q. ...by way of a bank draft?
 7 A. No.
 8 1990. Q. Around this time?
 9 A. No.
 10 1991. Q. Or at any other time?
 11 A. Not to my knowledge.
 12 1992. Q. And then Dixit Holdings Inc. has
 13 incurred a number of expenses. And I am sorry,
 14 Stephanie, I am moving forward to tab 2, now.
 15 A. Yes?
 16 1993. Q. Just because I accept your answer
 17 that you don't know about that bank draft.
 18 A. Okay.
 19 1994. Q. Now, there are some CIBC bank
 20 statements that the receiver has...
 21 A. Yes.
 22 1995. Q. ...been provided.
 23 A. Okay.
 24 1996. Q. And some of these statements relate
 25 to the period of time in which you were a signing

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1 officer, and some predate it?
 2 A. Correct.
 3 1997. Q. And there are some expenses that I
 4 am wondering if you know whether or not they were
 5 corporate expenses? Dixit Holdings Inc. being the
 6 corporation?
 7 A. Okay.
 8 1998. Q. So, the first one, behind tab 2, is
 9 that Holt Renfrew expense item on September the 4th,
 10 2012?
 11 A. Yes?
 12 1999. Q. Do you have any knowledge,
 13 information or belief as to what that relates to?
 14 A. I don't have any knowledge, no.
 15 2000. Q. And then moving forward to the very
 16 next document within the same tab, you will see...
 17 A. That was before I was even on...
 18 2001. Q. And in fairness, that is why I
 19 pointed it out to you, because we will see some that
 20 took place while you were on, as well.
 21 A. Yes, I don't have any knowledge of
 22 this.
 23 2002. Q. Okay. But, Stephanie, to your last
 24 point, when you were on, in the sense of being a
 25 signing officer...

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1 A. I didn't do any signing, so I don't
 2 know any...
 3 2003. Q. And furthermore, you tell me that
 4 you didn't review bank...
 5 A. I didn't.
 6 2004. Q. ...statements, either.
 7 A. So it is going to be no to every
 8 single thing that you show me.
 9 2005. Q. Okay. So, let's just keep going,
 10 then. Tab 3...
 11 A. Yes?
 12 2006. Q. ...Dixit Holdings Inc. makes a
 13 series of payment to Industrial Alliance Company,
 14 and there is a number of them. This is the first in
 15 a series...
 16 A. Yes, that is right.
 17 2007. Q. ...and they are...
 18 A. I don't know.
 19 2008. Q. ...noted as being RESP contributions
 20 for a number of people.
 21 A. Okay.
 22 2009. Q. And I just want to give you the
 23 names, and you can tell me if they are who these
 24 people are, if you know. The first person is
 25 Joshua.

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1 A. I don't know who that is.
 2 2010. Q. Okay. And then the next one is the
 3 next page over.
 4 A. Yes.
 5 2011. Q. Is Zachary?
 6 A. No.
 7 2012. Q. And then the next page over, it is
 8 Trevor Brown G.?
 9 A. I don't know.
 10 2013. Q. And then the next page over, it is
 11 Mekhi?
 12 MS. DOSANJH: Does it say "RESP" before
 13 that?
 14 2014. MR. WARD: Yes. In every case it says
 15 "RESP".
 16 THE DEPONENT: Yes, no, I don't.
 17
 18 BY MR. WARD:
 19 2015. Q. And then the following page, there
 20 is an RESP. There is a note, "RESP Kingston"?
 21 A. No.
 22 2016. Q. And then moving forward in the book
 23 to behind tab 4, the information provided to the
 24 receiver by the CIBC documents payments for a number
 25 of cars.

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1 A. Okay.
 2 2017. Q. Okay? And the one that we are
 3 looking at right now is a payment to Mercedes-Benz
 4 Durham, \$60,973.44 in respect of what appears to be
 5 an automobile. The date is March 12, 2013. So, it
 6 is during the time period that you were working at
 7 Stellar Point?
 8 A. I never saw any transaction.
 9 2018. Q. And you were a signing officer of
 10 Dixit Holdings, this bank account?
 11 A. Not at this time, I don't think.
 12 Like I said, and I will keep saying, though, I only
 13 ever wrote one cheque for a sewer company. I don't
 14 know anything to do with any finances to do with
 15 this company.
 16 2019. Q. Okay.
 17 A. I have never seen bank statements.
 18 I have never been online. I don't know anything
 19 about the financials.
 20 2020. Q. Well, I don't want to mislead you.
 21 I don't expect or anticipate that you will have
 22 knowledge of the financials.
 23 A. Okay.
 24 2021. Q. It is the assets that we are looking
 25 for, okay? So, could you...

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- 1 A. I know that there were a few company
2 cars that were Mercedes, but I wouldn't be able to
3 tell you how much they cost, or any of those
4 details.
5 2022. Q. Okay. And when you say "company",
6 which company are you referring to?
7 A. I am not...I think Dixit Holding had
8 a few cars, just from conversation, like, just from
9 knowledge, but I have never seen any documents. So,
10 I wouldn't...
11 2023. Q. Okay.
12 A. ...know for sure.
13 2024. Q. But did you see Mercedes-Benz cars
14 that Mr. Dixit was driving, and yourself were
15 driving around in?
16 A. That my husband drove, yes, and I
17 drove.
18 2025. Q. Okay. So, you did...and they were
19 Mercedes-Benz cars?
20 A. They were Mercedes-Benz cars.
21 2026. Q. And do you know if they were from
22 Mercedes-Benz Durham?
23 A. I believe so, but I am not certain
24 where he...
25 2027. Q. Okay.

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- 1 drove on the weekends.
2 2032. Q. Okay. And what about Raj?
3 A. I am not sure whether it was in his
4 personal name or in Dixit Holding.
5 2033. Q. Okay. And the cars that you are
6 referring to, does Mr. Dixit still have any of them?
7 A. Like I said, I don't know if any of
8 those were in Dixit Holdings...I don't know whether
9 they are Dixit Holdings or not.
10 2034. Q. I appreciate that.
11 A. But he doesn't have any of the
12 company cars.
13 2035. Q. Okay.
14 A. They were all given to the
15 employees.
16 2036. Q. Okay. So, now, I want to ask you,
17 how do you know that they were given to the
18 employees?
19 A. I don't know whether they were given
20 or they were purchased. I don't know those details,
21 but Raj doesn't have those vehicles anymore.
22 2037. Q. Okay. But why do you believe that
23 they were given to the company employees?
24 A. That was just my understanding.
25 2038. Q. What is the basis for that

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- 1 A. ...purchased that.
2 2028. Q. And how many cars are we talking
3 about?
4 A. I don't know which ones...I don't
5 know. I don't know, because I don't know...
6 2029. Q. Were there many? Like, more than
7 ten?
8 A. Well, Raj used to have an SUV and
9 Mercedes, and he drove...I don't know whether he
10 leased it or he purchased it or was making payments,
11 but he no longer has those vehicles. Those are the
12 only two that I know that he personally...that were
13 his. The rest of them, I don't know.
14 2030. Q. Okay. So, I just want to slow down
15 and go through that again. We are talking about
16 Dixit Holdings Inc., not...
17 A. I don't know. See, I know that some
18 of the executives had company cars, but I don't know
19 if they were purchased through Dixit Holdings or
20 where they were purchased.
21 2031. Q. Okay. Which executives of which
22 company, do you know, had company cars?
23 A. Grant D'Eall drove a company car. I
24 believe David Hooker drove a company car, and Chris
25 had a car that I drove to and from Whitby, but he

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- 1 understanding?
2 A. That they drove off with them on
3 their last day.
4 2039. Q. Okay. And who is "they"?
5 A. David Hooker and...maybe David
6 Hooker is the only one.
7 2040. Q. All right.
8 A. Yes.
9 2041. Q. But it is your evidence that David
10 Hooker drove off with a...
11 A. The last...
12 2042. Q. ...company car on his last day of
13 work at Stellar Point?
14 A. Yes, but I could be wrong...
15 2043. Q. Right.
16 A. ...just going by what...
17 2044. Q. And what make and model of car was
18 it?
19 A. That David Hooker...I think it was a
20 Honda...no, it was a minivan.
21 2045. Q. Do you know, was it a Mercedes?
22 A. No.
23 2046. Q. Okay. Was it...
24 A. It was like a Honda or a Caravan.
25 2047. Q. Kia?

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- 1 A. No.
- 2 2048. Q. Okay. Tab 5, in Exhibit B, this
- 3 relates to a Dixit Holdings wire in the amount of
- 4 \$33,000 U.S. to a company called C REV LLC. Have
- 5 you ever heard of a C REV LLC?
- 6 A. No.
- 7 2049. Q. And do you have any knowledge,
- 8 information or belief as to why Dixit Holdings Inc.
- 9 would be paying \$33,000 to C REV LLC in September
- 10 2013?
- 11 A. I have no idea.
- 12 2050. Q. Do you know whether or not they are
- 13 or were a service provider to Banners Broker, or...
- 14 A. I have no...I have never heard of
- 15 that company, so I have no idea.
- 16 2051. Q. Okay, thank you.
- 17 A. I am sorry.
- 18 2052. Q. Erin has pointed out that the C REV
- 19 LLC appears to bank at the Bank of America.
- 20 A. I have no idea.
- 21 2053. Q. That doesn't assist?
- 22 A. No.
- 23 2054. Q. And then on the next tab, tab 6, we
- 24 are at April the 1st, 2014.
- 25 A. M'hmm.

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- 1 A. I have no idea.
- 2 2063. Q. So, you have never heard of that
- 3 name?
- 4 A. No, I have not.
- 5 2064. Q. And I understand that he may have
- 6 been affiliated with RevStar Global?
- 7 A. I have no idea.
- 8 2065. Q. But you were a director of RevStar
- 9 Global, correct?
- 10 A. RevStar Hosting.
- 11 2066. Q. I see. And then similarly, tab 10,
- 12 we see a receipt. Dixit Holdings Inc. is paid
- 13 almost \$267,000 by Dreamscape Ventures Ltd. Have
- 14 you...can you tell me what that company is?
- 15 A. No, I am sorry.
- 16 2067. Q. You have never heard of Dreamscape
- 17 Ventures Ltd.?
- 18 A. I may have heard it in passing, but
- 19 I have read it in a lot of the stuff in here. But,
- 20 no, I don't have any knowledge of that company.
- 21 2068. Q. Have you ever had a discussion
- 22 with...have you ever discussed...did Dreamscape
- 23 Ventures Ltd. have anything to do with Banners
- 24 Broker business?
- 25 A. I have no idea.

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- 1 2055. Q. And Dixit Holdings Inc. is paying
- 2 Rajiv Dixit, it would appear, just over \$150,000?
- 3 A. Okay.
- 4 2056. Q. Do you know what that relates to?
- 5 A. No, I did not.
- 6 2057. Q. Were you aware that that payment was
- 7 made?
- 8 A. Yes.
- 9 2058. Q. Do you have any idea as to why Mr.
- 10 Dixit may have been entitled to such a payment?
- 11 A. I have no idea.
- 12 2059. Q. Tab 8, we see Dixit Holdings Inc.
- 13 making a \$30,927 payment...receiving, I am sorry,
- 14 Dixit Holdings Inc. was receiving just over \$30,000
- 15 from ERS Club in Dublin.
- 16 A. M'hmm.
- 17 2060. Q. Do you have any knowledge,
- 18 information or belief as to what ERS Club was, or
- 19 why they would be paying Dixit Holdings?
- 20 A. No, sorry.
- 21 2061. Q. The next tab, tab 9, this relates to
- 22 three payments of \$3,030 each from Dixit Holdings...
- 23 A. Yes?
- 24 2062. Q. ...to a Mr. Eric Swaim. Can you
- 25 tell me who Mr. Eric Swaim is?

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- 1 2069. Q. You don't know one way or the other?
- 2 A. I don't know anything about
- 3 Dreamscape Ventures.
- 4 2070. Q. And do you know whether...and, so,
- 5 you wouldn't know, then, whether Dreamscape Ventures
- 6 provided any services to Dixit Holdings?
- 7 A. I have no idea.
- 8 2071. Q. You are not aware of any?
- 9 A. I didn't...I know I keep saying it,
- 10 but I don't know anything about the happenings of
- 11 the company.
- 12 2072. Q. And then a month later...
- 13 A. Is this 11 still?
- 14 2073. Q. Yes, tab 10.
- 15 A. Tab 10?
- 16 2074. Q. And then a month later, this may
- 17 help, Dreamscape Ventures is paid another \$150,000
- 18 to Dixit Holdings.
- 19 A. Yes.
- 20 2075. Q. And the re line here is "F Business
- 21 Consulting".
- 22 A. Yes, I have no idea.
- 23 2076. Q. Okay. The following tab, tab 11.
- 24 A. Yes?
- 25 2077. Q. We see a \$23,000 payment by Dixit

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1 Holdings to Paymaster Corporation. Have you ever
 2 heard of Paymaster Corporation?
 3 A. No, I haven't.
 4 2078. Q. And to your knowledge, Paymaster
 5 Corporation never had any business dealings with
 6 Banners Broker group companies?
 7 A. I have never heard of Paymaster.
 8 So, I don't...I can't answer that. I have never
 9 heard of that company.
 10 2079. Q. And with reference to the next tab
 11 12...
 12 A. Yes?
 13 2080. Q. ...have you heard of an individual
 14 by the name of John Colavita?
 15 A. No, I have not.
 16 2081. Q. So, you wouldn't be aware why he may
 17 have made a \$79,985 loan to your company?
 18 A. No idea.
 19 2082. Q. And I say your company, Dixit
 20 Holdings Inc.?
 21 A. I understand why you say that, but I
 22 have also explained the reason why I am on that
 23 company.
 24 2083. Q. Okay. Do you know whether...and,
 25 so, you wouldn't know whether that loan was ever

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1 white tab in the brief, and I want to take you to a
 2 few Stellar Point documents. The tab is marked with
 3 an account number ending in [REDACTED]...
 4 A. Okay.
 5 2091. Q. ...and...
 6 A. I don't have anything after that.
 7 It just goes right to...no, I do, sorry.
 8 2092. Q. Okay. There is a Stellar
 9 Point...and I am asking you because you were Mr.
 10 Dixit's personal assistant.
 11 A. Okay.
 12 2093. Q. Is receiving \$79,985 from Milan
 13 Holdings Limited?
 14 A. Okay.
 15 2094. Q. Do you have any knowledge,
 16 information or belief as to why Milan would have
 17 made that payment that we see documented?
 18 A. I never saw any bank accounts for
 19 Stellar Point, but being his assistant, I don't
 20 remember ever hearing that name.
 21 2095. Q. Okay. And then behind tab 2, and
 22 also a Stellar Point document, we have got...we see
 23 an indication that Strategy India was paid \$42,000
 24 U.S. dollars by Stellar Point on January the 4th,
 25 2013.

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1 repaid?
 2 A. I have no idea.
 3 2084. Q. Or was advanced?
 4 A. No. I don't know anything about
 5 this. The only loan I know about is the one that I
 6 loaned my husband.
 7 2085. Q. And then behind the last tab in the
 8 section, tab 13, we see Dixit Holdings Inc. making a
 9 \$15,000 payment to a vending machine company.
 10 A. Okay.
 11 2086. Q. Do you have any knowledge,
 12 information or belief as to why Dixit Holdings may
 13 have done that?
 14 A. I have no idea.
 15 2087. Q. Is Mr. Dixit involved in the vending
 16 machine business in any way?
 17 A. No, he is not.
 18 2088. Q. Has he been in the past?
 19 A. You would have to ask him. I am not
 20 sure.
 21 2089. Q. So, you don't know whether he has
 22 been involved in the vending machine business in the
 23 past?
 24 A. Not to my knowledge.
 25 2090. Q. Okay. So, the next...you will see a

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1 A. M'hmm.
 2 2096. Q. Do you...can you tell us what
 3 Strategy India may have done for Stellar Point?
 4 A. I don't know exactly what they did.
 5 I do know what Strategy India is. It is a company
 6 that operates in India about recognizing true MLMs
 7 from scams, and I am not sure...like, that, I know
 8 what Strategy India is. I am not sure the work they
 9 did for Stellar Point, though.
 10 2097. Q. Okay. And you never dealt with
 11 Strategy India yourself, did you?
 12 A. No, I did not.
 13 2098. Q. And then the next white tab in the
 14 brief is marked with an account ending in [REDACTED]?
 15 A. Yes.
 16 2099. Q. These are banking documents relating
 17 to Stellar Point's, we understand, main operating
 18 account.
 19 A. Okay.
 20 2100. Q. And, so, the first tab is a series
 21 of cheques...
 22 A. Yes.
 23 2101. Q. ...payable to yourself?
 24 A. M'hmm.
 25 2102. Q. And am I correct in assuming that

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1 these are your biweekly paycheques?

2 A. That is correct.

3 2103. Q. And just flipping through them, do
4 they reflect what you were paid in compensation by
5 Stellar Point during this period?

6 A. They do.

7 2104. Q. Okay. And you didn't receive
8 any...apart from what you told us when we met in
9 April, compensation apart from what you were paid by
10 way of salary?

11 A. No, I did not.

12 2105. Q. And then the next tab in the brief,
13 tab 2...

14 A. M'hmm.

15 2106. Q. ...we see a series of Stellar Point
16 cheques made out to Rajiv Dixit. And if you could
17 just flip through them, I have a general question.

18 A. Okay.

19 2107. Q. You will see the amounts vary
20 widely.

21 A. Yes.

22 2108. Q. And they include a \$20,000 Christmas
23 bonus. Did you have...as Mr. Dixit's personal
24 assistant, did you have any...were you aware of what
25 he was being paid by the company?

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1 A. I am not sure.

2 2116. Q. Okay. What things did you see her
3 doing at the office?

4 A. She would help clean, and sometimes
5 she would come and help cook, but I am not sure if
6 she was getting paid to do that or not.

7 2117. Q. Okay. The next tab is tab 4. We
8 see a \$1,000 payment to Peter Dixit.

9 A. Yes.

10 2118. Q. Can you tell me who Peter Dixit was?

11 A. That is Rajiv's dad.

12 2119. Q. Okay. And this cheque doesn't have
13 a re line. Did you ever see him around the office
14 doing work for Stellar Point?

15 A. Yes, he would come in to help with
16 cooking and things like that. He did a few odd
17 jobs. But, like I said, I am not sure if he was
18 ever compensated for it.

19 2120. Q. Okay. And, in fact, you didn't know
20 that either Gloria or Peter were being compensated
21 until I showed you these cheques?

22 A. I did not.

23 2121. Q. And then over the page, tab 5, we
24 see a cheque for \$10,000 to Reema Sukumaran?

25 A. Sukumaran. Yes, that is Raj's

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1 A. No, I was not.

2 2109. Q. And would that be Jeanette Kennedy's
3 signature on some of these cheques? Do you
4 recognize that?

5 A. The J. Kennedy...

6 2110. Q. Yes.

7 A. ...yes, that is Jeanette's
8 signature.

9 2111. Q. Do you know who else had signing
10 authority, apart from Jeanette and Raj?

11 A. I am not sure.

12 2112. Q. Okay. Tab 3, Stellar Point is
13 paying a small amount to Gloria Dixit. Do you know
14 Gloria Dixit to be Raj's mother?

15 A. That is Raj's mom, yes.

16 2113. Q. And do you have any idea what this
17 payment was for?

18 A. I am not sure. I know she did some
19 odd things around the office. So, maybe she was
20 paid for that, but I am not sure.

21 2114. Q. And in fairness, it does say
22 "payroll" on the re line of the cheque.

23 A. M'hmm.

24 2115. Q. Did she also work at Stellar Point,
25 or was it just the odd things around the office?

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1 sister.

2 2122. Q. This is Raj's sister?

3 A. That is correct.

4 2123. Q. And do you have any knowledge,
5 information or belief as to why Stellar Point would
6 be paying Raj's sister \$10,000?

7 A. It says here a loan, but I have no
8 idea.

9 2124. Q. Okay. And then the next tab, tab 6,
10 there is bank statements that reflect a number of
11 what would appear, and perhaps you have more
12 knowledge to the personal expenses that are going
13 through Stellar Point.

14 A. Okay.

15 2125. Q. Things like Toys 'R' Us and...I
16 mean, you can see them for yourself. Baskin
17 Robbins...

18 A. I have never seen any bank
19 statements, so I have no idea.

20 2126. Q. Okay.

21 A. I know sometimes, like, if there was
22 a Christmas party, I know that he would buy, like,
23 little presents for the kids. So, I am not sure if
24 that...but, like I said, I have never seen any bank
25 statements. So, I wouldn't be able to...

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- 1 2127. Q. Right.
 2 A. ...verify.
 3 2128. Q. La Senza is another one. You don't
 4 have any information...
 5 A. I don't think that would be an
 6 employee gift, but I have no idea.
 7 2129. Q. Okay.
 8 A. It wasn't given to me.
 9 2130. Q. Ricki's is another one.
 10 A. I am sorry, I don't know.
 11 2131. Q. Okay.
 12 A. You never know. With my husband, I
 13 don't think so. Does he have a secret life I don't
 14 know about?
 15 2132. Q. Okay.
 16 A. Perhaps it was CRA, he was audited
 17 by CRA, so I am sure if there is little expenses,
 18 they picked up on it, like his lingerie habit.
 19 2133. Q. Tab 7.
 20 A. Yes?
 21 2134. Q. More seriously...
 22 A. Okay.
 23 2135. Q. ...this, on my reading, shows a
 24 payment of almost \$36,550...
 25 A. Okay.

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- 1 2136. Q. ...that is the number to Oshawa
 2 Jewellers, a Stellar Point payment. And
 3 furthermore, there is other cheques to Oshawa
 4 Jewellers that...and bank drafts...
 5 A. Yes.
 6 2137. Q. ...for a total of, I believe,
 7 another \$92,711?
 8 A. Yes.
 9 2138. Q. Do you have any knowledge,
 10 information or belief as to what that relates to?
 11 A. I have no idea what the cost of
 12 things were, but I know when Banners Broker did
 13 conventions, Stellar Point had Oshawa Jeweller make
 14 some pins that were, like, given out to the top
 15 sellers and all that. So, I am not sure of the
 16 cost. I never saw financials, but I know that
 17 Oshawa Jewellers did make things...
 18 2139. Q. Right.
 19 A. ...that Stellar Point purchased for
 20 Banners Broker.
 21 2140. Q. Yes. And the pins that you are
 22 describing, were they little lapel pins? Is that
 23 what they were?
 24 A. Lapel, like, you mean, just going
 25 on, like, right here?

S.R. Schlacht - 392

- 1 2141. Q. Well, why don't you tell me what
 2 they were?
 3 A. They were just little pins.
 4 2142. Q. Okay. So, I mean, we are talking
 5 some...in fairness, we are talking some pretty big
 6 numbers, in terms of...
 7 A. Yes, but for the...
 8 2143. Q. ...payments to Oshawa Jewellers?
 9 A. Yes. They probably would be
 10 expensive, because I think the pins that we had made
 11 for Niagara and a few other conventions, those are
 12 the top sellers in the company that probably brought
 13 in a significant amount of money for Banners Broker
 14 International. So, I would see them being, like,
 15 quite a nice pin, but like I said, I am not sure how
 16 much they would have cost.
 17 2144. Q. But in terms of the pins, you were
 18 involved in obtaining them, right? From...
 19 A. No...
 20 2145. Q. No?
 21 A. ...I never picked them up.
 22 2146. Q. Who was responsible for that?
 23 A. I have no idea.
 24 2147. Q. Who was responsible for ordering
 25 them?

S.R. Schlacht - 393

- 1 A. Probably Raj, yes.
 2 2148. Q. Are you aware of Mr. Dixit
 3 purchasing any other items at Oshawa Jewellers?
 4 A. I have no idea.
 5 2149. Q. Apart from the pins?
 6 A. I have no idea.
 7 2150. Q. Okay. Do you know where he
 8 purchased his watches from?
 9 A. I have no idea.
 10 2151. Q. Tab 8. We see a series of
 11 additional RESP payments this time from Stellar
 12 Point.
 13 A. Okay.
 14 2152. Q. The second one in the tab is for the
 15 account of Rajiv Dixit? Is there a junior Mr. Rajiv
 16 Dixit who would have an RESP?
 17 A. He has a son. Like, we have a son,
 18 Rajiv Dixit, but I am not sure if he has an RESP or
 19 not.
 20 2153. Q. Okay. Do you know whether or not
 21 Stellar Point was contributing to...
 22 A. I have no...
 23 2154. Q. ...any RESPs?
 24 A. I have no idea.
 25 2155. Q. Can you think of any reason why

S.R. Schlacht - 394

- 1 Stellar Point should be contributing to Rajiv's
2 RESP?
3 A. I don't know that side of the
4 business, so you would have to ask Raj.
5 2156. Q. And I don't know how old Rajiv is,
6 but did he work for Stellar Point?
7 A. No. His son?
8 2157. Q. Yes.
9 A. Well, he is five, so...
10 2158. Q. So, the answer is no?
11 A. Unless he is a genius.
12 2159. Q. An RESP contribution, we see in the
13 same tab, next document...
14 A. Yes.
15 2160. Q. ...to Ungelia?
16 A. Ungelia.
17 2161. Q. Ungelia Dixit?
18 A. Yes.
19 2162. Q. Can you tell me who that is, please?
20 A. That is his daughter.
21 2163. Q. Okay. And the same questions that I
22 asked you in respect of his son, I take it you would
23 give me the same answers?
24 A. That is correct.
25 2164. Q. Behind tab 9, we see a total of

S.R. Schlacht - 396

- 1 from Stellar Point's account, and I am just
2 wondering if you can assist the receiver in
3 understanding what automobile may have been
4 purchased, for whom and why.
5 A. I can't say for sure, but if it is
6 Honda, I am thinking that would be the vehicle that
7 David Hooker drove.
8 2172. Q. Okay. The one that he drove away on
9 his last day? Okay.
10 MS. DOSANJH: I just have an image of
11 someone driving off with the last name of
12 Hooker.
13 2173. MR. WARD: Yes.
14
15 BY MR. WARD:
16 2174. Q. And then the next tab, just while we
17 are on cars, tab 11...
18 A. Yes?
19 2175. Q. ...we see a little over \$22,000 by
20 way of bank draft from Stellar Point being paid to
21 Durham Kia?
22 A. Okay.
23 2176. Q. And can you assist the receiver in
24 understanding that transaction?
25 A. I have no idea. I see Jeanette's

S.R. Schlacht - 395

- 1 \$248,000 in Stellar Point payments to Mercedes-Benz
2 Durham between July and September 2012.
3 A. Okay.
4 2165. Q. Do you have any...can you assist us
5 further with respect to what cars were purchased and
6 where they might be now?
7 A. I have no idea.
8 2166. Q. Okay. And as Mr. Dixit's personal
9 assistant, when it came to purchasing things like
10 automobiles, I take it you wouldn't have had any
11 involvement in that personally?
12 A. No, I did not.
13 2167. Q. Who would do that?
14 A. You would have to ask Raj.
15 2168. Q. Okay. So, it would have been Raj
16 personally?
17 A. I don't know.
18 2169. Q. Okay. You can't think of anyone
19 else...
20 A. I think so.
21 2170. Q. ...apart from Raj...
22 A. I don't think there would be anyone
23 else, no.
24 2171. Q. Okay. And then tab 10, there is
25 \$54,626 that seems to go to Whitby Oshawa Honda,

S.R. Schlacht - 397

- 1 signature, so she would probably be better to ask.
2 I have never seen this.
3 2177. Q. Okay. Do you know whether Jeanette
4 or anyone else at Stellar Point used a Kia for
5 business purposes?
6 A. No.
7 2178. Q. You never saw anyone at Stellar
8 Point using a Kia for businesses purposes?
9 A. Not to my knowledge.
10 2179. Q. And then tab 12, this appears to be
11 an auto financing payment to TD Auto Finance for
12 \$5,197?
13 A. Yes.
14 2180. Q. Is there anything that you can say
15 that might assist us in understanding what was being
16 financed here, or why this payment was being made?
17 A. I have no idea.
18 2181. Q. At Stellar Point's account at this
19 time? No?
20 A. I don't know.
21 2182. Q. And then at the very next tab, tab
22 13, \$2,600 payment to Owasco VW?
23 A. I have no idea.
24 2183. Q. No information as to what this might
25 relate to?

S.R. Schlacht - 398

- 1 A. No.
- 2 2184. Q. Did anyone at Stellar Point, working
- 3 at Stellar Point, to your knowledge, use a VW, a
- 4 Volkswagen for employment purposes?
- 5 A. A Volkswagen?
- 6 2185. Q. Yes.
- 7 A. I don't know.
- 8 2186. Q. Okay.
- 9 A. I don't remember. I don't, sorry.
- 10 2187. Q. Or an Audi?
- 11 A. An Audi?
- 12 2188. Q. Audi?
- 13 A. Sorry, I wasn't trying to correct
- 14 you. I don't know.
- 15 2189. Q. Did you have a company car?
- 16 A. No. Chris...I borrowed Chris' car.
- 17 2190. Q. Okay. So, during the 15 months,
- 18 approximately 15 months that were at Stellar
- 19 Point...
- 20 A. Yes?
- 21 2191. Q. ...did you always have use of a
- 22 company car?
- 23 A. I either GO trained in, or Raj would
- 24 lend me his car, or I would borrow Chris' car...
- 25 2192. Q. Okay.

S.R. Schlacht - 400

- 1 started, Kul got in an accident, or Chris, I don't
- 2 remember who it was, but I know someone got in an
- 3 accident. But I couldn't tell you if this was the
- 4 one.
- 5 2198. Q. Okay. Were you ever involved in an
- 6 accident in a Banners Broker car?
- 7 A. I backed up into a pole once, but it
- 8 only made a little ding.
- 9 2199. Q. Okay.
- 10 A. But, no, not a huge accident.
- 11 2200. Q. Okay, good. So, with reference to
- 12 the insurance payout, you have no...
- 13 A. I have no recollection of this.
- 14 2201. Q. Yes, okay. And then tab 16, you may
- 15 be able to help us because it is a payment from
- 16 Stellar Point of \$196,000 and change...
- 17 A. Yes.
- 18 2202. Q. ...and the indication is "Re ACS air
- 19 charter service"
- 20 A. That...
- 21 2203. Q. Did this relate to the trip to
- 22 Israel and Cyprus that you...
- 23 A. Yes.
- 24 2204. Q. ...arranged?
- 25 A. Yes. I mean, it looks that way. I

S.R. Schlacht - 399

- 1 A. ...but, no, I didn't personally have
- 2 my own company car.
- 3 2193. Q. And when you say "borrow Chris'
- 4 car", I take it you just borrow it and use it day in
- 5 and day out...
- 6 A. He...
- 7 2194. Q. ...and then perhaps return it to him
- 8 on weekends?
- 9 A. It would either be...like, he didn't
- 10 like to drive very much. So, if he needed it, I
- 11 would drop it off at his office, and then just walk
- 12 home because I live downtown. If he didn't need it
- 13 during the week, I would just drop it off Friday
- 14 after work and pick it up Monday morning.
- 15 2195. Q. Okay, thank you. And then on tab
- 16 15...
- 17 A. Yes?
- 18 2196. Q. ...there is a cheque payable to
- 19 Stellar Point from an insurance company...
- 20 A. Yes?
- 21 2197. Q. ...and the total amount is \$99,523.
- 22 The receiver believes that this may have been an
- 23 insurance payout in respect of a car that was
- 24 damaged in an accident.
- 25 A. I know that when I very first

S.R. Schlacht - 401

- 1 didn't personally do this, but...
- 2 2205. Q. You didn't personally make out the
- 3 bank draft?
- 4 A. I didn't have any signing authority
- 5 on Stellar Point.
- 6 2206. Q. Okay. But you believe that this was
- 7 payment on account for the air charter?
- 8 A. Looks that way, yes.
- 9 2207. Q. Okay. And then tab 17, Stellar
- 10 Point is making, it would appear, a payment to
- 11 Washington County Circuit Court. Do you see that?
- 12 A. No.
- 13 2208. Q. It is right...
- 14 A. Oh, yes, I do.
- 15 2209. Q. Okay. And can you assist us with
- 16 what that business purpose or other purpose of that
- 17 payment may be?
- 18 A. I have never heard of that, so I
- 19 have no idea.
- 20 2210. Q. And then within the same tab,
- 21 Stellar Point is also making a payment to the Oregon
- 22 State Police. Can you assist us in understanding
- 23 what the business or other purpose of that payment
- 24 may be?
- 25 A. I have no idea. I can't even read

S.R. Schlacht - 402

- 1 this, but I have no idea.
 2 2211. Q. Okay. This is the one?
 3 A. Yes.
 4 2212. Q. Okay.
 5 A. Yes. I don't know that at all.
 6 Yes, no clue.
 7 2213. Q. Do you know whether or not anyone at
 8 Stellar Point had any interactions with U.S. law
 9 enforcement, such that these payments would be
 10 required to be made?
 11 A. Not to my knowledge.
 12 2214. Q. Tab 18. Stellar Point is receiving,
 13 it would appear, \$20,000 remittance from ERS Club,
 14 payment detail stocks.
 15 A. I have no idea.
 16 2215. Q. You have never heard of ERS Club?
 17 A. No, I haven't.
 18 2216. Q. Tab 19, Stellar Point would appear
 19 to be making a \$42,000 certified cheque to a Kelly
 20 Stinson?
 21 A. Yes.
 22 2217. Q. Do you know who Kelly Stinson is?
 23 A. The name sounds familiar, but I have
 24 no idea...
 25 2218. Q. Okay.

S.R. Schlacht - 403

- 1 A. ...what it would be.
 2 2219. Q. But do you know Kelly Stinson?
 3 A. The name sounds familiar, but I
 4 don't know...
 5 2220. Q. Okay.
 6 A. ...what Kelly Stinson...
 7 2221. Q. And sitting here today, you don't
 8 recall ever meeting or speaking to Kelly Stinson?
 9 A. No.
 10 2222. Q. Okay. And, so, you cannot assist us
 11 in terms of why this payment may have been made by
 12 Stellar Point?
 13 A. No, I can't.
 14 2223. Q. And then tab 20?
 15 A. Yes?
 16 2224. Q. A \$5,000 payment by Stellar
 17 Point...no, from New Hope SDA Church to Banners
 18 Broker Limited...
 19 A. This, I am pretty sure...this is
 20 from the church, right?
 21 2225. Q. Yes.
 22 A. So, when you are donating to a
 23 church, you donate...say you were donating a bunch
 24 of computer stuff, or a bunch of whatever.
 25 2226. Q. Right.

S.R. Schlacht - 404

- 1 A. They have to write you a cheque for
 2 the amount, and then you void it out and don't cash
 3 it. So, that makes me think that maybe he did a
 4 donation of something, but I have no idea.
 5 2227. Q. This one is cashed. You will see
 6 the...
 7 A. I have no idea, then.
 8 2228. Q. Okay. Have you ever heard of New
 9 Hope SDA Church?
 10 A. No, I haven't.
 11 2229. Q. And then Stellar Point behind the
 12 next tab, 21...
 13 A. Yes?
 14 2230. Q. ...is paying, it would appear,
 15 \$4,030 to C REV Shore Brand Media.
 16 A. Yes, I don't know who that is.
 17 2231. Q. And you have never heard of them?
 18 A. Never heard of it.
 19 2232. Q. So, again, you wouldn't be aware of
 20 any services that they might have provided to
 21 Stellar Point, or Banners Broker business?
 22 A. No.
 23 2233. Q. Okay. And then tab 22...
 24 A. M'hmm.
 25 2234. Q. ...there is an \$85,000 certified

S.R. Schlacht - 405

- 1 cheque marked "re payroll", which is a payment from
 2 Banners Broker Limited...
 3 A. M'hmm.
 4 2235. Q. ...to Banners Broker Limited. Was
 5 this...do you know anything about this?
 6 A. No idea.
 7 2236. Q. Did Stellar Point pay its employees
 8 in cash at any time, to your knowledge?
 9 A. Not to my knowledge, no.
 10 2237. Q. And you were never paid in cash,
 11 correct?
 12 A. Always paycheck.
 13 2238. Q. The payroll cheques that we have for
 14 you, Stephanie, start around August of 2012?
 15 A. Yes.
 16 2239. Q. And we know that you started working
 17 at Stellar Point and Banners Broker Limited in May
 18 of 2012?
 19 A. I...
 20 2240. Q. So...
 21 A. Go ahead.
 22 2241. Q. So, did the May to the August 2012
 23 period, who was...which bank account were you being
 24 paid from? Do you know? Do you have any way of
 25 determining for us?

S.R. Schlacht - 406

1 A. I am pretty sure I was always paid
2 by Banners Broker Limited, which is Stellar Point.
3 2242. Q. Right. No, I appreciate that, and
4 you are also certain that you were not paid in cash
5 during the May to August 2012?

6 A. I was never paid cash.

7 2243. Q. Okay. Do you have any way of
8 checking and letting us know on which account you
9 were paid from during the May to August 2012...

10 A. Yes, I can pull up my bank
11 statements. U/T

12 2244. Q. Thank you.

13 A. Yes.

14 2245. MR. WARD: And, Counsel, can I have that
15 as an undertaking?

16 MS. DOSANJH: Yes, an undertaking to
17 provide bank account statements for any
18 transactions or any payments from Banners
19 Broker given to Stephanie?

20 2246. MR. WARD: Yes.

21 MS. DOSANJH: Is that what you are
22 looking for?

23 2247. MR. WARD: Please, yes.

24 MS. DOSANJH: Okay, yes.

25 2248. MR. WARD: Particularly during the May

S.R. Schlacht - 408

1 MS. DOSANJH: The bank will give it to
2 you.

3 THE DEPONENT: Yes, that is no problem.

4 2251. MR. WARD: Or you can authorize Gillian
5 and she can ask for it on your behalf,
6 whatever you...

7 MS. DOSANJH: I can draft an
8 authorization and direction, and then you
9 can...I can get her to sign it...

10 2252. MR. WARD: Thank you.

11 MS. DOSANJH: ...and send it over, or if
12 you have one...

13 THE DEPONENT: Okay.

14 MS. DOSANJH: ...just let someone know
15 you want an authorization and direction.
16 She is here and can sign it so you are
17 authorized to get what you would like.

18 2253. MR. WARD: Well, we may be able to...I
19 just have, probably, five more minutes.

20 MS. DOSANJH: Okay.

21 2254. MR. WARD: Yes.

22 MS. DOSANJH: That is fine.

23
24 BY MR. WARD:

25 2255. Q. Tab 23. We understand, based on our

S.R. Schlacht - 407

1 to August 2012 time period.

2 THE DEPONENT: Yes.

3 MS. DOSANJH: Okay.

4 MS. CRADDOCK: The statements actually
5 won't indicate the account number
6 necessarily.

7 MS. DOSANJH: Okay.

8 THE DEPONENT: So...

9 MS. DOSANJH: Do you want to specify the
10 account number that you are looking for?

11 MS. CRADDOCK: The cancelled cheque.
12 The bottom would have the account number.
13 So, just one of the cancelled cheques.

14
15 BY MR. WARD:

16 2249. Q. And, so...and if the cancelled
17 cheques are with the bank...

18 MS. DOSANJH: Right, so it would
19 streamline to that account, then?

20 MR. CRADDOCK: Yes.

21 MS. DOSANJH: Okay, got it, yes.

22 2250. MR. WARD: Yes, just the source of
23 funds. So, we can have that undertaking?

24 THE DEPONENT: So how do I...sorry, I
25 can just...

S.R. Schlacht - 409

1 review of CIBC bank records, that between July of
2 2012 and April of 2013, Stellar Point paid just
3 under \$200,000 to Crystal Commercial Group Inc.?
4 Can you tell me what Crystal Commercial Group Inc.
5 was, or is?

6 A. I have no idea.

7 2256. Q. So, similarly, you have no
8 information as to why those payments may have been
9 made, or what services they may have provided to
10 Stellar Point?

11 A. No, I do not.

12 2257. Q. And furthermore, Michael Spalding is
13 associated with Crystal Company. Does that name
14 ring a bell?

15 A. Michael Spalding does sound
16 familiar. Could that be benefits? No?

17 2258. Q. So, I take it you have never met Mr.
18 Spalding?

19 A. No. I haven't met him, but the name
20 sounds familiar.

21 2259. Q. And it sounds familiar in what
22 context?

23 A. I don't know. It just sounds
24 familiar.

25 MS. DOSANJH: Maybe it is someone by the

S.R. Schlacht - 410

1 name...

2 THE DEPONENT: I don't know. It could
3 be anything that just sounds familiar, but
4 I don't remember meeting anybody.

5 2260. MR. WARD: Okay. Let's go off the
6 record.

7
8 --- DISCUSSION OFF THE RECORD

9
10 EXAMINATION BY MS. CRADDOCK:

11 2261. Q. So, we had asked you questions
12 earlier about cars that were purchased using those
13 Dixit Holding funds. I believe there is one
14 Mercedes that was purchased using Dixit Holding
15 Funds.

16 A. Okay.

17 2262. Q. And then it appears as though four
18 or five cars may have been purchased using Stellar
19 Point funds from Mercedes-Benz...

20 A. Okay.

21 2263. Q. ...the one Honda, which you told us
22 is from...you believe David Hooker.

23 A. Yes.

24 2264. Q. And one Kia.

25 A. Okay.

S.R. Schlacht - 412

1 2272. Q. The next individual we are advised
2 was given a car was Tara Josun.

3 A. Okay.

4 2273. Q. We were actually advised that her
5 car was an Audi?

6 A. I only briefly worked with her at
7 the very beginning, so I have no idea...

8 2274. Q. Okay.

9 A. ...if she was given...that is a
10 pretty good gift.

11 2275. Q. So, the other two individuals we
12 were advised were given cars as gifts were Mr.
13 Dixit's sister, Rema?

14 A. Okay.

15 2276. Q. Do you know whether or not she was
16 given her by either Stellar Point or Dixit Holdings?

17 A. She was driving the car, but she was
18 never given a car.

19 2277. Q. What kind of car did she drive?

20 A. I believe it was a Mercedes.

21 2278. Q. And do you know where that Mercedes
22 is now?

23 A. I have no idea.

24 2279. Q. Does she still drive a Mercedes?

25 A. No.

S.R. Schlacht - 411

1 2265. Q. We have received evidence from other
2 individuals we have spoken with...

3 A. Yes?

4 2266. Q. ...that cars were given as gifts to
5 certain individuals, and we just wanted to ask if
6 you know whether or not these individuals either A)
7 were given a gift or B) if they drive the type of
8 car...either if they drive either a Mercedes or a
9 Kia.

10 A. Okay.

11 2267. Q. So, the first person we were advised
12 was given a car from Glenroy Browne. Do you know
13 who Glenroy Brown is?

14 A. I do know who he is, yes.

15 2268. Q. Okay. Do you know if he was given a
16 car by Stellar Point or Dixit Holdings?

17 A. I have no idea.

18 2269. Q. Do you know what kind of car he
19 drives?

20 A. Now?

21 2270. Q. Yes.

22 A. I have no idea. I haven't seen him
23 in ages.

24 2271. Q. Okay.

25 A. Yes, I have no idea.

S.R. Schlacht - 413

1 2280. Q. Do you know who would know where
2 that car would be?

3 A. You could ask Raj.

4 2281. Q. And to your knowledge, is the
5 Mercedes in the name of Stellar Point or Dixit
6 Holdings?

7 A. I have no idea.

8 2282. Q. And Ross advised that Mr. Dixit's
9 brother was given a car?

10 A. I have no idea.

11 2283. Q. Do you know what kind of car he
12 drives?

13 A. I know...I have no idea. He was in
14 B.C. I have no idea.

15 2284. Q. So, you don't know whether or not he
16 drives a Mercedes or a Kia?

17 A. I am pretty sure he drives a
18 minivan.

19 2285. Q. You don't know the...

20 A. Well...

21 2286. Q. ...brand of Mercedes?

22 A. Mercedes don't make a minivan, and I
23 don't think it is the Kia.

24 2287. Q. Okay.

25 A. Yes.

S.R. Schlacht - 414

2288. MS. CRADDOCK: Off the record.

--- DISCUSSION OFF THE RECORD

CONTINUED EXAMINATION BY MR. WARD:

2289. Q. So, Stephanie, have you spoken with Maxwell Morgan recently?

A. He goes to our church.

2290. Q. Okay. So, I take it you have spoken with him recently?

A. Yes.

2291. Q. When was the last time you spoke with Mr. Morgan?

A. I saw him at the school dropping off Subway for his kids, but I don't speak any business with him.

2292. Q. Okay.

A. I just know him from church. So, just a family friend.

2293. Q. And, so, you didn't discuss the...did you discuss his examination with him?

A. No.

2294. MR. WARD: Thank you. Those are my questions.

S.R. Schlacht - 416

INDEX OF UNDERTAKINGS

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S.R. Schlacht - 415

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S.R. Schlacht

REPORTER'S NOTE:

Please be advised that any undertakings, objections, advisements and refusals are provided as a service to all c their guidance only, and do not purport to be legally binding necessarily accurate and are not binding upon Victory Verba Reporting Services Inc.

I hereby certify the foregoing to be a true and accurate transcription of the above-noted proceedings held before me 11th DAY OF JUNE, 2015, and taken to the best of my skill, and understanding.

Certified Correct:

Andita Balilaj
Verbatim Reporter

Court File No. CV-14-10663-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

AB/ak

IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C.
1992, c. 27, s.2, AS AMENDED

AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE ISLE
OF MAN WITH RESPECT TO BANNERS BROKER INTERNATIONAL LIMITED

APPLICATION OF MILES ANDREW BENHAM AND PAUL ROBERT
APPLETON, IN THEIR CAPACITY AS JOINT LIQUIDATORS OF BANNERS
BROKER INTERNATIONAL LIMITED, UNDER PART XIII OF THE
BANKRUPTCY AND INSOLVENCY ACT (CROSS-BORDER INSOLVENCIES)

This is the Examination of MAXWELL MORGAN, produced and
examined pursuant to Section 163 of the Bankruptcy and
Insolvency Act, taken at the offices of VICTORY VERBATIM
REPORTING SERVICES INC., Suite 900, Ernst & Young Tower,
222 Bay Street, Toronto, Ontario, on the 13th day of April,
2015.

APPEARANCES:**DAVID WARD** -- for the Receiver**LARRY ELLIS****ERIN CRADDOCK****CHRISTOPHER HORKINS****HOWARD C. COHEN** -- for Maxwell Morgan**Also Present:****Gillian Goldblatt****Philip H. Gennis**

M. Morgan - 4

- 1 MAXWELL MORGAN, affirmed
 2 EXAMINATION BY MR. WARD:
 3 1. Q. So good morning, Max.
 4 A. Good morning.
 5 2. Q. My name is David Ward, and I'm
 6 counsel for the Receiver of a company called Banners
 7 Broker International Limited.
 8 A. Okay.
 9 3. Q. And, we are also the lawyers for the
 10 investigatory Receiver of several other companies.
 11 A. M'hmm.
 12 4. Q. And I'm just going to give you the
 13 names now.
 14 A. Sure.
 15 5. Q. So that you have them in your mind,
 16 and you realize why we're going to be asking about
 17 companies that go beyond...
 18 A. Okay.
 19 6. Q. ...Banners Broker. So the other
 20 companies that that we need to...we have a mandate
 21 to investigate are Local Management Services...
 22 A. Okay.
 23 7. Q. ...which is 2087360 Ontario
 24 Incorporated. Parrot Marketing Inc...
 25 A. Okay.

M. Morgan - 3

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- 1 8. Q. ...2341620 Ontario Corporation.
 2 A. M'hmm. Okay.
 3 9. Q. Another company called Stellar Point
 4 Inc...
 5 A. M'hmm.
 6 10. Q. ...formally known as Banners Broker
 7 Limited. Dixit Holdings Inc., and then finally any
 8 other entity that has operated under the names
 9 Banners Broker, Banners Broker Limited, Banners
 10 Mobile or Banners Broker Belize. So, those are the
 11 companies that we're interested in today. All
 12 right, and again, what it is, it's just an
 13 investigatory. Most of it is an investigatory
 14 Receivership, so we haven't sued anybody...
 15 A. Sure.
 16 11. Q. ...it's not an adverse-type
 17 proceeding...
 18 A. Okay.
 19 12. Q. ...it's really just here to get
 20 information that can help the Receiver do their job.
 21 A. Okay.
 22 13. Q. Banners Broker is alleged to have
 23 been a ponzi scheme.
 24 A. Okay.
 25 14. Q. And some of the money flows, as best

M. Morgan - 6

1 that we can determine, have been huge. Like we're
2 talking hundreds, tens of millions. Over 200
3 million, 100 million of which is missing.

4 A. Okay.

5 15. Q. So one of the things that we're
6 trying to do is just understand the money flows
7 relating to Banners Broker and these entities. And
8 it seems, from what we can tell, that that Aramor
9 was a fairly important service provider...

10 A. M'hmm.

11 16. Q. ...to Banners Broker. So, what I
12 wanted to do today is just to understand, from
13 yourself, what the nature of your dealings with
14 these companies were...

15 A. Sure.

16 17. Q. ...and how the money flowed. And
17 how we can, you know, retroactively document some of
18 that, and what records exist.

19 A. Okay.

20 18. Q. And we can get the Receiver to the
21 point where they can take a look at them.

22 A. Sure.

23 19. Q. So. The first...why don't we just
24 have a look at some of the documents in the main
25 binder that I've put in front of Howard. And

M. Morgan - 8

1 A. No, I dropped out.

2 24. Q. Okay, but you studied at York?

3 A. Briefly, yes.

4 25. Q. In communications, and then as well,
5 you studied at Mohawk College in media
6 communications, prior to that?

7 A. Yes.

8 26. Q. And did you obtain a diploma from
9 Mohawk College?

10 A. I did.

11 27. Q. Okay. So then just flip over to the
12 next tab, if you would please, tab two. Again, it's
13 a public search document...

14 A. M'hmm.

15 28. Q. ...Aramor Payments, is that your
16 business address? First Canadian Place? Right at
17 the top-left?

18 A. Loosely. I mean, we use it to
19 receive our legal documents, et cetera, but you
20 know, most of our work is done off-shore. So, we
21 contracted several different workers, et cetera,
22 that do all of our back office stuff.

23 29. Q. So this suite 5700...

24 A. It's a sub-lease. Intelligent
25 Office owns it, and we simply...that's our business

M. Morgan - 7

1 there's some preliminary documents...it's not that
2 one, it's actually the one that's open in front of
3 you.

4 A. This is mine.

5 20. Q. Yes, and if you could...I'm sorry I
6 just have the one copy for you guys, if you're able
7 to share that one.

8 MR. COHEN: Yes, that's fine.

9
10 BY MR. WARD:

11 21. Q. And a lot of these documents I
12 suspect you'll have seen before, but there's an
13 index, and you're welcome to take a copy of that.
14 But...please have a look at tab one. I just...the
15 information that we've got from this, and it's a
16 public records search, is that Max, you, have been
17 the CEO of a company called Aramor Payments, since
18 2003?

19 A. M'hmm.

20 22. Q. Is that correct?

21 A. Yes.

22 23. Q. And then there's a reference to your
23 educational background, just below that. And am I
24 correct that you have a B.A. in communications from
25 York University?

M. Morgan - 9

1 address, legally and with CRA.

2 30. Q. So is that fair to say that's your
3 registered head office?

4 A. Yes, that's fair to say.

5 31. Q. ...in Canada...

6 A. ...sure.

7 32. Q. Okay. And do you have any other
8 offices in Canada?

9 A. No.

10 33. Q. And do you also operate from 5700,
11 suite 5700, 100 King Street West?

12 A. Operate in terms of having staff
13 there working?

14 34. Q. Yes.

15 A. No.

16 35. Q. So it's purely just a registered
17 office?

18 A. Correct.

19 36. Q. And that is a law firm, or is it
20 a...

21 A. No, it's similar to Regus. I don't
22 know if you're familiar with Regus, where they own
23 various office spaces, or lease various office
24 spaces around the world, around the city, and then
25 they sub-lease it to other companies that want to

M. Morgan - 10

1 use it as registered addresses. If we wanted
2 physical office space there to work from, we could,
3 but that hasn't been the case.

4 37. Q. Okay.

5 A. If we need a board room, or
6 something like that, for the day, we could also do
7 that.

8 38. Q. Right. So then tab...the next
9 tab...and we'll go through these initial few tabs
10 quickly. But in tab three, then please. Is this
11 a...is this your company's website?

12 A. It is, we're no longer offering some
13 of the services there. Actually, you know what,
14 that's fairly accurate. That's most recent.

15 39. Q. So this is current?

16 A. This is current, yes.

17 40. Q. And do you still provide these four
18 services that are described on the website?

19 A. We're an independent sales
20 organization. We don't provide any of the services
21 individually. We sell those services. We have
22 agreements and contracts with several companies,
23 payment processors, banks, and service providers
24 that provide the services listed there. We're
25 simply a sales agent.

M. Morgan - 12

1 A. That's correct.

2 46. Q. And then, moving on to tab five,
3 it's just a business name search.

4 A. M'hmm.

5 47. Q. And, these are the business names
6 throughout which Banners Broker operated?

7 A. Five.

8 48. Q. Tab five...sorry tab four. So you
9 can just confirm for me that you've operated as
10 Aramor...as business names Aramor Processing, Aramor
11 Payments, and then finally just Aramor?

12 A. Yes, that's accurate.

13 49. Q. And your current business name is
14 just Aramor?

15 A. Yes.

16 50. Q. And then over to the next tab
17 please, tab five. There's an address for yourself
18 on page...it's three pages in to the tab...and it
19 indicates that you are director of Aramor?

20 A. Yes, that's accurate.

21 51. Q. And to the right of that, there's an
22 address of 705 Spadina Road, suite 108?

23 A. I don't know where that address
24 comes from, but it's possible when the corporation
25 was registered, that was the address initially used.

M. Morgan - 11

1 41. Q. Okay, and we're going to get into
2 this into a little more detail...

3 A. Sure.

4 42. Q. ...in relation to Banners Broker.

5 A. Absolutely.

6 43. Q. But, were you a payment processor
7 broker? Is that a fair way to describe it?

8 A. No, we're an independent sales
9 organization. That's what we do, and we're...we did
10 offer some services to Banners Broker that may have
11 indicated we were a payment processor. It was sort
12 of in-lieu them not having certain services, that we
13 were able to offer it on a temporary basis, until we
14 could help source it for them, while maintaining
15 some of their other business that we did send out
16 elsewhere. So, but that's not typically our service
17 that we provide. We are a sales organization.

18 44. Q. Okay, so again, we'll return to this
19 in a little more detail...

20 A. Sure.

21 45. Q. ...in relation to Banners, but I
22 take it that, as an independent sales organization,
23 you deal in credit card payment, processing, card
24 fund transfers, international transfers and prepaid
25 cards?

M. Morgan - 13

1 The corporation was registered in 2003. It was not
2 active until 2006, so it was simply...it was formed,
3 and at that time I was doing some research and
4 creating the business, but there was no business
5 transacted until 2006.

6 52. Q. Okay.

7 A. So, the first three years, it was a
8 zero dollar tax returns. And I might have been
9 living at that address when I registered the
10 business, but we didn't have an office. So I'm not
11 certain where you would get that address from, but
12 it's possible that it became...it was the first
13 address used on the corporation...

14 53. Q. Yes. The only reason I'm asking is
15 because...you're right, that address doesn't exist.

16 A. Okay.

17 54. Q. And so I was wondering if you know
18 what it was?

19 A. It's possible. I did live on
20 Spadina road, at one point, many, many years ago.

21 55. Q. Okay.

22 A. So it's possible that that could
23 have been it.

24 56. Q. And you're still a director of
25 Aramor?

M. Morgan - 14

1 A. I still am, yes.

2 57. Q. And you're still CEO?

3 A. I do not use that term, but sure. I
4 just list myself as director.

5 MR. COHEN: Were you saying doesn't
6 exist, 705 Spadina Road, suite 108, Toronto
7 Ontario.

8 58. MR. WARD: Yes. We just couldn't...we
9 searched it and we couldn't find an address
10 for it.

11
12 BY MR. WARD:

13 59. Q. Max, what is your current address?

14 A. Its 583 Fleetwood Drive, in Oshawa.
15 L1K 2V7.

16 60. Q. And then, just tab six then. This
17 is also a public record search. Can you...does this
18 company, Royal Cash Card have anything to do with
19 Aramor?

20 A. No. You know we've had several
21 different card companies, globally, to work with.
22 And then we also have relationships with several
23 different resellers, or what we consider agents. So
24 most of our marketing is done through various agents
25 globally, that resell our services to the high-risk

M. Morgan - 16

1 Broker...

2 A. Okay.

3 64. Q. ...over the period of Banners
4 existence. And just to give you the timeline there.
5 Banners started operating in late 2010.

6 A. Okay.

7 65. Q. Around November of 2010, and it
8 concluded its operation when it was wound down, when
9 it was put into liquidation in...first of all...in
10 the Isle of Man, but laterally in Canada. And that
11 was August of 2014.

12 A. Okay.

13 66. Q. So, that's the period of time...

14 A. Right.

15 67. Q. ...that I'm interested in.

16 A. Sure.

17 68. Q. And so, to the extent that Aramor
18 did things before you had any contact with Banners
19 Broker, I'm not going to go there. We don't have
20 the time, and I'm not interested in that.

21 A. Sure, okay.

22 69. Q. But while Aramor was dealing with
23 Banners Broker...

24 A. M'hmm.

25 70. Q. ...in addition to yourself, there's

M. Morgan - 15

1 space, e-commerce merchants. And often times they
2 get licensed to use our name on their websites, or
3 in conjunction with their product. So there may be
4 sites out there that I'm unaware of.

5 If we see anyone using it erroneously, or
6 without our permission...we do own the trademark, we
7 will go after them, because in the high-risk area,
8 our name does carry some weight. So, I'm not
9 familiar with this, but I'm not surprised, and it
10 seems fairly standard with what one of our agents
11 may do. We don't have our name out there, swimming
12 on a lot of sites, but it's possible.

13 61. Q. But it's nothing that you've seen
14 before, in any event?

15 A. No, not that I know of.

16 62. Q. Yes, so there is...Erin was just
17 pointing out...there is a reference to Aramor
18 Processing, but on page two, but in any event that's
19 not something you've seen before?

20 A. No.

21 63. Q. Okay. So, just turning to
22 your...turning back to Aramor and the Banners Broker
23 dealings. There's a number of Banners
24 Broker...people that we believe are associated with
25 Banners, with Aramor, that dealt with Banners

M. Morgan - 17

1 a number of other names that have come up.

2 A. Okay.

3 71. Q. And, so I'm just going to go through
4 these names, and if you could tell me who these
5 people were?

6 A. Sure.

7 72. Q. And what their...the title or their
8 responsibilities were?

9 A. Okay.

10 73. Q. And then I'm going to ask you for
11 your last-known contact information, if you have
12 that?

13 A. Sure.

14 MR. COHEN: You're saying these are
15 other people that are involved in the
16 matter?

17 74. MR. WARD: Yes, at Aramor...with Aramor
18 email addresses.

19 THE DEPONENT: Sure.

20 MR. COHEN: For that 48-month period?

21 75. MR. WARD: Yes.

22 BY MR. WARD:

23 76. Q. Lyndon Burrell?

24 A. Burrell, yes.

M. Morgan - 18

1 77. Q. Just for the reporter, that's
2 L-Y-N-D-O-N B-U-R-R-E-L-L?

3 A. Yes.

4 78. Q. Okay, and just tell me who he was,
5 and what his responsibilities were?

6 A. He was an independent sales
7 contractor that was retained by Aramor. He's a
8 personal friend as well. He simply sold our payment
9 services, of our partners, to various
10 merchants...high-risk merchants. His contact with
11 Banners...he sold them our credit card products. So
12 whatever credit card processing they had, he engaged
13 in getting them set up. Helping set the rates, et
14 cetera, and that's what he sold to them. He sold
15 them a service that we didn't offer, our partners
16 offered, which is why I haven't included him in any
17 of this, because it's pretty standard what he did.
18 And there's no secret behind it.

19 79. Q. So I take it...was he an Aramor
20 employee, or was he on...

21 A. I have no Aramor employees.
22 Everyone is independently contracted. Aramor being
23 the legal name, and trademarked and representing a
24 brand. And they can cover behind that banner in a
25 case like this. I don't mind taking the

M. Morgan - 20

1 to Banners?

2 A. I would say...in relation to
3 Banners, late, or maybe early 2012, or late 2011,
4 actually, until their credit card processing ceased
5 whenever that date was. I would imagine maybe late
6 2012. I don't have the exact dates in front of me.
7 That was his role, was to maintain those accounts,
8 specifically to their credit card processing and
9 some alternative processing that they had with
10 UseMyServices. Any of our third-party arrangements.

11 84. Q. Okay, but it was essentially for
12 that one-year period of 2011 until late 2012?

13 A. As far as I recall, yes.

14 85. Q. And I'm asking, because as I had
15 mentioned, Banners continued on into...

16 A. They did.

17 86. Q. ...late 2014?

18 A. But our rule, once we set them up
19 with certain accounts, is to just collect our
20 commission on it. We don't necessarily have to
21 communicate with them after that. So, if we set up
22 someone, and they begin processing now, five years
23 from now, we can still collect on it. It's
24 not...our relationship is now with the bank or
25 payment processor. They give us our money. We no

M. Morgan - 19

1 responsibility for whatever the actions are. And,
2 so he was independently contracted. He sold certain
3 products. The products were pretty straightforward.
4 There's contracts and agreements that Banners had
5 with those providers and banks and service
6 providers. I'm not really sure what else you want
7 me to add.

8 80. Q. Okay, that's fine. I mean...did he
9 have a title or anything, within Aramor, that he
10 could when he was marketing your services?

11 A. He could use...I allow people to use
12 whatever titles they want. Titles aren't very
13 important in my industry.

14 81. Q. And lastly, when you say that he had
15 a contract with...you said he was an independent
16 sales contractor...did he have a written agreement
17 with...

18 A. No.

19 82. Q. ...with Aramor of any kind?

20 A. No. Handshake agreement. Whatever
21 commissions came in that were his, he got paid
22 honestly, and regularly. And I do have several
23 agreements like that.

24 83. Q. Okay. So that's Lyndon. And what
25 period of time was he working with you, in relation

M. Morgan - 21

1 longer have to maintain the accounts, unless needed.

2 87. Q. At Aramor...

3 A. Yes.

4 88. Q. ...it's between yourself and Lyndon,
5 because there's a couple of other names here
6 that....

7 A. Sure.

8 89. Q. ...we'll look at it, but I
9 understand that it was yourself and Lyndon, that
10 perhaps had the most contact with...

11 A. Yes...

12 90. Q. ...Aramor...

13 A. ...the accounts he set up with them
14 were fairly large, so it did take some management.

15 91. Q. And was he the Banners relationship
16 person within Aramor?

17 A. Not necessarily. He was...it was
18 primarily myself. He was the representative when it
19 came to specific products.

20 92. Q. I take it he reported to yourself?

21 A. He did.

22 93. Q. So that you were the primary Aramor
23 contact for Banners?

24 A. Yes, I was.

25 94. Q. And then Tricia Edwards?

M. Morgan - 22

A. Yes.

95. Q. What was her function and relation to Banners?

A. She's our payments manager. She's also independently contracted. Her relationship to Banners was...she just simply authorized the movement of funds. So, really, it's largely an administrative role. In lieu of my day-to-day activities, I couldn't always be there to administer certain things. So I have a team in the Philippines that does a lot of the back office work, and she administers most of that.

96. Q. And when you say "authorize the movement of funds"?

A. Well I authorize the movement, but she enacts it...she puts it into action.

97. Q. Okay.

A. So she can...you know...she's good with banking, she's good with numbers. She's basically there to help with the reporting elements of sending files back and forth, and ensuring if there's something to follow up on, she would do it. If there's an enquiry at the bank, she would do it. So she had a largely administrative role in that sense.

M. Morgan - 24

A. Working with Banners?

106. Q. Banners, or Tricia in relation to Banners?

A. Probably...well...2011 to end of 2012, she probably left mid-2013.

107. Q. And then lastly, Alicia Varga?

A. Alicia Varga helps with operations, also independently contracted. As far as her role with Banners, I don't think she did anything with Banners. If there's any communication it's just incidental. Maybe she was copied on an email or something, I don't know. But she had no relation to Banners Broker.

108. Q. And are there any names that I haven't mentioned that were your contractors that worked with Banners?

A. No.

109. Q. I then just going back to the offices, you mentioned the Canadian office?

A. Sure.

110. Q. And, then something in the Philippines as well?

A. I have five staff in the Philippines. They work independently. There's no office there.

M. Morgan - 23

98. Q. And was she the person that dealt primarily with financial institution interactions?

A. Yes, primarily.

99. Q. And again, what was her tenure?

A. She is still with me, but she's not an employee.

100. Q. No, I understand. I understand. When did she start, if you recall?

A. 2006.

101. Q. Okay.

A. 2005, actually.

102. Q. And then Liza Abrigana?

A. She's in the Philippines. She works under Tricia, or she worked under Tricia.

103. Q. Okay, so has she now left?

A. Yes.

104. Q. And what she did in relation to Banners?

A. In relation to Banners I can't say anything specific, in relation to them. She just simply managed files, managed reporting elements as instructed by Tricia. Down the line from me.

105. Q. And what...can you tell me what her period of time that she was at Aramor working with...

M. Morgan - 25

111. Q. Okay.

A. We communicate with them mainly by Skype or BBM group.

112. Q. And do they do some work in relation to Banners?

A. No.

113. Q. No. So the staff in the Philippines never had anything to do with Banners?

A. Liza, the name Liza that you have there.

114. Q. Right.

A. She assisted Tricia with whatever files were needed, but our primary objective with Banners was to provide credit card processing. So that was kind of maintained by the companies that we contracted with.

115. Q. Apart from Philippines and Canada, were there any other countries where you had contractors or staff?

A. No.

116. Q. Okay.

A. None.

117. Q. All right. So, keeping in mind this time period in which Banners Broker operated from late 2010 to August 2014. Can you tell me when the

M. Morgan - 26

1 first contact that your company had with Banners?
2 And when I say Banners, I'm going to include Stellar
3 Point.

4 A. Sure.

5 118. Q. And I'm also going to include the
6 three primary principals of Banners, which are Chris
7 Smith...

8 A. M'hmm.

9 119. Q. ...Rajiv Dixit...

10 A. Okay.

11 120. Q. ...and Kuldip Josun...

12 A. Sure.

13 121. Q. ...and I guess what I want to know
14 from you, is when was the first time that you had a
15 point of contact with one of those...

16 A. The first time was with Rajiv Dixit.

17 That would be...like to say, end of summer in 2011.

18 122. Q. Okay, and tell me about that?

19 A. Well, Rajiv...I know Rajiv from...we
20 attend the same church. I invited him over for
21 lunch with his family, at the time. And it wasn't
22 regarding business. It was...his wife was new and
23 didn't seem to know a lot of people, so I said to my
24 wife, "we should invite them over," she looked kind
25 of sad. Our kids...we have a child that's one-year

M. Morgan - 28

1 point, it evolved into a business relationship?

2 A. Yes.

3 128. Q. He said, "I have something for you"
4 and then he contacted me and he asked me to meet
5 with Chris and himself and Kuldip. I want to say
6 that was probably in October, maybe, of 2011. It
7 was in the last quarter. They told me what their
8 business was. What the model was. And they told me
9 it had to deal with marketing, and search engine
10 optimization with an MLM component to it. It
11 sounded legitimate and clean. They asked for credit
12 card processing, initially. They told me their
13 international scope, and which countries they're
14 focusing on. They asked if I could get them credit
15 card processing. I said yes. Lyndon was with me at
16 the time, with the company, and he...I tasked
17 him...we already had relationships in place where we
18 could get them credit card processing. So really,
19 the rest was for Lyndon to negotiate rates and get
20 the technical jargon taken care of.

21 129. Q. So the business component of the
22 relationship started around that time?

23 A. Yes.

24 130. Q. Last quarter of 2011?

25 A. That's correct.

M. Morgan - 27

1 older than their kids, at the time. And so I said
2 they could play together. So they came over, we had
3 a barbecue, and Rajiv asked what I did. And I told
4 him. And he said, "hey, we could use your services,
5 I might have something for you." And I said, "all
6 right. So you have my number you can call me when
7 you're ready." And that was it. So that was maybe
8 August of 2011, somewhere in that ball park.

9 123. Q. Okay.

10 A. I know it was summer.

11 124. Q. And, Raj actually had a wife who was
12 involved in Banners, as well, and her name is
13 Stephanie?

14 A. No, no, no...

15 125. Q. It wasn't Stephanie?

16 A. At the time...he wasn't married
17 legally at the time. But it was another girl named
18 Jennifer. He wasn't married to her, but he has kids
19 with her, and I think they were...they had a
20 spiritual union, so they say. And Stephanie...I
21 mean...she was his assistant at one point, I think.

22 126. Q. Okay.

23 A. But they weren't married yet.

24 127. Q. Okay, so there was that social
25 contact through your church, and presumably at some

M. Morgan - 29

1 131. Q. And when did it end?

2 A. Cease?

3 132. Q. Yes.

4 A. I want to say...I mean we got
5 commissions from them right up until end of 2013.
6 So...but in terms of communication with Banners, I
7 would probably say maybe early 2013, mid-2013, I
8 can't say for certain.

9 133. Q. Okay.

10 A. But somewhere in that ballpark.

11 134. Q. Was it around the time that Banners
12 started to have problems with...

13 A. Yes, although we didn't go and end
14 the relationship because of that. They just had
15 problems and weren't really using our services in
16 the same way. A lot of our providers pulled back.

17 135. Q. Right.

18 A. And so things sort of tapered off
19 from there, but...

20 136. Q. Okay.

21 A. ...they were operational, as far as
22 I know, up until, probably late last year.

23 137. Q. Right.

24 A. Just from what I followed.

25 138. Q. So...sorry, did you say end of 2013,

M. Morgan - 30

1 or 2014, that...

2 A. Our relationship ended in 2013, but
3 I...what I was mentioning is that I think they were
4 operational until late 2014.

5 139. Q. And did you continue to receive
6 commissions from them, at some point after the
7 relationship ended?

8 A. Not from them directly.

9 140. Q. Right.

10 A. After the relationship ended, yes.
11 We got commissions from a company called Allied
12 Wallet...

13 141. Q. Right.

14 A. ...that processes their credit card
15 transactions. They're fairly large, and we have a
16 good relationship with them. So those commissions
17 didn't stop.

18 142. Q. Now I'm going to talk about
19 commissions as a separate topic, because it's of
20 interest to us.

21 A. Sure.

22 143. Q. But, I think what would probably
23 make sense now, for everyone in the room, and
24 particularly for the Receiver, is why don't you just
25 take a minute, if you could, and tell us in your own

M. Morgan - 32

1 to allow for us to find a better solution for them,
2 with the understanding that they had a very well-run
3 business. And that was evidenced by the fact that
4 we had started processing credit cards for them
5 through our partner, and we saw a very good
6 transaction history.

7 Usually we can tell very early if it's
8 going to be a good client or not. And then lastly,
9 we did payouts for them. So the payouts we did,
10 were to...we pay out directly to credit cards
11 through our card funds transfer service. We offer
12 prepaid cards through our prepaid card vendor. And
13 we would also initiate EFT payments on our own, and
14 we offered...

15 146. Q. Sorry, you said EFT payments?

16 A. EFT, yes. So direct debit, sorry
17 direct deposit within Canada.

18 147. Q. To bank accounts?

19 A. To bank accounts. There was a
20 limited amount of that, not a lot. We offered ACH
21 payouts through our partner in the US. And we
22 offered wires, from time to time, through our own
23 accounts in Canada.

24 148. Q. And when you say offered wires, are
25 we talking about wires...

M. Morgan - 31

1 words how...what services you provided to Aramor and
2 that it did...

3 A. To Banners Broker, you mean?

4 144. Q. ...to Banners Broker, I'm sorry.
5 And then how that evolved over time, if it did, up
6 until the time that it ended...

7 A. Sure.

8 145. Q. ...in 2013?

9 A. Okay, so they needed a way to accept
10 payments. So initially, we provided credit card
11 services, or that was our task, was to set that up.
12 They asked for ways to debit bank accounts globally,
13 in certain countries. So we were to use some of our
14 partner agreements to do that. So that's where
15 UseMyServices came in. They had requested...they had
16 some groups, of companies and individuals that did
17 not have access to credit cards, who wanted to wire
18 funds in. Larger amounts that would be typically
19 allowed by the average credit card merchant account.
20 And so, we told them that there was some risk to
21 that. But we have a pretty solid relationship with
22 our bank. We are not a money service business, but
23 we'll put a bandaid on it for now. We'll accept
24 some wires on their behalf, because we're used to
25 accepting very large wires. So, we did it in order

M. Morgan - 33

1 A. Incoming wires, but also outgoing
2 wires, as far as payouts...

3 149. Q. Okay.

4 A. ...to facilitate any of their
5 billables, or payroll obligations, commissions.

6 150. Q. So did you have an exclusive on
7 payouts? Do you know?

8 A. No we didn't, but we could have. I
9 think they...most companies want to be redundant in
10 that sense, so that they're not tied to just one
11 vendor.

12 151. Q. Okay.

13 A. So I think they used a few
14 e-wallets. I think they also used a couple...I know
15 they used Solid Pay, or Solid Card, or something
16 like that. I'm pretty certain they had three or
17 four different payout schemes that they could use.

18 152. Q. But in terms of the payout methods
19 that you either undertook, or set up for them...I
20 think I have them all. There would be payouts
21 directly to credit cards?

22 A. Yes.

23 153. Q. Of affiliates of...

24 A. That's correct.

25 154. Q. ...Banners Broker? Okay. And was

M. Morgan - 34

1 that something that you did yourself, or was that
 2 something that you...
 3 A. No, we have...
 4 155. Q. ...had a service provider?
 5 A. ...we have a service provider that
 6 does that.
 7 156. Q. And which was that service provider?
 8 A. They're called NX Systems Limited.
 9 N-X Systems Limited. They're in Oregon, and they're
 10 also in Ireland. And have a banking license in the
 11 UK.
 12 157. Q. Okay, so they did the credit
 13 card...the payouts directly to affiliates credit
 14 cards?
 15 A. That's correct.
 16 158. Q. NX Systems...did anyone else...any
 17 other companies do those?
 18 A. No.
 19 159. Q. To your knowledge, obviously?
 20 A. To my knowledge. I don't think they
 21 had ever heard of it until I brought it to them.
 22 160. Q. Right.
 23 A. It's not a common product.
 24 161. Q. And what about the prepaid credit
 25 card component? Did you do that?

M. Morgan - 36

1 would prefer. I'm happy to take an undertaking.
 2 A. I can give it to you now. It's
 3 not...
 4 170. Q. Sure.
 5 A. ...a big deal.
 6 MR. COHEN: If we can't access it here,
 7 you can write me for it.
 8 171. MR. WARD: Sure.
 9 MR. COHEN: And I'll determine whether
 10 or not it's available. Because I don't
 11 want to undertake to do something that I
 12 can't provide.
 13 172. MR. WARD: Sure. Well to say...
 14 MR. COHEN: I'm not connected to it.
 15 173. MR. WARD: ...yes.
 16 THE DEPONENT: It's 2319636 Ontario
 17 Limited.
 18 MR. COHEN: 231...
 19 THE DEPONENT: 9636 Ontario Limited.
 20
 21 BY MR. WARD:
 22 174. Q. And did that company have a business
 23 name, as well, or was it just the...
 24 A. No, it was just a back office for
 25 EFT payments.

M. Morgan - 35

1 A. I'm sure they had a lot of different
 2 vendors, particularly Choice Bank out of Belize and
 3 a couple other vendors here in Canada. But we did
 4 it through Payoneer.
 5 162. Q. Payoneer?
 6 A. Which is located in New York.
 7 163. Q. Okay. Any...did you do it through
 8 any other entities, or just Payoneer?
 9 A. Just Payoneer.
 10 164. Q. And the EFT payments to bank
 11 accounts?
 12 A. EFT payments, we had a numbered
 13 company here that we used, separate from Aramor. I
 14 could get that to you. I don't have it on me now.
 15 165. Q. But who's company was that?
 16 A. That's mine.
 17 166. Q. Okay.
 18 A. Yes.
 19 167. Q. So you did that in-house,
 20 essentially?
 21 A. In-house, that's correct.
 22 168. Q. And so could I...you don't know the
 23 name of that numbered company?
 24 A. No, but I'll find it for you.
 25 169. Q. Or I can...however your counsel

M. Morgan - 37

1 175. Q. Okay. And were there any other
 2 companies, or entities, or persons that did EFT
 3 payments, apart from 239?
 4 A. No, 231.
 5 176. Q. 231, I'm sorry. And what about the
 6 ACH payout?
 7 A. ACH, we used a company called Check
 8 Gateway, out of the US. They're in Arizona.
 9 177. Q. Okay. And then outgoing wires?
 10 A. M'hmm.
 11 178. Q. How were they affected? Directly or
 12 did you...
 13 A. We probably employed a few different
 14 ideas for that. We did some out of our accounts at
 15 CIBC.
 16 179. Q. Right.
 17 A. Not many, as far as I know. And
 18 then we did...I think we also used a company called
 19 Safeguard, and they're out of the UK. And we've had
 20 two or three wire companies. We've used so many
 21 over the years, I don't have them off the top of my
 22 head. We could probably try to find them for you,
 23 though. But, most...there was only, I would say, a
 24 quarter of them done in-house.
 25 180. Q. Okay, that's helpful. So, about a

M. Morgan - 38

1 quarter of the outgoing wires were done from your
2 CIBC accounts?

3 A. That's correct.

4 181. Q. Right. And, just while we're on
5 it...did you have three accounts at CIBC?

6 A. We did. Four at one point in time.

7 182. Q. Okay.

8 A. Two US, which were the primary
9 accounts used most of the time.

10 183. Q. And were they all at the same CIBC
11 branch?

12 A. Yes, they were.

13 184. Q. Two US and two Canadian?

14 A. Correct.

15 185. Q. And you've given us some CIBC
16 account records?

17 A. Yes, I've given them all for the
18 time period requested.

19 186. Q. Okay, and I think that Gillian may
20 have some questions about...specific questions about
21 some of the accounts later on.

22 A. Yes, okay.

23 187. Q. But, it is your understanding that
24 you've given us the bank records for the four CIBC
25 accounts?

M. Morgan - 40

1 A. We were the intermediary on that
2 relationship. So Banners would give us the money,
3 and then we would...they would send the wires. We
4 would send them a lump sum, and they would divide it
5 and send it to the individual affiliates.

6 195. Q. So you were an intermediary in the
7 sense that the money went from Banners, through your
8 CIBC accounts?

9 A. That's correct.

10 196. Q. And were there any other...I think
11 you mentioned there were, but you didn't have their
12 names for the...any other service providers?

13 A. No, anyone else we used, it was
14 direct, so they would go direct to Banners. We'd at
15 least provide the introduction, but we didn't do the
16 contract.

17 197. Q. So the money never came across any
18 of your accounts?

19 A. No. It did not.

20 198. Q. Okay.

21 A. Yes.

22 199. Q. But you provided the introduction?

23 A. That's our primary business.

24 200. Q. So, in terms of the payouts?

25 A. M'hmm.

M. Morgan - 39

1 A. I don't now if it is for the four.

2 188. Q. Because I thought we had some...

3 A. I think you had three.

4 189. Q. Right.

5 A. The fourth one might have been
6 miscellaneous payroll, which didn't really apply,
7 so...I mean, you might see a couple payments to
8 staff, local vendors.

9 190. Q. Right.

10 A. Insurance payments. Banners Broker
11 transacted only in US dollars through us. So, I
12 didn't see the relevance, and the pain that it took
13 to get all of those documents...I wasn't...unless
14 ordered to do so, I wasn't going to go and do
15 anymore.

16 191. Q. Just to cover off on the outgoing
17 wires component of the payments.

18 A. Sure.

19 192. Q. So there was the CIBC accounts?

20 A. M'hmm.

21 193. Q. You used Safeguard out of the UK?

22 A. That's right.

23 194. Q. And when you say you used them, did
24 you...were you an intermediary, or did you just
25 introduce Safeguard to Banners?

M. Morgan - 41

1 201. Q. Have we covered all the means that
2 payouts were affected, directly to credit card,
3 prepaid credit cards, EFT payouts, ACH...

4 A. No, they're one more, actually.
5 There's cash payouts. In specific countries where
6 remittance is high.

7 202. Q. Right.

8 A. They would use cash payouts. We
9 never had...we never took the money directly for
10 that. And the company that did it...let me see if I
11 can find it for you. E-Cash. They have entities in
12 the States, as well as in Montreal.

13 203. Q. Right.

14 A. They service the high risk industry.
15 I can't really say if there's a specific contact
16 there or not. They're kind of a phantom company
17 now, but they did cash payouts for them out of
18 Montreal, and they had offices in Toronto as well.
19 So, if they needed cash on the ground, specifically
20 in India, that's who it would go through.

21 204. Q. So it was a US company, to your
22 knowledge?

23 A. Their registered in Canada, and the
24 US, under several different numbered companies, as
25 well as named companies.

M. Morgan - 42

- 1 205. Q. And what was Aramor's dealings, in
2 terms of...
3 A. Facilitating that?
4 206. Q. Yes.
5 A. Just an introduction. We introduced
6 them to the principal there. We would help with the
7 back office, as far as ensuring that the records and
8 reports were suitable. And when things didn't go
9 their way, if cash wasn't on the ground in India, we
10 would intervene, and try to get more details for
11 them. Banners wasn't necessarily adept at managing
12 their disbursements, so we would aid in that, as far
13 as just helping them retrieve funds if funds didn't
14 make it there, or if something didn't show up on
15 time. If a number was read wrong, or reports were
16 given wrong, where someone couldn't pick up money,
17 we would intervene in that.
18 207. Q. So, did the money actually...the
19 money that Banners was using to fund cash payments
20 through E-Cash. Did that money ever go through an
21 Aramor account?
22 A. No, it didn't.
23 208. Q. So you had an administrative support
24 function in relation to E-Cash, though?
25 A. That's right. That was the

M. Morgan - 44

- 1 know, maybe three million. It's really hard to say.
2 214. Q. In terms of payouts?
3 A. In total.
4 215. Q. Right, yes.
5 A. But it could be less. I don't know.
6 216. Q. Okay. And for facilitating...well
7 let's move on for a minute, in terms of payouts...
8 A. It's easier for me tally things like
9 credit card processing, things like that, which are
10 very tangible...like I can...I have a monthly
11 reconciliation report that's sent to us, so I can
12 estimate ball park numbers there. And estimating
13 that, and then looking at what the payouts are. I
14 mean, it's easy to say that it would probably be in
15 the millions, but I don't think all of it went...we
16 only got a fraction of it.
17 217. Q. Okay. Before we move off of payouts
18 then let's talk about records...
19 A. Sure.
20 218. Q. ...that might or might not exist, in
21 terms of these various methods of payouts.
22 A. Okay.
23 219. Q. So, starting from the top, payouts
24 that Aramor was involved in that went directly to
25 affiliates credit cards?

M. Morgan - 43

- 1 agreement.
2 209. Q. Any other ways that cash payouts
3 were...that Banners effected cash payments to
4 your...payouts to your knowledge?
5 A. No.
6 210. Q. Do you have a sense of the...just
7 the volume of the payouts that were made during
8 Aramor's tenure. Just let me finish the question...
9 A. In total?
10 211. Q. ...yes, but let me just put the
11 question on the record, first of all. I'm not going
12 to hold you to it, but we know where millions, and
13 millions of dollars.
14 A. Right.
15 212. Q. But, do you have a sense of the
16 total number of cash payouts that Aramor would have
17 been across?
18 A. Cash?
19 213. Q. No, just payouts of any of the means
20 that we've discussed?
21 A. It was very disorganized, and their
22 numbers were huge at their height, so it's hard to
23 really say. I see a lot of numbers everyday, and
24 they weren't necessarily our biggest client either,
25 so it's hard to say. I would say probably, I don't

M. Morgan - 45

- 1 A. Yes.
2 220. Q. How was that documented, and how
3 could the Receiver...who would we go to get those
4 records?
5 A. Well, we would have it sent to an FX
6 company, usually in the UK, often times offshore,
7 Malta, there is a few different jurisdictions. They
8 would remit to NX Systems, to our accounts at NX
9 Systems. Our account loosely means any clients that
10 our using our accounts, using our name as a
11 reference. So we would get paid a commission, or a
12 kick back. And then the funds would get sent out.
13 It's set up that way, so that it gives the clients
14 anonymous use of it. It's set up that way as well,
15 because we deal with a lot of companies in grey
16 areas. So, you know, when there's a seizure, or
17 there's a problem, they'd have to subpoena those
18 companies specifically.
19 221. Q. I mean just...I don't...
20 A. You can ask...
21 222. Q. ...I'm sure it makes sense.
22 Obviously it worked for a while, but just explain to
23 me. Like if I'm Chris Smith...
24 A. Yes.
25 223. Q. ...and I say I want to give Joe in

M. Morgan - 46

1 France a \$100 refund to his credit card?

2 A. Okay, so the way it would work. So
3 let's say he has...

4 224. Q. And maybe just use NX Systems as an
5 example, and just explain to me Aramor's role in the
6 piece?

7 A. So, our job is to set up the
8 relationship between NX Systems and Banners Broker.
9 What we would do is...let's say Chris has a 1000
10 pings to send and it's 250,000 in total that he
11 wants to send out to cards, what he would do is wire
12 the funds to one of our FX firms, we use several, so
13 for example FCE Exchange in the UK, MoneyCorp,
14 there's several. The funds would go from there.
15 We'd have the funds sent from there, all the way to
16 NX Systems.

17 225. Q. So, first of all, it would go to a
18 foreign exchange firm?

19 A. That's right.

20 226. Q. And you had an...Aramor had an
21 account at the foreign exchange firm?

22 A. No, we would set up individual
23 accounts for our clients. Such as, Banners Broker.
24 They would have accounts set up there.

25 227. Q. And the name of the foreign exchange

M. Morgan - 48

1 231. Q. And you make it happen, then, right?

2 A. That's correct.

3 232. Q. So you'll deal with the FCE, and
4 you'll deal with NX?

5 A. We deal with it all. All he has to
6 do is push a button to send the money, that's it.
7 We deal with everything with else.

8 233. Q. And the button is, presumably it's
9 an email to yourself or to Lyndon?

10 A. Well I meant sending the wire.
11 Lyndon had nothing to do with payouts, he only had
12 to do with credit card processing.

13 234. Q. Okay.

14 A. So, yes, it would come to me.
15 Tricia would often times help there, but...

16 235. Q. So the BB wire for these types of
17 payouts would go to...

18 A. It would go to one of the accounts
19 set up with one of the FX firms, and then from
20 there, it would go to NX Systems, and then from
21 there, it would go to the individual card holders,
22 globally.

23 236. Q. Okay, so just...

24 A. That wasn't a big part of their
25 business, though.

M. Morgan - 47

1 firm that you gave me in your example, was?

2 A. FCE Exchange is one.

3 228. Q. Okay.

4 A. And then, basically the funds would
5 go to NX Systems. NX Systems would get the funds,
6 and we would go ahead and tell them where it would
7 go. So we would send them a file, we'd upload a
8 file, with all the names and card numbers, et
9 cetera. And that's where it would go.

10 229. Q. Okay. So, how was it that you were
11 in a position to provide instructions to NX Systems?
12 Is that because you had an account relationship with
13 them?

14 A. We have an account relationship with
15 them as well, however, they are really the technical
16 back end. Although they have the service licenses
17 to do what they do, we administer the relationship
18 so that we don't lose...if an agent brings us a
19 client, we don't want to have someone poach or steal
20 a client from us, so we manage the relationship as
21 well.

22 230. Q. Okay, so from a Banners perspective,
23 if I'm Chris Smith, I can just give you...

24 A. You can just give us the
25 information, and we go ahead...

M. Morgan - 49

1 237. Q. No?

2 A. Just because...I don't think they
3 really had a full understanding of how it worked.
4 Cash payments were the biggest part of their
5 business. And wires were a big part. Cash being,
6 probably the largest, at one point.

7 238. Q. Just to close off on the payments
8 directly to credit cards, then. Would you...what
9 records would exist based on that pathway that you
10 just described for me? Like, Aramor
11 presumably...you'd have some, as the
12 administrator...

13 A. Yes, but we don't hold records. We
14 destroy them, because we are not PCI-compliant.
15 They're confidential, and we don't want to hang on
16 to people's records. That's our obligation to our
17 client, is not to store records. If you're TD Bank,
18 you can store records, because you have a fiduciary
19 duty to do that, but that's not our role.

20 239. Q. So the FCE would have records,
21 presumably the foreign exchange?

22 A. I can't answer that, I don't know.

23 240. Q. But we know Banners Broker was an
24 account holder there?

25 A. Yes.

M. Morgan - 50

241. Q. Right, so...and they may destroy their records, but they would be someone logical to ask?

A. It's possible.

242. Q. Okay, and similarly NX Systems?

A. Yes, it's highly likely. What NX Systems did was, they would...we were basically the administrator of all the accounts we would bring to them. They would say okay, yes we have service agreements with all these companies, but you have a login where you're going to administer these sub corporations that are set up, and you're going to do everything. Will they have records? Probably. They're a PCI compliant company. They'll have them locked up, and if they're subpoenaed they'll provide. Outside of that, it's hard to say what they would have and what they wouldn't. I don't know. They didn't do a whole lot with NX Systems. I would say most of the business they did for payouts was via cash. You know, any EFT records I can provide, if necessary. ACH, you'd have to subpoena Chuck Gateway for specific names. And, as far as cash, you'd have to go after E-Cash, and..

243. Q. Okay, so that's...

A. But we do have records for cash

M. Morgan - 52

Discovery, and other card holder associations, where there is a sanitized environment and a specific way of handling information, secured information, encryption, et cetera. It comes right down to your servers, to your offices, to the facilities. There is really strict guidelines. PCI compliance is expensive, and it's a huge undertaking. And it signifies that you're operating as a tech firm, or a money service business, where there's going to be certain things involved. So, for us, it wouldn't it be worth it unless we were to go public one day, or something. You know.

248. Q. And so you've never saw a need for being PCI compliant?

A. We looked at it one point in time, just out of curiosity, and looked at the cost, and the compliance measures, and the reporting measures.

249. Q. So then, what is...what was your policy with respect to Banners with respect to destruction of records?

A. Because we aren't considered PCI compliant, any records that we receive of any sort we destroy them. We have an encrypted file manager. We get it, we process it. We'll keep it on file for a few weeks, often times, up to a month, just for

M. Morgan - 51

payments if you need them.

244. Q. Right. So obviously there's a variety of different payment methods?

A. There is. We try to stay arms-length from them, in terms of just operating, but not holding accounts, or signing agreements, for this very reason, because there could be a client like Banners Broker, that we don't know what could happen. Mind you, this is the first time we've had a client that's been accused of a ponzi scheme. All of our clients are really good clients, but they're in areas that have very strict guidelines and compliance measures, that we don't want to take a legal burden for, so they sign agreements with our providers, usually.

245. Q. Okay, so let's go back to that then, in terms of Aramor...and I understand your rationale. I think I do.

A. Okay.

246. Q. For not keeping records. You mentioned you're not PCI...

A. Compliant.

247. Q. ...compliant. What does that mean?

A. PCI compliance is really a security measure enacted by Visa, Mastercard and other

M. Morgan - 53

reconciliation purposes. And then they're destroyed. Prior to 2012, we had been receiving a lot of our information by email, which is obviously, a little bit dangerous, so we had a file manager built that could manage our client's files.

250. Q. When you say "manage". You mean and destroy them?

A. That wasn't a key component, but, to safely transport them to us, to safely get the files, so they felt more secure that it wasn't just being emailed.

251. Q. Was the...I mean, was the fact that records were not maintained, was that a request of Banners Broker?

A. No, it was not. It wasn't. We don't want to keep credit card records on file, just in case I have...you know, I don't want to use Tricia as an example, or someone in the Philippines, but they're handling these records. They could take a card number, a credit card account number and buy products with it if they wanted to. They could steal someone's identity with the type of information we get. So it's...it would be prudent on my part not to keep those records. There's not a specific way of handling it that I could hold on to

M. Morgan - 54

1 that record safely for the client, and not
2 ensure...and ensure that there's not going to be any
3 damage done. So we don't want to be held
4 responsible for that.

5 252. Q. Okay, and now in response to the
6 Receiver's production request. I know that you gave
7 us a lot of bank statements, and I can understand,
8 presumably, you went to the financial institution
9 and you were able to obtain those?

10 A. Yes, that's correct.

11 253. Q. And, so even if you destroyed bank
12 statements that you had, they reside separately at
13 the financial institution, and they'd be accessible?

14 A. Yes, we have never destroyed bank
15 statements that we've had, only because CRA requires
16 certain records be kept. They're Canadian bank
17 statements, so yes, I kept records of bank
18 statements, like this, but they're mostly
19 electronic. If CRA ever came and audited us, yes, I
20 could go to the bank and get them. This, in
21 essence, is kind of an audit of what you needed, so
22 I went and got it.

23 254. Q. Right.

24 A. What I do keep is, you know, our own
25 spending, our own receipts, things like that. But,

M. Morgan - 56

1 A. I don't know if I did or not. But
2 if I didn't, I can.

3 258. Q. Yes, please...I'm not sure that you
4 have either, so why don't we just...

5 A. I can give you an excel sheet and
6 send it at your convenience. U/T

7 259. Q. Yes, please. If we could...Howard
8 if we could have an undertaking to have the excel
9 sheet. And the excel sheet matches...so I
10 understand...it's going to show...

11 MS. GOLDBLATT: Mr. Morgan provided this
12 as the receipts that Aramor received.

13 260. MR. WARD: Was that...I think that's
14 part of it.

15 THE DEPONENT: Yes.

16
17 BY MR. WARD:

18 261. Q. So this...

19 A. I'm assuming...I don't know if this
20 is all of them, but I think, if this is what I gave
21 you, then it's probably what we have.

22 262. Q. Just...I know we've only got one
23 copy of it...

24 A. Does this state if it's incoming or
25 outgoing?

M. Morgan - 55

1 mostly everything we have, is on, whether you know,
2 it's credit card or bank statements. They're easily
3 accessed.

4 255. Q. So the personal financial
5 information that you receive gets routinely
6 destroyed?

7 A. It does.

8 256. Q. For security reasons?

9 A. For security reasons. Because of
10 what was going on with Banners Broker, and a lot of
11 these people were repeat clients, they had to
12 actually request that we keep wire information on
13 file, or specific cash information on file that
14 we're being used for cash transfers, because it was
15 a lot of repeat business. A lot of repeat money
16 going out, coming in, et cetera. So they had asked
17 us to retain a lot of information. We weren't
18 comfortable with that, necessarily, but when you
19 guys had requested certain information, I had Tricia
20 provide a list of what went out, what came in, just
21 instructions. We don't have the details of the
22 wires. We have names and dates, and you know, we
23 figured that might be good enough to hand over, if
24 needed.

25 257. Q. Okay, and have you handed that over?

M. Morgan - 57

1 263. Q. Well it seems to be...

2 A. Incoming. Yes, I would say fairly
3 accurate.

4 264. Q. But I mean did you...did Aramor
5 prepare that? Or did you prepare it?

6 A. I'm 100 percent sure I prepared it
7 if you have it.

8 265. Q. And you believe it to be accurate?

9 A. Yes.

10 266. Q. And it doesn't show outgoing,
11 though?

12 A. It doesn't show outgoing. Outgoing
13 might be a little harder for me to gather
14 information on in the time period that you need it.
15 But, you know, we can do our best.

16 267. Q. Okay, so we're going to...Gillian's
17 going to have some questions towards the end...

18 A. Sure

19 268. Q. ...on some purely financial
20 accounting aspects of what you've got. So I think
21 that we'll come back to that document. Prepaid
22 credit cards as a method of payouts, there are some
23 Payoneer documents, not many, but there's a couple
24 we have from Mr. Smith.

25 A. Okay.

M. Morgan - 58

1 269. Q. Was that an arrangement that was set
2 up through way of introduction, or did you have an
3 administrative role in that?

4 A. No, we have an administrative role
5 in that as well.

6 270. Q. And what was that role?

7 A. We have a back end that we can go
8 ahead and load the cards for them. So, if they're
9 wiring in 200,000 into the account, we go ahead, and
10 we'd see it loaded into their account, and we can go
11 ahead and start adding names and loading the cards.

12 A. Often times the cards would come to
13 our attention, and we'd just forward them over them.

14
15 271. Q. Right.

16 A. That changed over time, and we
17 actually ended up sending them the cards directly.

18 272. Q. So Banners could wire money into the
19 Payoneer account?

20 A. That's correct.

21 273. Q. And you had account access
22 privileges?

23 A. That's correct.

24 274. Q. And then, so you could instruct
25 basically which credit cards were going to be...

M. Morgan - 60

1 with us over time. They built their own...they had
2 two card programs that they built on their own.

3 280. Q. EFT payments?

4 A. EFT payments.

5 281. Q. You did this in house, right?

6 A. We did it in house. Canada wasn't a
7 big market for them, so it was very small. I think
8 a lot of the payments they did within Canada might
9 have been in relation to services that were offered
10 to them directly. So, stuff they were probably
11 invoiced for, and they asked us to send the payments
12 for them.

13 282. Q. And that's an electronic funds
14 transfer?

15 A. Yes.

16 283. Q. Payments?

17 A. Correct.

18 284. Q. Okay.

19 A. So we don't...I don't think there is
20 a lot of those that were ever done, but we did a
21 handful for them.

22 285. Q. And that was done through 2319626
23 Ontario Limited. So, what records would exist in
24 respect to work that was done in this area?

25 A. I'm sure we could find the names,

M. Morgan - 59

1 A. That's correct.

2 275. Q. ...loaded up and then the credit
3 cards were either be sent to you to forward on to...

4 A. Correct.

5 276. Q. Did you forward it on to Banners or?

6 A. They would come in the cardholders
7 name, and we'd, you know, collect them in bulk and
8 hand it over to them. Eventually we had requested
9 that they just have it sent directly, because it was
10 administratively getting messy.

11 277. Q. Okay. And what volume of payouts
12 were done, were completed through that method?

13 A. I don't know. It's hard to say.

14 They built their own prepaid card program shortly
15 after they started with us. So, it wasn't very long
16 that they used ours. You know, I want to say maybe
17 a 100,000.

18 278. Q. And are there any records that would
19 exist in this area?

20 A. Possibly, I don't know.

21 279. Q. Either at Payoneer or at Aramor?

22 A. Possibly at...definitely at
23 Payoneer, not necessarily at Aramor. I'm sure we
24 probably destroyed that a long time ago, because
25 they ceased doing any of those types of transaction

M. Morgan - 61

1 that's about it. I don't have any account
2 information any longer. Those accounts are no
3 longer open.

4 286. Q. Which accounts are you...

5 A. They're with Bank of Montreal in
6 Vancouver. We had a treasury director that helped
7 us set those up. They're no longer open.

8 287. Q. What's the volume of EFT payments,
9 roughly?

10 A. I can't say. It was more than
11 20,000. 15,000 maybe. They were very small, and
12 they were to local guys who, I don't think they were
13 necessarily affiliates, I think they had, maybe a
14 specific service they provided that they needed us
15 to send money to inexpensively. It's within Canada,
16 so the cost is pennies.

17 288. Q. So this was service providers of
18 Banners, and it was strictly Canadian payments?

19 A. Yes.

20 289. Q. Okay, and the bank account that your
21 numbered company used was a Bank of Montreal...

22 A. Yes.

23 290. Q. ...and in Vancouver. So, we could
24 get those records?

25 A. I can't get you the statements

M. Morgan - 62

1 unless you want to subpoena Bank of Montreal. I
2 don't have access to them any longer. I can get you
3 the names of individuals or companies that were
4 remitted to.

5 291. Q. I mean, the Bank of Montreal, I
6 guess is...more what I was thinking. If we wanted
7 to just see what went through...

8 A. You could, I don't have statements
9 though. Not off hand, anyways. Canada wasn't...

10 292. Q. Bank of Montreal statements though I
11 mean.

12 A. Correct.

13 293. Q. They'd have copies of them, right?

14 A. They'd have copies of them.

15 294. Q. Right.

16 A. Sure. I mean...you can contact
17 them, they could get it. I can give you...you know,
18 you have the company name there. We had a lot of
19 EFT business for a lot of other companies. And a
20 significant amount of volume that went through, and
21 none were Banners related. So, Banners was really a
22 client in that realm for only a small period of
23 time. But the statements will show a significant
24 amount for the rest of our clients that are
25 off-shore that need to accept payments in Canada.

M. Morgan - 64

1 suspect your counsel may take under advisement, but
2 we would like either, an authorization and consent
3 for us to make a...possibly to make a request of BMO
4 for those records, or alternatively, if it's more
5 convenient for you...

6 A. Sure.

7 301. Q. ...to get them for us, I'd ask for
8 that as well.

9 A. Okay. U/T

10 302. Q. Just two more ACH payments?

11 A. Check Gateway.

12 303. Q. Check Gateway? And were you an
13 intermediary there, or was this an introduction?

14 A. It was an introduction.

15 304. Q. Okay. And approximate volumes,
16 payouts?

17 A. I have no idea, actually. I didn't
18 deal with that directly.

19 305. Q. Okay.

20 A. We had introduced them to a lot of
21 ACH Companies. Who they signed with, or didn't, I
22 don't know. Typically, if they signed with someone,
23 we would get a kickback of commissions of some sort.
24 But, they had a lot of different solutions. ACH
25 isn't that hard. There's a lot of providers in the

M. Morgan - 63

1 295. Q. Right, so the statements that you
2 have in relation to EFT payments, they're...you have
3 some in addition to...

4 A. I don't have any statements. I'm
5 sure I will get some at some point for CRA purposes,
6 but it hasn't been my central focus right now. I
7 don't have them.

8 296. Q. Okay.

9 A. As far as access, I'd imagine I
10 would have to petition them from Bank of Montreal,
11 but I don't know what that process will be like.

12 297. Q. Is CRA...are they...have they made
13 requests of you in relation to...

14 A. No, because that company was fairly
15 new. It wasn't really an old company, so that
16 company maybe was established in 2012, and...so they
17 really haven't made any requests. It's shut down
18 now.

19 298. Q. 2319636 is shut down now?

20 A. Not officially, but it ceases to do
21 any business.

22 299. Q. Ok, so it's not operating?

23 A. No.

24 300. Q. Okay, so why don't we just leave it
25 as this. I'm going to ask for an undertaking, I

M. Morgan - 65

1 States, so I'm not sure what they did with Check
2 Gateway or how much. We had a lot of business with
3 Check Gateway at one point, so we did get a fair
4 amount of commissions at one point.

5 306. Q. So when you make the introduction, I
6 take it this is a case for all of these. You make
7 the introduction, and perhaps you had them off to
8 Check Gateway, but then...is the structure set up so
9 that Aramor gets a commission for all the...

10 A. It is. And bear in mind, even
11 though there's agreements, it's a high-risk space.
12 There's still a chance that we don't get it, because
13 companies rob each other from time to time. So
14 we've been in that position, as well. We no longer
15 deal with Check Gateway, so I mean...if they did
16 have a relationship, it didn't last very long.
17 UseMyServices also provided similar services to
18 Check Gateway for payments, US and otherwise. And
19 that's somewhere where did get commission from.
20 Now, whether it was ACH they used or not, with Use
21 My Services, I'm not sure. They specialized
22 specifically in accepting and sending payments to a
23 number of countries, and I don't know if US is one
24 of them.

25 307. Q. But UseMyServices was employed to

M. Morgan - 66

1 collect payments from affiliates, right?

2 A. They were, but they also have
3 arrangements and bank relationships where they can
4 do more. So, I don't know the scope of everything
5 they've done. I just know what we collect in
6 commissions. It doesn't have a breakdown of each
7 country or what they've done.

8 308. Q. Right. And then. The cash payouts?

9 A. M'hmm.

10 309. Q. As well. The volume there was?

11 A. Pretty high. Maybe as high as a
12 million.

13 310. Q. Okay, and what commission would you
14 get for arranging the cash payouts?

15 A. We got...it was a per transaction
16 commission. So, I'd have to go back and look back
17 at our records, but you know, I think we might have
18 collected a small percentage of each one, maybe half
19 a percent of each payment that was sent out. Half a
20 percent to one percent.

21 311. Q. So was that a contract...presumably,
22 for all of these...for the work that you did?

23 A. It was a contract, yes.

24 312. Q. Okay, and we have a contract in the
25 productions that we'll look at in a minute, but who

M. Morgan - 68

1 would consult Banners on how to deal with them, et
2 cetera, but we don't accept enumeration for that.
3 It's a part of what we do.

4 317. Q. So where do we see the Aramor
5 contract?

6 A. End and begin?

7 318. Q. Well where do we see the actual
8 paper, the document, the Aramor contract?

9 A. I think I sent it to you guys. For
10 wires, outgoing wires, and for...

11 319. Q. For everything, like was there more
12 than one contract, or was there just one?

13 A. There was just one.

14 320. Q. Okay, so let's have a look at tab
15 eight.

16 MR. COHEN: Mr. Ward, what time do you
17 want to take a break.

18 321. MR. WARD: I guess...I say we go for an
19 hour and half.

20 THE DEPONENT: Do you have to take a
21 break?

22 322. MR. WARD: Five minutes, Counsel?

23 THE DEPONENT: Unless Howard needs one.

24 MR. COHEN: I just have to plug in with
25 some other things, and set up a timeline.

M. Morgan - 67

1 was Aramor's client?

2 A. Aramor's client was Banners Broker.

3 313. Q. Okay.

4 A. We were contracted directly with the
5 company E-Cash. They sent us our kickbacks on
6 whatever they processed, but we handled the
7 administrative components of it, because it was very
8 disorganized. There was some technical components
9 that weren't integrated as yet.

10 314. Q. But in terms of all the work that
11 you did for Chris Smith and Banners Broker. And
12 when I say...when I use the word Banners Broker...

13 A. Sure.

14 315. Q. ...I'm including...

15 A. You're using the other companies.

16 316. Q. ...Stellar Point and the whole
17 group. The contract that you...I presume you had a
18 written contract or agreement?

19 A. Written contract and agreement for
20 certain services would have been Aramor. Certain
21 other services, such as credit card or some of the
22 ACH services I'm talking about, the cash services,
23 they wouldn't be considered our client, they would
24 be considered a client of the service provider that
25 they're using. And we collect a kick back. We

M. Morgan - 69

1 323. MR. WARD: Well this is going to take us
2 a while, to go through, so why don't we
3 take five minutes now, and then we'll come
4 back and jump into this contract?
5 THE DEPONENT: Sure, okay.

6 --- A BRIEF RECESS

7
8
9 MAXWELL MORGAN, resumed
10 CONTINUED EXAMINATION BY MR. WARD:

11
12
13 BY MR. WARD:

14 324. Q. Max...just before the break, we
15 turned up tab eight of the document...

16 A. M'hmm.

17 325. Q. ...brief, and it's a document...I
18 don't see a date on it, and it's not signed, but it
19 does say "electronic transaction processing
20 agreement"?

21 A. Yes, and I'm sure I can get you a
22 signed copy. It's not a problem. I'm not sure why
23 you didn't get a signed copy.

24 326. Q. Well just...flip through them
25 and...first of all, you've seen this before?

M. Morgan - 70

- 1 A. It is signed, actually.
 2 327. Q. Well it's signed by Smith. It's not
 3 signed by yourself?
 4 A. You don't have our counter-signed
 5 copies, I guess.
 6 328. Q. And there's no appendices either.
 7 There's references to...
 8 A. I'll get you the full details. U/T
 9 329. Q. Okay. First of all, tell me...what
 10 are we...who prepared this? What is it? Why don't
 11 you describe it for...
 12 A. Sure.
 13 330. Q. ...me, and then I'll have it...
 14 A. It's just our standard electronic
 15 processing agreement for disbursements. So, it
 16 covers funds that we send out for clients, primarily
 17 in an electronic platform. ACH, EFT, wires, SEPA,
 18 Boletto Bancario in Brazil.
 19 331. Q. Where does it do that, because I
 20 didn't see that when I looked at it? So just...maybe
 21 you can walk me...
 22 A. It's loosely referenced. It's not
 23 in there, specifically, but...it's just open ended.
 24 332. Q. Okay. So who...is this is an Aramor
 25 document?

M. Morgan - 71

- 1 A. Yes, it is.
 2 333. Q. And did you prepare this, or did
 3 you...
 4 A. Loosely, you know, with a little bit
 5 of legal input. It's loosely prepared. Nobody
 6 really adheres to the agreements 100 percent, but it
 7 is what it is.
 8 334. Q. And this is Aramor's agreement with
 9 Banners Broker Limited?
 10 A. Yes, it is.
 11 335. Q. Were there any other written
 12 agreements apart from this one, at any time?
 13 A. Not that I can recall, no. Not
 14 between Aramor and Banners.
 15 336. Q. And you're going to...you believe
 16 that you have a fully signed copy with appendices?
 17 A. I do. I can get that over to you. U/T
 18 337. Q. Okay, great. And, so if I could
 19 have then...
 20 A. It will have a schedule of what they
 21 were paying for specific services referenced, and
 22 you can take it from there.
 23 338. Q. Okay, and the schedule...it's a
 24 schedule of commissions, presumably?
 25 A. Not necessarily. Well, yeah. I

M. Morgan - 72

- 1 mean we can tell you what our buy rate was offered
 2 to them, but on the schedule, it just has a sell
 3 rate. No, it doesn't have it there right now, but I
 4 can send you the copy that does it have it, that
 5 shows you just their...what they were paying as the
 6 end listed price.
 7 339. Q. Okay, so I see a reference to an
 8 addendum A, which we don't have, which is called a
 9 "settlement schedule"?
 10 A. Yes.
 11 340. Q. And...
 12 A. It's not...it really shouldn't be
 13 "settlement schedule," addendum A should be the
 14 schedule of what they pay.
 15 341. Q. That's in paragraph 12. So the
 16 settlement schedule is what Banners Broker pays to
 17 Aramor for what?
 18 A. So for example, if wires are listed
 19 as the preferred method of sending funds out, it's
 20 simply referencing that it's going to be done within
 21 the time frame that's listed. So, usually in the
 22 schedule A, it will say they're paying a certain
 23 amount for wire services done within 48 to 72 hours
 24 of file being upload. It's going to reference that.
 25 That's all.

M. Morgan - 73

- 1 342. Q. I mean, it's paying Aramor, right,
 2 that's what addendum A is, it's a payment of your...
 3 A. Paying to Aramor?
 4 343. Q. ...schedule of your fees, of your
 5 company?
 6 A. Yes, but we had different clients
 7 that pay in different ways. So, some will send us
 8 their file and their funds, and we debit it from
 9 that funds. Or some of our clients we invoice. So,
 10 yes.
 11 344. Q. But, for Banners?
 12 A. For Banners, it would be all
 13 included, so we would take it out of what they send
 14 us.
 15 345. Q. Okay.
 16 A. Yes.
 17 346. Q. And is that...whatever you did, is
 18 that described on this addendum A...
 19 A. It is.
 20 347. Q. ...that we don't have?
 21 A. Yes.
 22 348. Q. And then further on in the document,
 23 there's another reference to an addendum A, and it
 24 says, and it speaks of...the pages aren't numbered,
 25 but it's under section 19. Addendum A says that it

M. Morgan - 74

1 sets out return processing fees?

2 A. Yes. So, if something bounces back
3 to us, or something gets returned for whatever
4 reason. It's an invalid account number, or a closed
5 account, or any number of reasons, then there are
6 fees for that...

7 349. Q. Okay.

8 A. ...that we charge the client or
9 merchant.

10 350. Q. And they'd be set out on addendum A,
11 as well?

12 A. That's correct.

13 351. Q. So is it fair to say that addendum A
14 has...

15 A. Has all the pricing.

16 352. Q. Yes, which you're going to provide
17 to me...has all of the means in that Aramor was
18 compensated? All of that?

19 A. That's accurate.

20 353. Q. And is there any other compensation
21 you received?

22 A. Outside of that?

23 354. Q. That...just let me finish the
24 question for the record...

25 A. I'm sorry, apologies.

M. Morgan - 76

1 we're dealing with. If he had funds sent from some
2 of his other named companies, that was his right to
3 do so, only because, you know, we have clients that
4 do that to protect themselves from certain tax
5 liabilities. Maybe one of the companies is a
6 holding company, and they have several subsidiaries,
7 et cetera. But the agreement was with Banners
8 Broker. It was understood that Chris' funds would
9 come from various different accounts, and that
10 was...that's not unusual.

11 362. Q. No, I understand. Okay. And so,
12 again, just for the record, I'd like an undertaking,
13 Counsel, and I think I have it from Max to produce a
14 complete signed copy of this with any addendum?

15 A. Yes, that's fine.

16 MR. COHEN: Well, technically I'll give
17 you my best efforts to provide what the
18 gentlemen is undertaking to do. But,
19 because I haven't seen any of the documents
20 myself, I'm not giving you an official
21 undertaking.

22 363. MR. WARD: So you'll just take it under
23 advisement, then?

24 MR. COHEN: Well, no, I'm saying
25 something a little bit different, because

M. Morgan - 75

1 355. Q. Is there any compensation that
2 Aramor received, at any point in time, that's not
3 consistent with what we're going to see on addendum
4 A?

5 A. No, not from Banners Broker, no.

6 356. Q. So that would be a complete
7 statement?

8 A. That would be complete, yes.

9 357. Q. And when we talk about Banners
10 Broker, we're talking about Banners Broker Limited?

11 A. Yes, that is correct.

12 358. Q. They're the contracting party?

13 A. That's correct.

14 359. Q. And that's Chris Smith's...

15 A. Chris Smith

16 360. Q. ...company?

17 A. That's correct.

18 361. Q. And were there any other...apart
19 from addendum A and your signature on this
20 agreement, is it missing anything else? Or is it
21 fully complete?

22 A. No, I'd like to add, for the
23 record, that, as you mentioned, there were other
24 companies involved with Chris Smith. It was
25 understood that Banners Broker was the entity that

M. Morgan - 77

1 to me, a formal undertaking has
2 consequences for the solicitor, and I
3 haven't seen the documents. And he's
4 saying he can provide them. So if I see
5 the documents, and I'm satisfied their
6 consistent with the undertaking, then I'll
7 provide them.

8 364. MR. WARD: Okay, I think we're talking
9 about the same thing. I mean, you're
10 saying not until you see, you don't want
11 to undertake to produce it, but you'll take
12 my request under advisement?

13 MR. COHEN: That's right. U/A

14 365. MR. WARD: And what...

15 MR. COHEN: You know, you said at the
16 outset that this matter is not litigious?

17 366. MR. WARD: No, it hasn't been so far.

18 MR. COHEN: It's not governed by the
19 Ontario Rules of Practice.

20 367. MR. WARD: What's not covered?

21 MR. COHEN: The way in which I conduct
22 myself in the proceeding.

23 368. MR. WARD: Okay.

24 MR. COHEN: And that's why I'm making
25 the distinction I am about an undertaking.

M. Morgan - 78

1 369. MR. WARD: Fair enough, all right. But
2 it is something...the Receiver would like
3 to see, because it relates to the entity
4 that is in Receivership.

5 MR. COHEN: I don't intend to obfuscate
6 the process of obtaining documentation. I
7 don't want to be responsible for it, unless
8 I know...unless I've seen it, so that I
9 know that it's connected to what my client
10 is capable of providing.

11 370. MR. WARD: Okay. I'm completely
12 comfortable with that.

13 MR. COHEN: A lot of times all this
14 falls on the shoulders of the lawyer.

15 371. MR. WARD: Yes. Okay, no I'm fine with
16 that.

17 MR. COHEN: And then there's
18 consequences for the lawyer.

19 BY MR. WARD:

20 372. Q. Okay, Max this isn't...I don't see a
21 date on...well I do...I see one date on the
22 second-last page, beside a blank signature line, but
23 why don't you tell me, to the best of your
24 knowledge, when was this prepared?
25

M. Morgan - 80

1 our agreement is with the payment processors, or
2 banks, that are going to send us our commissions.

3 376. Q. Right, right. And, so you had
4 commission agreements?

5 A. Correct.

6 377. Q. With the payment processors?

7 A. Correct.

8 378. Q. In relation to Banners Broker?

9 A. In relation to any merchant we
10 bring. It's not specific to one merchant. So, if
11 our relationship with...our relationship with
12 Banners Broker isn't unique in any way, is what I'm
13 saying. We have a relationship with the payment
14 processor that Aramor can mark up our rates to a
15 certain point, where we can collect x amount of
16 dollars on it. Each deal is a bit different, but
17 it's understood that we're going to receive our
18 commissions each month, or each week, or whatever
19 the settlement period is. And, we expect our
20 processors to abide by it.

21 379. Q. Okay. And, just before we leave
22 this exhibit. Show me, where do I see the services
23 that you're providing to...Aramor's providing to
24 Banners? Is that on the first page?

25 A. That would probably be in the

M. Morgan - 79

1 A. 2012.

2 373. Q. April 2012?

3 A. I imagine that would be the day.

4 374. Q. Okay, but I know...so, prior to
5 this, was there a written agreement in place with
6 Banners, because, at the outset?

7 A. No, what happened with Banners is
8 that they ran into certain problems, where business
9 was growing too fast, and they needed specific
10 services offered. We kind of plugged a few holes
11 for them, as a bandaid solution, for certain things
12 to take place, before a contract was sent to them.

13 375. Q. Okay. Because you started...I mean,
14 you've told us already that you started working for
15 them in 2011, correct?

16 A. Yes. I mean, the work that we did
17 with them in 2011 was to secure certain types of
18 processing for them. So they hadn't
19 necessarily...they hadn't signed an agreement with
20 us. The agreements they signed were with Beanstream
21 and Allied Walled, and other companies that were,
22 excuse me, doing payment processing for them. Them
23 being our client, there's no paperwork that is
24 signed with us, when we send them to someone else.
25 They're signing directly with those individuals, and

M. Morgan - 81

1 addendum, in terms of specifics, for what we would
2 have given them. ACH...not ACH sorry...EFT and
3 wires. I don't think there was anything else.
4 There was nothing else that we did direct. So any
5 other agreement that they signed, which was a
6 provider.

7 380. Q. Okay.

8 A. Which they would have to present.

9 381. Q. And was the addendum ever...was this
10 agreement, or the addendum, was it ever amended at
11 any...

12 A. No.

13 382. Q. ...at any point?

14 A. Not to my knowledge, no.

15 383. Q. And was this agreement...I know your
16 relationship with Banners ended at some point. Was
17 this formally terminated, or was it just simply...

18 A. No, I mean it stopped when our bank
19 accounts...Banners effectively got our accounts shut
20 down. They got everything closed, because our bank
21 said we didn't have that agreement with you to be
22 able to do this for them. And we had a great
23 relationship with CIBC, but from a corporate
24 governance standpoint, they weren't comfortable with
25 what Banners was doing. And so from there, our

M. Morgan - 82

1 agreement ceased.
 2 384. Q. The agreement with CIBC?
 3 A. And with Banners, for the most part.
 4 385. Q. Okay.
 5 A. We just told them we can't do
 6 anything for you.
 7 386. Q. Right.
 8 A. The bank compliance has some
 9 problems, and, so we'll continue sourcing what you
 10 need for credit card and anything else, but we can't
 11 do anything directly for you anymore, because it's
 12 jeopardizing our relationships.
 13 387. Q. Right. And did CIBC, at some point,
 14 terminate Aramor as a customer?
 15 A. They did.
 16 388. Q. And when was that?
 17 A. That was, I'm going to say the end
 18 of 2012. December 2012.
 19 389. Q. Okay, and they did that because of
 20 the relationship...the work you were doing with
 21 Banners?
 22 A. They were never explicitly put that
 23 in writing, but, you know, we were told, you know.
 24 As much information we tried to gather, we were told
 25 this was the reason, you know...too many...there

M. Morgan - 84

1 shut down by the...
 2 A. No, that had nothing to...
 3 394. Q. ...financial institution, at any
 4 point?
 5 A. ...with Banners Broker, no.
 6 395. Q. And apart from CIBC, did any other
 7 financial institutions in Canada terminate Aramor's
 8 account relationship, on account of Banners Broker?
 9 A. No, not at all.
 10 396. Q. Did any other financial
 11 institutions, anywhere in the world, terminate
 12 Aramor's account relationship on account of Banners?
 13 A. No.
 14 397. Q. So it was just the CIBC?
 15 A. It was just CIBC, which was our
 16 primary account. They were...they did a lot of
 17 great things for us. So that was a sour point for
 18 us.
 19 398. Q. And it as just those four accounts
 20 at CIBC, as well?
 21 A. That's correct.
 22 399. MR. WARD: Okay, I understand. So let's
 23 mark the Aramor contract as Exhibit 1,
 24 Counsel.
 25

M. Morgan - 83

1 were these incoming wires, a lot of them incorrectly
 2 sent, a lot of it was botched, a lot of it looked
 3 really ugly. The history we had with CIBC, we did a
 4 lot more volume then what you see there over the
 5 years. But it was very well organized, very clean,
 6 very well orchestrated, and the Banners process,
 7 with wires coming in from their customers was very
 8 messy.
 9 390. Q. Okay.
 10 A. Prior to that, the only wires we had
 11 ever incoming to any of our accounts, was corporate
 12 wires. Never from individuals that have no idea
 13 what they're doing when they go to the bank to send
 14 a wire. So, we'd have missing wires on a daily
 15 basis. There's probably about 200,000 of wires
 16 missing, coming into CIBC, just from people who
 17 didn't send them correctly.
 18 391. Q. Okay, so Aramor's account
 19 relationship at CIBC was shut down?
 20 A. Yes.
 21 392. Q. I know that, as well, through your
 22 affiliated company, you had a banking relationship
 23 with Bank of Montreal...
 24 A. Right.
 25 393. Q. ...in Vancouver. Was that similarly

M. Morgan - 85

1 --- EXHIBIT NO. 1: Contract between Aramor and Banners
 2 Broker
 3
 4 MR. COHEN: Your copy just has Smith's
 5 signature on it?
 6 400. MR. WARD: Yes.
 7
 8 BY MR. WARD:
 9 401. Q. Alright, just...Max, before I get to
 10 some of your other documents, because there is two
 11 more things we want to do today.
 12 A. Sure.
 13 402. Q. And then we're going to get to some
 14 of the other documents in this binder, which are
 15 some Chris Smith documents, because I think they're
 16 important...
 17 A. Okay.
 18 403. Q. ...to the Receiver understanding
 19 work that Aramor did.
 20 A. Sure.
 21 404. Q. And then, as well, finally...and I'm
 22 not sure when we'll get to this, but we also have
 23 some purely financial related questions, relating to
 24 flows of money, and Gillian and Phil have those for
 25 you, based on the bank statements...

M. Morgan - 86

1 A. Sure.
 2 405. Q. ...that we have so far.
 3 A. Okay.
 4 406. Q. Okay?
 5 A. What time do we have to be out of
 6 here, Howard?
 7 MR. COHEN: Well you have half a day
 8 booked, right?
 9 407. MR. WARD: Yes, we've only...we figured
 10 we start with half a day.
 11 THE DEPONENT: So 2 o'clock?
 12 MR. COHEN: What time...
 13 THE DEPONENT: 1 o'clock.
 14 MR. COHEN: What time do you want to go
 15 to?
 16 408. MR. WARD: Well, normally we go to 1.
 17 Let's just go off the record.
 18
 19 --- DISCUSSION OFF THE RECORD
 20
 21 MR. COHEN: Okay, so let's go to 1:30
 22 then?
 23 409. MR. WARD: Yes.
 24 THE DEPONENT: Okay.
 25 MR. COHEN: Okay, fire away.

M. Morgan - 87

1 BY MR. WARD:
 2 410. Q. Max, you've given me a lot of
 3 information on the work that you did for Banners, in
 4 relation to payouts?
 5 A. M'hmm.
 6 411. Q. Okay. And you've told me that you
 7 weren't exclusive in relation to payouts?
 8 A. I don't believe I was. I wasn't
 9 privy to whoever else. I just heard different
 10 things.
 11 412. Q. What was the second major category
 12 of work that you did for Banners, apart from
 13 payouts?
 14 A. I would say...do you mean directly
 15 Aramor and Banners?
 16 413. Q. Directly or indirectly.
 17 A. Indirectly, I'd say credit card
 18 processing. That was...that's where we earned the
 19 most money.
 20 414. Q. Let's talk about credit card
 21 processing for a couple minutes?
 22 A. Sure.
 23 415. Q. And, describe for me how the credit
 24 card processing worked that you did for Banners?
 25 A. So, we would set up account

M. Morgan - 88

1 with...we would broker the arrangement between
 2 Banners Broker and whoever the credit card processor
 3 was. So one was Beanstream, out of Victoria, BC.
 4 The other was Allied Wallet. And, essentially what
 5 happened was...
 6 416. Q. Was there any others, apart from
 7 Beanstream and Allied Wallet? What about Use My
 8 Services?
 9 A. Yes, but they didn't do credit
 10 cards, they had alternative payment services.
 11 417. Q. Okay, so for the credit cards it was
 12 just Beanstream and Allied Wallet?
 13 A. Beanstream and Allied Wallet, yes.
 14 They might have had others, but not through us.
 15 418. Q. Okay, and you brokered both of these
 16 relationships?
 17 A. Yes, that's correct.
 18 419. Q. And was it Beanstream first, and
 19 then Allied Wallet?
 20 A. That's correct. So Beanstream did
 21 some volume with them. They did some volume with
 22 them, and then they shut them down. They didn't
 23 shut them down because of compliance, I just
 24 believe...actually, I can't give you a reason they
 25 shut them down. Sometimes processors shut down

M. Morgan - 89

1 companies, but I don't think it was anything
 2 illegal.
 3 420. Q. Beanstream shut down?
 4 A. Yes.
 5 421. Q. The Banners account?
 6 A. That's correct. Beanstream
 7 specializes in retail. And some light e-commerce,
 8 you know, if you have a little web design company,
 9 or something. But, they don't specialize in very
 10 complex, high-risk companies. High-risk meaning,
 11 there are companies that Canadian banks typically
 12 won't take.
 13 422. Q. Okay.
 14 A. And being a high-risk e-commerce
 15 operated that Beanstream, sorry Banner was, we took
 16 them to Allied Wallet, which was prepared to take on
 17 their business. I can't give you exact totals, as to
 18 what they did with Allied Wallet, but on their best
 19 months, they did anywhere from five to eight million
 20 dollars, on a monthly basis. So, our commissions
 21 were fairly lucrative from that.
 22 423. Q. So let's...and then at some point
 23 that obviously ended, as well, and your
 24 commissions...
 25 A. Correct. They dwindled.

M. Morgan - 90

1 424. Q. Right, right. So for the Beanstream
2 credit card payment services that you brokered?

3 A. Yes.

4 425. Q. What...first of all, what time frame
5 was that? Do you...we have that...

6 A. That was probably late 2011, maybe,
7 maybe December 2011. They started processing in
8 January, so maybe that went to maybe about March, or
9 April 2012.

10 426. Q. ...2012? Okay. And when you say you
11 brokered that, did you...was it an introduction, or
12 were you...

13 A. No, well yes and no. Yes...

14 427. Q. ...an intermediary?

15 A. ...it was an introduction, but we
16 were intermediary in terms of setting their rates.
17 We decided to determine what the rates are going to
18 be. We negotiate with both sides. You know, we do
19 the initial introduction, but we also represent the
20 merchant by explaining their services and what they
21 do, just to help for an understanding.

22 But the legal and financial responsibility
23 is on the processor, to do their own due diligence,
24 which they do. We help the client with the
25 application and any documentation. If there is

M. Morgan - 92

1 "...What the heck is going on with your
2 client? You know, we're seeing ten charge
3 backs this month..."

4 And you know, they say, "is there a spike in charge
5 backs from the US?" Or this or that. Maybe they
6 want to understand why, or they want to get an
7 understanding as to if there's an explanation. And
8 so, we will arrange to help provide that information
9 for them. So really its to soften the blow for the
10 merchant. We stand in between just to do that. We
11 can sell the merchant better than they can sell
12 themself usually.

13 430. Q. But you didn't...I take it Aramor
14 didn't have a contract with Beanstream?

15 A. No.

16 431. Q. Did you have a commission agreement
17 with them?

18 A. We did have a commission agreement
19 with them.

20 432. Q. And, a commission agreement, in
21 relation to Banners Broker?

22 A. Correct.

23 433. Q. Okay, so...

24 A. Not specific to Banners Broker, just
25 in general. So, we have a reseller agreement with

M. Morgan - 91

1 something they need to change on their site, we'll
2 advise them to so. If there is something they need
3 to add, if they need a secondary signer, someone's
4 name is tainted, we'll tell them to pull it off, and
5 put someone else's name. Things like that.

6 428. Q. So once... and you helped them with
7 their account application to Beanstream?

8 A. We did, and then we also...we
9 advise, we don't touch anything. But we'll advise
10 certain things that we know the processor will want
11 to see. Not anything dishonest, but obviously,
12 worded carefully. We help with technical
13 integration to a limited degree, meaning, if there's
14 specific things that they'll want to see from a
15 fraud measurement standpoint, et cetera, on their
16 website, we'll certainly advise on that, as well.
17 So, it's more of a consulting role.

18 429. Q. So after the introduction, and the
19 establishment of the relationship, you have an
20 administrative troubleshooting role...

21 A. No. The role after that...both
22 parties need to get on a phone call. If something
23 really catastrophic happens, we'll arrange a phone
24 call, but outside of that. Often times a processor
25 may contact us and say, you know:

M. Morgan - 93

1 Beanstream, where we are able to mark up our pricing
2 by a certain percentage, and we get a monthly
3 commission from that.

4 434. Q. So, just what was the commission?

5 A. I can't recall.

6 435. Q. In the reseller agreement?

7 A. It wasn't very large, because
8 Beanstream's prices, and their services are very
9 retail-orientated. We're in the high-risk space, we
10 can charge a lot more, typically, so I don't know.
11 We might have made, total, four or five grand. It
12 wasn't very much, over the course of four months.

13 436. Q. So it would be a fraction of a
14 percent of the...

15 A. Yes.

16 437. Q. ...credit card payments that were
17 processed by Beanstream?

18 A. Correct, yes. So it was...I don't
19 have the exact numbers. I mean, but it was pretty
20 small. They didn't do. They did a decent volume
21 with them, but there wasn't very much we could earn.
22 There are limitations placed on us.

23 438. Q. Sorry, just a quick sec.

24 A. Sure.

25 439. Q. And, so the Beanstream relationship

M. Morgan - 94

ended, and you described for us, they became uncomfortable I guess, with...

A. Yes, we are uncertain as to why they ended it. I think it was just, yes, just discomfort.

440. Q. And then Allied Wallet started?

A. Allied Wallet, there was probably some overlap. I would say they started maybe in March.

441. Q. Okay.

A. I'd have to check to my records, exactly when they started, but the bulk of 2012 was Allied Wallet.

442. Q. And what your...what was Aramor's role in relation to Banners/Allied Wallet?

A. Similar to Beanstream. Allied was more prepared to take on a high-risk merchant like this, and we did the introduction. We set the rates, and...you know, if any changes need to be done to their sites, or any compliance measures that Beanstream...sorry Allied Wallet asked for, we would go to Banners and ask for it. So it was, really...it's just a lot of back and forth really, between us and Allied Wallet.

443. Q. Erin just passed me a note that,

M. Morgan - 96

just because I had an existing relationship with them, and I thought something could be done. And these guys need to be up quickly, so I got them up quickly. But, you know, we were happy that relationship ended because we weren't making the money we wanted to make on such a lucrative account. With Allied, we didn't have to charge them the world, and we still made a lot of money.

449. Q. Yes. So tell me about Allied, then, because we've...obviously we've spoken to Allied Wallet, as well. What was the...did you have a written agreement with Allied...

A. Yes.

450. Q. ...like a reseller agreement?

A. Yes we do.

451. Q. And, was it specific to Banners Broker, or was it generic?

A. Generic, yes.

452. Q. And was Banners Broker the largest of the customers that you had with Allied?

A. Yes it was.

453. Q. And, did you have some sense of the volume of transactions that credit cards payments that were processed through Allied?

A. On average, I would say two to three

M. Morgan - 95

according to the Receiver's investigations to date, it looks like about four million in Banners Brokers transactions that went through Beanstream, in terms of credit card payments that were processed?

A. Yes, that accurate.

444. Q. Does that sound about right?

A. It could. I'm not 100 percent sure. In all their time with Beanstream, it's possible. But, our percentage on that was so small that...

445. Q. Well it sounds like...if it was a four million dollars in volume, and you got four or 5,000?

A. Yes, it was very small.

446. Q. Was there any other compensation apart from the commissions...

A. No.

447. Q. ...was there introduction fee?

A. No, there was nothing like that. Bear in mind, we don't deal with local retail operations. Typically in Canada, as far as processors First Data, Moneris, any of those guys, because there's no money in it for us, as you can see.

448. Q. M'hmm.

A. The reason we went to Beanstream was

M. Morgan - 97

million, on the high end. I know, there's some months they did five to seven million.

454. Q. Okay.

A. Yes.

455. Q. And what were the...what was the commission fee structure with Allied?

A. I can't remember what we...the exact percentage. I'd have to go back and look. But, you know, on average, over a certain amounts...certain months that we had with them, it could range from 40,000 a month to 110,000 a month. When they started to taper down, it would go into the tens of thousands, and the single digits, then hundreds, then it would stop.

456. Q. Okay.

A. That was towards the end.

457. Q. So, Counsel, could I have an undertaking, or an under advisement, or however you want leave it, to get...

MR. COHEN: I'll put on my best efforts to assist.

458. MR. WARD: The best efforts to produce, if available, the reseller agreements in respect of Allied Wallet and Beanstream, please?

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U/T

MR. COHEN: Okay.

459. MR. WARD: Thank you.

BY MR. WARD:

460. Q. Now, would you...would there be commission fee statements for the work that you did on the credit card payment services side?

A. For Allied Wallet, yes. Beanstream, I don't necessarily...I don't know if I just didn't keep a record of it or not. But, Allied, yes, they made a concerted effort to. Beanstream, I think you had to login to your back end and you'll see your statements.

461. Q. Right.

A. Whereas, Allied sent them, dedicated to us, every month.

462. Q. Were there any other statements that you received from Beanstream or Allied, having to do...

A. With the processing?

463. Q. ...with the commission and processing for Banners Broker?

A. No, not with the processing. I mean with Allied we have such a good relationship with them. If there was anything we wanted to see,

M. Morgan - 100

addendum. But, it was really just to allow them the convenience of having some of their customers send in money, because they had nowhere else to get it. And they're Canadian accounts, and offshore accounts couldn't accept so many wires like that. Whereas CIBC cut us some slack. I had a good relationship with the manager at CIBC, and she was very kind to us. But again, they ended that relationship by how they used it.

468. Q. Right, so that service, just to put a name of it, would be like, receipt of wire transfers, right?

A. Sure, we could do that.

469. Q. So, wire transfers for a period of time would come in from affiliates?

A. Yes.

470. Q. Around the world?

A. That's correct.

471. Q. Right. And, they would be sent into your CIBC accounts?

A. That's correct.

472. Q. Were they sent anywhere else apart from those CIBC accounts?

A. No, they were not.

473. Q. And then, what would happen to them

M. Morgan - 99

they're very transparent. And their reputation is very strong, so no, we just looked at the commissions. We had an idea of what they processing.

464. Q. Okay.

A. So, that was...we never really looked to get any deeper than that.

465. Q. Okay. And could we get...Counsel, could we get copies of the commission statements if, on a best efforts basis, as well, please?

MR. COHEN: Okay.

U/T

466. MR. WARD: Thank you.

BY MR. WARD:

467. Q. Okay, so we've covered credit card processing and payouts. What was the next major category of services that Aramor had for Banners Broker?

A. I don't think there was any others, really. They had incoming wires, but that wasn't really something that we were looking to extend to them. That was really a bandaid solution. It would end up this agreement, under the wires, incoming and outgoing. Even though that agreement wasn't specifically to cover that, we did put it in the

M. Morgan - 101

once they reached the CIBC accounts? What would you do?

A. We would either remit it to them, to Banners Broker, or they would instruct...they would always instruct us to send it somewhere else. Or they would instruct for someone...like if they gave us a payout file for something, they'd say could this money be used for that. We'd always tell them, that you have to take it and then send it to where you want it to go. We don't want to be the go between, just because...you know, anti-money laundering and stuff like that. So, they just give us instructions and we followed them.

474. Q. Okay, okay. And what form did those instructions take? Was it written, or over the phone?

A. Sometimes it would be written, sometime it would be over the phone. They weren't very organized. We pleaded with them to always send instructions through our file manager, so we have documented instructions. So if something doesn't right, we can say, this is what you said. But it was always very urgent. Later on, we found out that the way their business worked, as an MLM, is to build traffic and the numbers that they need...they

M. Morgan - 102

1 need to be very timely with their payments to the
2 members that have put in money. I don't know how
3 that relates to a ponzi scheme. I mean, we can all
4 use our imagination on that, but the more timely
5 they were with their payouts, the more traffic they
6 received, the more referrals they received, and the
7 more money they would make. So, often times, they
8 would say, "Oh, we have a rush payment to go out, or
9 a file to go out, that needs to go out now." And,
10 you know, we would try and do that for them.

11 475. Q. So for the...just going back to the
12 instructions then, if we could...I mean it may be
13 something that the Receiver's interested in seeing.
14 To the extent that Banners instructed Aramor to do
15 something, with respect to wire transfer and receipt
16 into the CIBC account.

17 A. Right, yes.

18 476. Q. Would those instructions have been
19 retained or destroyed?

20 A. I'm not going to say destroyed, but
21 a lot of times it was verbal. And a lot of times it
22 was very loosely communicated. So, unless it was
23 uploaded to us specifically, or it was emailed with
24 an excel sheet, for example. Often times, you know,
25 they were so disorganized that way...it's been hard

M. Morgan - 104

1 us in the moment.

2 481. Q. And to redirect money on from CIBC,
3 did you need to provide details for the...you know,
4 remarks, or details of what was being transferred?

5 A. Sometimes. Often times we had,
6 depending on what their companies were that we'd
7 send money to. They had various entities sent up
8 globally. We'd often just have it embedded in the
9 instructions already. So we had saved templates,
10 where we just clicked a button and it could go out.

11 482. Q. And then, just before we close off
12 on the wire transfer receipts. Do you now...do you
13 have some estimate of the volumes that you would
14 have done over the years?

15 A. Well it was really specifically a
16 period of time between March 2012 to September 2012,
17 October 2012. They pretty much...CIBC really shut
18 us down within a six or seven month period.

19 483. Q. Okay, and we have the CIBC records
20 anyways, so thanks for that. Now apart from the
21 credit card services, the payouts, the wire transfer
22 receipts. Was there another category of services
23 that you provided for...that Aramor provided...

24 A. Directly?

25 484. Q. ...for Banners?

M. Morgan - 103

1 enough for us to get statements to you that you
2 would show, like the excel sheet that we sent over,
3 that would show, or sorry, list the payments that
4 you presented. You know, that took a lot of
5 digging, because it's just all over the place.

6 477. Q. Sure.

7 A. So, if, you know, if we searched our
8 email, we'd find certain things, but it was very
9 loose.

10 478. Q. Well, then okay. So I accept that.
11 But then when you, presumably, at some point, you
12 would then go to CIBC, right?

13 A. M'hmm.

14 479. Q. And tell them to do something with
15 the wire transfer receipt?

16 A. Well, we could do it immediately
17 online. We had our own cash management back end
18 with them. So, I mean, if they told us something
19 over the phone, we could do it while they're on the
20 phone.

21 480. Q. Right.

22 A. So, you know, yes. CIBC would have
23 a record of it, I'm sure. Somewhere in their back
24 office with their electronic transactions, but these
25 instructions were often pretty much just relayed to

M. Morgan - 105

1 A. No.

2 485. Q. Directly?

3 A. Prepaid cards, card funds transfer.
4 Not directly, no. There was nothing else.

5 486. Q. And indirectly, because I know
6 there's a distinction in your mind, and I want to
7 make sure that I understand it.

8 A. Indirectly?

9 487. Q. Yes.

10 A. No, I mean. In casual conversation,
11 you might advise them to do something, or say, hey
12 you should watch out for this, or this is not a good
13 idea. But nothing explicitly that would be in
14 writing, or that we would have transacted, no.

15 488. Q. So, and we're going to see it in the
16 emails and things. But was there a period of time
17 when one of the services you guys offered was to
18 take wire transfers, or money that came into Canada,
19 and convert it into cash?

20 A. No. What we did was, we would
21 send...we'd get it and it would go to E-Cash, and
22 E-Cash was the business that they had. We would
23 not...we'd ask them to send directly to E-Cash,
24 which is what they did. E-Cash would give them
25 points of pick up in Toronto, to go pick up the

M. Morgan - 106

1 money and have it converted into cash.

2 489. Q. So, I mean, I have heard of Western
3 Union and companies like that, that you see on Yonge
4 Street. But what is E-Cash?

5 A. E-Cash is just...you know, if you
6 have large amounts of money that you want to
7 transact. They're still a money service business,
8 they're still licensed, but you know, they're
9 going...they enable guys who want to have 300,
10 400,000 on them in cash. They enable those guys to
11 go and pick up money. You can't do that with
12 Western Union. I mean, not that you can't, but
13 their reporting elements are slightly different, and
14 the KYC is different.

15 490. Q. So is E-Cash PCI compliant?

16 A. I do not know. They'll probably
17 tell you they are. They're a very dishonest group,
18 actually.

19 491. Q. And who...did Aramor have an account
20 at E-Cash, or did...

21 A. No, we never had an account at
22 E-Cash. E-Cash would simply provide instructions as
23 to where money should be sent. We'd tell the
24 client, it's kind of buyer beware. It's at your own
25 risk. If you send money to them, and they can get

M. Morgan - 108

1 might have happened a couple times. We did that
2 because we were already holding the cash. They said
3 we need this money out immediately, so we'd send the
4 money.

5 497. Q. So you were holding the cash? You
6 mean you had monies...

7 A. This is from the wires that came in.

8 498. Q. Right, so you had monies...you had
9 wire transfer proceeds in your CIBC account, and on
10 Chris' instruction you'd send to E-Cash?

11 A. Correct, correct.

12 499. Q. And then, presumably, you'd tell
13 them where to go to pick up...

14 A. Correct.

15 500. Q. ...the cash?

16 A. Yes.

17 501. Q. And you did that with Smith? Did
18 you do it with Dixit or Josun?

19 A. Josun, no. Dixit, no. Smith is the
20 only one we never dealt with, when it came to money.

21 502. Q. Money, meaning cash money?

22 A. Cash money. With Dixit, any
23 instructions we got from him was for payroll. I
24 think he managed some elements of that, at very
25 specific times in the company. But Chris held

M. Morgan - 107

1 you the cash, great. If not, that cash is gone.
2 Chris did send money prior, that he picked up, and
3 there was money he never received at times. He
4 never seemed too concerned. There was also money
5 seized. He had money in his car one night, and he
6 stopped at a stop light, and the cops took the money
7 and put it into evidence, but he wasn't charged with
8 anything. But when you have that much cash on you,
9 it's suspicious.

10 492. Q. No, I appreciate that. But I mean
11 what...I just want to understand what Aramor's role
12 in this aspect of Banners Brokers business was?

13 A. Sure. Our role was...primarily when
14 it came to cash, was for India and Bangladesh, and a
15 few other spots in the world.

16 493. Q. But just staying on cash?

17 A. Cash here?

18 494. Q. Just E-Cash, for a minute?

19 A. For E-Cash, it was largely
20 introduction. There were a few times where we sent
21 money to them directly, based on instructions given.

22 495. Q. So Aramor sent to E-Cash?

23 A. Correct.

24 496. Q. Okay.

25 A. It didn't happen very often. It

M. Morgan - 109

1 everything. It was Chris 100 percent on holding
2 money, telling us where money would go. Even though
3 the company had grown, and they had a lot of
4 employees, Chris kept a pretty tight fist on that.
5 As far as cash going out, I have known Chris to buy
6 cars and watches, and different things for people,
7 and his staff. But, he would have the money and
8 hand it out. So Chris would always pick up money
9 and do what he needed to do with it.

10 503. Q. Okay.

11 A. It's not knowledge that I wanted to
12 know, but, these guys were fairly loose when they
13 were making a lot of money.

14 504. Q. But the E-Cash aspect of converting
15 wires to cash.

16 A. Yes.

17 505. Q. That was something that Aramor,
18 through introductions and whatever facilitated that
19 part of it?

20 A. Yes.

21 506. Q. Apart from E-Cash, were there any
22 other means that were employed to convert money
23 into...

24 A. No.

25 507. Q. ...cash in Canada?

M. Morgan - 110

- 1 A. Not to cash, no. In Canada, no.
 2 And in India.
 3 508. Q. We'll look at India in a minute, but
 4 just in Canada?
 5 A. In Canada, no, just E-Cash. E-Cash
 6 operates under a lot of different names, but that's
 7 the name we know them as.
 8 509. Q. Okay, and just so we know, what are
 9 some of the other names that E-Cash...that were used
 10 by E-Cash?
 11 A. I wouldn't know off the top of my
 12 head, but you can request that information.
 13 510. Q. Okay. Where would we find E-Cash,
 14 by the way.
 15 A. They're in Montreal, but the main
 16 principal actually lives in Europe now. He doesn't
 17 really come into Canada as much.
 18 511. Q. Was he the person that you dealt
 19 with?
 20 A. Yes.
 21 512. Q. And what was his name?
 22 A. It was Nana Whyte, N-A-N-A White,
 23 and Kingsley Whyte. I believe that they're the same
 24 person.
 25 513. Q. W-H-I-T-E?

M. Morgan - 111

- 1 A. W-H-Y-T-E.
 2 514. Q. And, and...
 3 A. Or it could be W-H-I-T-E. I'm not
 4 sure. But if you do a Google search, you'll see
 5 that Kingsley Whyte was charged with petty theft
 6 under 5,000 or something. He's...they've had some
 7 fraud cases. None that have stuck. Canada's pretty
 8 light on white collar crime.
 9 515. Q. Right.
 10 A. And, so he's no longer here, as far
 11 as I know. He's offshore somewhere.
 12 516. Q. But his second name, is possibly
 13 Kingsley?
 14 A. Yes. You'll find something under
 15 Kingsley for sure. Nana, I'm not sure.
 16 517. Q. Right. And you mentioned a bit
 17 earlier this morning, that they may have had a
 18 Toronto office, as well?
 19 A. Because they were a money service
 20 business...they used to run a lot of cheque cashing
 21 places. I don't know the names of them, but I know
 22 they had a license to run a lot of that stuff.
 23 518. Q. Right, right.
 24 A. So they random...they'd use offices
 25 like through Regus, and places like that. So none

M. Morgan - 112

- 1 that you could stick them to. They would set up
 2 these things overnight, and they could disappear
 3 overnight. There was already furniture there, et
 4 cetera, they could walk away from it.
 5 519. Q. Okay. In terms of...how many
 6 instances were. Were there just a few, or were
 7 there many instances where Chris would help...or you
 8 would...through introduction or otherwise,
 9 facilitate the conversion of money into cash?
 10 A. The total I know of, would probably
 11 be...within Canada?
 12 520. Q. Yes.
 13 A. He probably asked about four times.
 14 Four or five times.
 15 521. Q. Four or five times?
 16 A. Yes.
 17 522. Q. So there weren't too, weren't too
 18 many?
 19 A. There weren't too many. He asked
 20 four or five times. He said Max, do you know how I
 21 can get that kind of cash in Canada. I said yes,
 22 there's probably a few guys that can do it. But, I
 23 can only make the introduction, and then from
 24 there...you know.
 25 523. Q. Right.

M. Morgan - 113

- 1 A. If it comes, it comes, if it
 2 doesn't, it doesn't.
 3 524. Q. Right. But I mean, in fairness,
 4 because I don't want to surprise you. There are
 5 some emails where we've seen, where you're telling
 6 him where to go to pick up the cash...
 7 A. Yes.
 8 525. Q. ...and stuff. So given that there
 9 were only four or so instances, what were...why
 10 don't you...can you just run through them in your
 11 mind and tell me what the dollars were?
 12 A. Sure. They would always be between
 13 150 K and maybe 350 or 400 K.
 14 526. Q. 150 K? So that's between 150,000
 15 and 350 to 400,000?
 16 A. Correct.
 17 527. Q. Okay. So how...I mean does that...
 18 A. Actually, you know what, there might
 19 have been some smaller numbers. There might have
 20 been like, 60,000, 70,000.
 21 528. Q. Right.
 22 A. But, I can't recall. I know there
 23 was some larger numbers, too.
 24 529. Q. So given that there were only four
 25 transactions, is there a story that goes with each,

M. Morgan - 114

1 that you...

2 A. Not really, I mean, you
3 know...having grown up where I grew up, you know,
4 he's not a...he wasn't like a drug dealer, or
5 anything. He's...some guys just like having a lot
6 of cash on them, to buy things cash. You know. So
7 that's how he was, you know. If he walked into a
8 store, and sees a Rolex, that he wants to buy. He
9 doesn't want to do it with a card. So, plus he
10 liked to pay out cash bonuses to staff, and members
11 of his team. That's kind of how he was.

12 530. Q. But just... I want to go back if we
13 can?

14 A. Yes.

15 531. Q. And you may not remember, although
16 some of the emails will refresh. We've heard a
17 story about being pulled over at a red light,
18 because Chris fell asleep?

19 A. Yes.

20 532. Q. And there was 100,000 in cash. Was
21 that one of the instances in which E-Cash was...

22 A. Yes. He picked up the money.

23 533. Q. Yes.

24 A. And...I was told he picked it up
25 late, and then he was driving somewhere and he fell

M. Morgan - 116

1 He wasn't that angry.

2 539. Q. So 280 went missing. There was the
3 100 in the car?

4 A. Yes.

5 540. Q. What were the last two, just that...

6 A. I'm not sure the amounts, but...and
7 when I say four or five times, it could have been a
8 little bit more, could have been a little less.
9 I'm not 100 percent sure. I know there was just a
10 handful of times that he had asked for cash. And,
11 typically, from what my understanding, it was to pay
12 out cash bonuses. I know one time, it was probably
13 close to end of the year, where Christmastime was
14 coming, and they wanted to do some things cash wise.
15 It was not unusual for them to buy cars cash. You
16 know, they all had very nice cars. And, I always
17 asked them why they didn't lease their cars, but
18 that was their business.

19 541. Q. And "they", you mean Smith, Dixit
20 and Josun?

21 A. Mostly Joseph and...

22 542. Q. Josun?

23 A. ...Smith...Josun and Smith. Not so
24 much Rajiv. Rajiv wanted to be very compliant, in
25 every way, just because, you know, he was a hired

M. Morgan - 115

1 asleep at a red light.

2 534. Q. Okay.

3 A. He was a programmer, so he worked
4 all hours, and I don't know. When you're tired, I
5 guess, you just fall asleep.

6 535. Q. That was 100,000 dollars, or was it
7 more involved that time?

8 A. I know it was a lot of money. I
9 don't know how much it was.

10 536. Q. Okay.

11 A. But it might have been that much.

12 537. Q. And then what about the other three
13 instances. If you can remember?

14 A. I remember that there were, maybe
15 another three times, where he got the money. I
16 don't know the details as to why he needed them, or
17 what he was going to do with it. And then one time,
18 he didn't get the money. And he asked me to chase
19 it down for him. I said, look, I warned you about
20 this. And, so, you know, all I could do was contact
21 them to say what's going on, what's up. That was
22 it. And that was for the time, maybe, 280,000, or
23 something, that went missing.

24 538. Q. Right.

25 A. He didn't seem too bothered, though.

M. Morgan - 117

1 hand initially. He was not director by any means.

2 543. Q. Okay, okay. And, I mean you
3 mentioned that...the ranges of E-Cash payments could
4 be as high as 350 to 400?

5 A. Sure.

6 544. Q. Was there one in the towards the end
7 of that range, the 350 to 400 that you remember?

8 A. No. They would have been broken up
9 probably. I know the one he lost was between two
10 and 300,000.

11 545. Q. Right.

12 A. No, he would have broken it up.

13 546. Q. And you only know, I suppose...you
14 only know about the cash conversions in the
15 instances where you were across them, right?

16 A. Correct.

17 547. Q. So there may have been others that
18 you were not across, and that you wouldn't know
19 about?

20 A. I'm certain there are, just from
21 word...just from verbally speaking. But they didn't
22 involve me.

23 548. Q. So the ones that did involve you,
24 that you can speak to personally...

25 A. Yes.

M. Morgan - 118

1 549. Q. ...are the three or four, with the
2 amounts ranging between 60 and 70, at the low end,
3 to 350 to 400 at the high end?

4 A. That's correct.

5 550. Q. And would there be any...I mean we
6 have some emails between yourself and Smith talking
7 about those.

8 A. Sure.

9 551. Q. Apart from the emails, would there
10 be any other records that you can think of, in terms
11 of...

12 A. No. There wasn't really a paper
13 trail. I think he only had to show I.D. when he
14 went to pick them up.

15 552. Q. Right.

16 A. And then that was it.

17 553. Q. Right.

18 A. Yes.

19 554. Q. How would...how does someone manage
20 that much amount...

21 A. Money?

22 555. Q. Yes.

23 MR. COHEN: Don't answer that question.

24 THE DEPONENT: Okay. I wish I knew. I
25 don't know.

M. Morgan - 120

1 EXAMINATION BY MS. GOLDBLATT:

2 561. Q. So, the first question I wanted
3 to...you provided a summary of receipts from a bank
4 account from CIBC account no. [REDACTED], ending in [REDACTED]?

5 A. Okay.

6 562. Q. Which is a US operating account?

7 A. Sure.

8 563. Q. The account is under your name,
9 Maxwell Morgan?

10 A. M'hmm.

11 564. Q. The other two accounts provided,
12 which are CIBC [REDACTED], and CIBC [REDACTED] are in the
13 name of Aramor Payments?

14 A. The account...the initial one that
15 you're speaking of under my name, it's under Aramor
16 Payments too. I believe that when the bank, when I
17 requested it, they probably put my name on it.
18 Maybe the statements were waiting for me at the
19 branch. But all of them are under 1587803 Ontario
20 Limited.

21 565. Q. Okay.

22 A. For the record.

23 566. Q. And when you provided that summary
24 of receipts for us, how were you able to identify
25 which transactions related to Banners Brokers, and

M. Morgan - 119

1 MR. COHEN: Don't answer the question.

2 THE DEPONENT: Okay.

3 556. MR. WARD: All right.

4
5 BY MR. WARD:

6 557. Q. So, I'm just thinking in terms of
7 the available time that we've got left, I didn't get
8 as far into this document book as I'd like, but, I
9 know the Receiver has some financial records related
10 questions...

11 A. Sure.

12 558. Q. ...because it will help...they can
13 then go back to their office and make requests of
14 people, and pursue their own full of funds analysis.
15 So Gillian and Phil, did you guys...do you want to
16 use the next hour to start to cover some of the
17 questions on your memo?

18 MS. GOLDBLATT: That would be great.

19 559. MR. WARD: Yes.

20 THE DEPONENT: Okay.

21 560. MR. WARD: So I think...let's go off the
22 record for a second.

23
24 --- DISCUSSION OFF THE RECORD
25

M. Morgan - 121

1 which ones related to some of your other clients?

2 A. Sure. We know that Monetize Group
3 was Banners Brokers related. Chris had stated that.

4 567. Q. Okay.

5 A. We know that anything that says
6 Banners Broker is Banners Broker. We also know that
7 individual wires that came in were not from anywhere
8 else, because we never had clients send individual
9 wires. So, unless it was me funding our own
10 accounts, through my own pocket, or...you know, we
11 rarely ever had instances where an individual would
12 wire our accounts. That was only done for Banners
13 Broker, so that's how we knew it was theirs.

14 568. Q. So, you pretty much went through the
15 statements yourself, line by line, and determined if
16 any of those...

17 A. Yes.

18 569. Q. ...identifying factors showed up?

19 A. I asked my, sure. I asked my back
20 office to look at it, and for those specific
21 referenced accounts. And that's what we found.

22 570. Q. So is it possible there's other
23 amounts in there that may not have related to those
24 three particular entities, or...did you review it
25 after they prepared it?

M. Morgan - 122

1 A. I did. Is it possible, yes. Is it
2 likely, no.
3 571. Q. When you're going to be preparing,
4 hopefully this disbursement summary, in the same
5 vein as the receipt summary, would you go through
6 the same process for that? How would you be able to
7 determine that disbursement summary?

8 A. I don't know. We would try our
9 best. I don't know what's there and what we can
10 piece together. But we would certainly make...this
11 is obviously depending on my counsel's advice.

12 572. Q. So, the account number [REDACTED], which
13 seems like...it's where the majority, I guess, from
14 your comments earlier, would have been electronic
15 fund transfers and wire transfers, most likely
16 through that account? The EFTs and the wire
17 transfers?

18 A. No, the EFTs were actually a
19 different company entirely.

20 573. Q. Oh okay. What account would those
21 have been going into?

22 A. Bank of Montreal, it was a Canadian
23 account, through...out of Vancouver.

24 574. Q. Right. So this was...[REDACTED] is the
25 primarily wire transfers?

M. Morgan - 124

1 gone through that function? I'm not holding you to
2 the number, but...

3 A. I know it was seven figures.

4 581. Q. Seven, was it?

5 A. My guess is, maybe a little over a
6 million. But, I'm not a 100 percent sure on that.

7 582. Q. Then you've got the ACH payments?

8 A. Yes. I don't have any figures on
9 that, mainly because that would have went through
10 introductions that we gave. And they were not too
11 big on doing a lot of stuff in the US, just based on
12 the fact that compliance is heavier there. And to
13 be brought to task in the US is a lot different than
14 being brought to task anywhere else.

15 583. Q. But to confirm, that would have gone
16 through the payment processors directly...

17 A. Correct, that was not through us...

18 584. Q. ...not through Aramor?

19 A. That's correct.

20 585. Q. And then the last component of the
21 payouts were the credit card payments, which you
22 talked about...is it Annex, can I get the spelling
23 of that?

24 A. Affiliate Wallet? Allied Wallet,
25 sorry?

M. Morgan - 123

1 A. Yes.

2 575. Q. Is that correct?

3 A. That's correct.

4 576. Q. So if I sort of do a high level
5 analysis of what you've told us so far, as far as
6 the numbers. It looks like, you know, from the
7 prepaid accounts, you assumed around 100,000 went
8 through that sort of processing payment option. We
9 have a summary of [REDACTED], which we're getting a total
10 for, in a minute.

11 A. Okay.

12 577. Q. You had indicated between 15 and
13 20,000 for the EFTs, through BMO. And these are
14 just, you know again...

15 A. Sure. Yes...

16 578. Q. ...I'm not holding you to exact
17 numbers, but we're just trying to get a general
18 sense...

19 A. That's reasonable.

20 579. Q.of the total amount that Aramor
21 processed?

22 A. Yes.

23 580. Q. The next payment process, sort of
24 function, you said, was the E-Cash payments. Would
25 you have an approximation of how much would have

M. Morgan - 125

1 586. Q. No, not Allied Wallet.

2 587. MR. WARD: NX...

3 THE DEPONENT: Oh, Annex Systems?

4 588. MS. GOLDBLATT: Yes, how do you spell
5 that?

6 THE DEPONENT: Just N-X Systems Limited.
7 that would have been wired directly to
8 them.

9 BY MS. GOLDBLATT:

10 589. Q. So it never would have gone through
11 Aramor?

12 A. No.

13 590. Q. Either, okay. Sorry, I just wanted
14 to glean a, sort of, overall understanding of how
15 much went through. So, I'm going take you to an
16 email.

17 A. M'hmm.

18 591. Q. Erin, maybe you can help me locate
19 it within this document brief. It's the email sent
20 from yourself to Chris Smith on January 12, 2012.

21 A. M'hmm.

22 MS. CRADDOCK: Tab 14.

23 592. MS. GOLDBLATT: Tab 14.

24 593. MR. WARD: This one.

M. Morgan - 126

1 BY MS. GOLDBLATT:

2 594. Q. So, it appears from this. Does this
3 document look familiar to you? This email?

4 MR. COHEN: It's January 12 of 2012.

5 The one you're talking about?

6 595. MS. GOLDBLATT: Yes, sorry, did I say
7 2014, I meant 2012.8 THE DEPONENT: "...We will see what
9 happens today and tomorrow with this
10 wire..."?

11 596. MS. GOLDBLATT: Yes.

12 BY MS. GOLDBLATT:

13 597. Q. And so, if you keep reading.

14 A. Is there more?

15 598. Q. Yes. If you go right to the
16 beginning, your first line...

17 MR. COHEN: Just hold on a sec.

18 152...we're reading backwards
19 chronologically, right.

20 599. MS. GOLDBLATT: Yes.

21 MR. COHEN: Is that what you want to?

22 600. MS. GOLDBLATT: That's right.

23 MR. COHEN: That's what you want to do?

24 601. MS. GOLDBLATT: You can read from back
25

M. Morgan - 128

1 607. Q. When you say "he," you're referring
2 to...

3 A. Chris.

4 608. Q. You're referring to Smith, okay.

5 A. And Banners Broker. So, I'm
6 assuming it has to do with that. It always had to
7 do with that, if he was...you know, if a lot of
8 funds were coming to us, so that would be my only
9 assumption there.10 609. Q. Ok, so you don't seem to have a
11 specific recollection of this transaction?12 A. No, because they were not very good
13 at uploading, as per our instructions. It was a lot
14 of emails back and forth, or phone calls, or
15 messages, or text messages, different things, about
16 immediate things, I need this to hit here, now, I
17 need this, I need that. So...

18 610. Q. M'hmm.

19 A. My assumption was that that's what
20 that was referencing. One of those activities.21 611. Q. So, if you go to...if you flip to
22 page three of this email chain. Chris Smith has
23 sent an email to Martina, who is at the bank, I
24 believe. And it appears that he is attempting to
25 help Kuldip Josun with a specific transaction?

M. Morgan - 127

1 to front, if it's easier, but yes, it's in
2 the binder. It's latest to earliest.3 MR. COHEN: I have to read these from
4 the point they originate, chronologically.5 602. MS. GOLDBLATT: So if you start at the
6 last page and go forward.7 MR. COHEN: That I get. I learned that.
8 Okay.
9

10 BY MS. GOLDBLATT:

11 603. Q. So Mr. Morgan, does this email look
12 familiar to you, haven't read it now?13 A. Yes, it's got my name on it. I
14 guess.15 604. Q. Okay, so it appears there was a
16 payment that was trying to be a sent. A wire
17 transfer?

18 A. Sure.

19 605. Q. To CIM...through CIM Bank?

20 A. Okay.

21 606. Q. Do you have any recollection of what
22 the nature of this payment was?23 A. I don't. I mean, he did some
24 payouts through us, and some of his affiliates
25 funded us.

M. Morgan - 129

1 MR. COHEN: This is January 11, 2012, at
2 19:17 hours?3 612. MS. GOLDBLATT: That's correct, yes.
4

5 BY MS. GOLDBLATT:

6 613. Q. Was it usual to have Kuldip in the
7 middle of transaction processing and payments? What
8 was his involvement, from your understanding?9 A. No, it wasn't usual to have him
10 involved. I believe Kuldip was an investor, early
11 investor in his company. He didn't seem too
12 involved in the day to day. He would sometimes be
13 at assigned meetings, but he just seemed to absorb
14 what was being said, and he just seemed like a guy
15 full of good cheer, for lack of a better term.

16 614. Q. So it didn't...

17 A. He didn't speak very much. Chris
18 was who I predominantly dealt with. Rajiv loosely,
19 when it came to understanding the sales verticals of
20 their business, and specific aspects of it. That
21 was about it.22 615. Q. So do you remember...because
23 obviously this transaction was a little bit unusual
24 given that Kuldip was involved?

25 A. Yes.

M. Morgan - 130

1 616. Q. Were there any other
2 transactions...do you remember any other times money
3 was sent to Kuldip?

4 A. No. Being in the industry that I'm
5 in, and you know, and I'd facilitate introductions,
6 if they needed specific services, whether it be
7 cash, as mentioned, or even if they needed to set up
8 offshore accounts. I'd say, okay, well I know a
9 banker that can do that, or I know a service that
10 can do this, to remove that from me. Because I'm
11 not in that field.

12 617. Q. Okay.

13 A. I'm sure they took advantage of the
14 suggestions that I made. And I wasn't really
15 involved in their personal cash distributions, for
16 the most part.

17 618. Q. Okay, so let's talk about that for a
18 minute. Do you...what offshore...do you remember
19 any of the offshore banks that you recommended to
20 them?

21 MR. COHEN: Hold it, let her finish the
22 question.

23 THE DEPONENT: Sure.

24 MR. COHEN: Can you articulate it
25 clearly so that I can hear it?

M. Morgan - 132

1 BY MS. GOLDBLATT:

2 621. Q. So the bank account in question, in
3 the email, what is this account? Are you aware of
4 this account?

5 A. I'm not. If it doesn't have the
6 account number there, I'm not aware. I mean,
7 supposedly it might be in the statements, but I'm
8 not sure.

9 622. Q. Are you aware of any Swiss bank
10 accounts held by Kuldip Josun or with this bank?

11 A. No, I'm not.

12 623. Q. The next email, was an email from
13 yourself to Smith on September 25, 2013. So we're
14 just going to locate that in the document brief.
15 Sorry...I think it's tab 61.

16 MR. COHEN: Counsel, are you aware of
17 any Swiss bank accounts or offshore
18 accounts that are actually utilized by
19 these people?

20 624. MR. WARD: Are we aware of one?

21 MR. COHEN: Are you aware of whether or
22 not money has been secreted in any offshore
23 accounts? Any Swiss bank accounts?

24 625. MR. WARD: We believe so.

25 626. MS. GOLDBLATT: So tab 61?

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1 619. MS. GOLDBLATT: Absolutely. I'm just
2 wondering, what offshore banks Mr. Morgan
3 gave the names of, or connected the Banners
4 Brokers principals with?

5 MR. COHEN: Do you understand the
6 question?

7 THE DEPONENT: I do. I never gave them
8 the names of offshore banks. What I did
9 was, I would tell them there are brokers
10 that I can introduce them to. Specific
11 bankers that I can introduce them to, that
12 would be able to facilitate whatever they'd
13 like to do. Offshore transactions, or
14 setting up a corporation, if needed, to
15 facilitate that. I'm certain with the
16 amount of money they had, they probably
17 had a lot of that on their own, without my
18 help. I might have dropped a name or two,
19 but it was casually, you know, I do that
20 with a lot of clients, just to help them
21 out.

22 620. MS. GOLDBLATT: Okay. Can I go off the
23 record for a minute?

24 --- DISCUSSION OFF THE RECORD
25

M. Morgan - 133

1 MR. COHEN: Just hold on a second. I
2 don't want my client answering questions
3 that are assisting an investigation that is
4 amorphous in certain respects. If you have
5 specific information you want him to
6 comment on it, that's one thing. But, he's
7 not here to help you investigate your
8 targets. He's here to testify, with
9 respect to his dealings.

10 MR. WARD: Okay, so I'll tell you what
11 we're going to do...

12 MR. COHEN: Because I certainly, I
13 certainly don't want this to be a...for him
14 to be used to test your theories. If there
15 is specific information, I'd like to know.

16 627. MR. WARD: I think, maybe the better way
17 to approach is, is Gillian is the financial
18 advisor, as financial specialist. Gillian,
19 why don't you focus on the bank statements.
20 I didn't realize you were going to get in a
21 couple of emails. I have separate
22 questions, and I may approach it a little
23 differently.

24 MR. COHEN: Alright, because I didn't
25 get an answer from her directly, she was

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1 looking at you.

2 MR. WARD: Right, so...

3 MR. COHEN: But I want an answer.

4 MR. WARD: So what...

5 MR. COHEN: I want to know if those
6 questions came from specific information?

7 MR. WARD: I don't understand the
8 question.

9 MR. COHEN: I want...the question is,
10 whether the questions that put to my client
11 are grounded in information that these
12 people actually have money in Swiss
13 accounts, or offshore accounts?

14 MR. WARD: Well the email suggests that
15 there was transfers to Swiss accounts.

16 Right, and we're trying to identify...

17 MR. COHEN: Is that the basis of the
18 question?

19 MR. WARD: Yes, and so we're trying to
20 identify Banners Broker money in the Swiss
21 accounts, but I think the probably more
22 efficient exercise is for Gillian to focus
23 on the bank statements.

24 628. MS. GOLDBLATT: Okay.

25 MR. WARD: And then, when I finish off

M. Morgan - 136

1 634. Q. ...and that is what we will look at
2 it. You can see that I've highlighted and summed
3 up, and I'll just highlight it again. There was
4 about 1.17 million dollars.

5 A. Okay.

6 635. Q. That was transferred from Stellar
7 Point directly to an...it's noted in the bank
8 statements as an Aramor account, the numbered
9 company, between March 2012 and September 2012?

10 A. Okay.

11 636. Q. And so, my question to you, was why
12 would Stellar Point have been sending these
13 transactional amounts to Aramor? For what purpose?

14 A. My guess is to disburse funds for
15 them.

16 MR. COHEN: Don't guess. Make a
17 statement, one way or the other, don't
18 guess.

19 THE DEPONENT: It would be to move
20 the...to disburse funds on their behalf to
21 their affiliates globally.

22 BY MS. GOLDBLATT:

23 637. Q. So the way that it would work, they
24 would send lump sum amounts to you, and you would
25

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1 this book, I'll look at the emails,
2 Gillian.

3 629. MS. GOLDBLATT: Okay, sure.

4 MR. WARD: Okay. So you can pretty much
5 close this book, guys, and Gillian has some
6 questions on the bank statements that you
7 guys have already produced.

8 THE DEPONENT: Okay.

9 BY MS. GOLDBLATT:

10 630. Q. So, we have bank records being
11 produced from the banks, with regards to Stellar
12 Point?

13 A. Sure.

14 631. Q. Which is one of the two Dixit's
15 companies. And they show a disbursement...

16 MR. COHEN: Which is a what company?

17 632. MS. GOLDBLATT: A Stellar Point...I
18 believe...it's one of the companies we're
19 the investigatory Receiver over.

20 BY MS. GOLDBLATT:

21 633. Q. And so, this account, and I've got a
22 print out here...

23 A. M'hmm.

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1 disburse it based on information provided by them,
2 or how did that process work?

3 A. Yes, that would be accurate. So,
4 they would send funds to us, and we would disburse
5 it based on their instructions.

6 638. Q. So, was there a contract between
7 Stellar Point, specifically, and Aramor? Or did it
8 fall under that...

9 A. No, as I mentioned earlier, it all
10 fell under Banners Broker, and whatever companies
11 they had underneath that.

12 639. Q. And then, if you look at the same
13 sheet you're looking at. There are also three
14 receipts from Aramor, right under that 1.17 million?

15 A. Okay.

16 640. Q. If you sum them up, it comes to
17 about 280,000, and those were receipts...transfers
18 from Aramor to Stellar Point.
19 Why would Aramor be sending funds in reverse to
20 Stellar Point?

21 A. Those were based on instructions we
22 were given. In hindsight, yes, maybe we would have
23 connected the two, but we understood that, either
24 Stellar Point, or...we understood Banners Broker
25 gave us instructions for money that we received from

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1 them, or their affiliates to go to whatever
2 instructions they gave us. So, on those specific
3 transfers, money was transferred over, as requested.
4 Stellar Point and Banners Broker, we didn't
5 necessarily know the affiliation during this time.
6 We knew we were receiving funds from some of their
7 affiliates, some which were companies, and some
8 which were individuals. And we knew we were sending
9 money back to some of their affiliates, as well as
10 vendors, as well as some of their own companies. We
11 followed whatever instructions were given.

12 641. Q. So just to follow up on that
13 statement, could you repeat...was there a connection
14 between Stellar Point and Banners Brokers when you
15 were transacting with Stellar Point?

16 A. Not that we knew of at the time.
17 Did we find out that later? Yes, and not
18 necessarily that they were deceiving us in any way.
19 It just wasn't transparent to us at the time that it
20 took place.

21 642. Q. So who would have been sending you
22 the instructions for the Stellar Point accounts,
23 then?

24 A. For Stellar Point, it would have
25 been Rajiv Dixit, who was the owner of Stellar

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1 ones did Stellar Point specifically use? Was it
2 prepaid cards, E-cash, credit cards, ACH? Which
3 ones were you using on behalf of Stellar Point?

4 A. I don't know. Everything for us was
5 on behalf of Banners Broker, so I don't know what
6 Stellar Point did individually, or separately.

7 647. Q. Okay, so we're going to go account
8 number [REDACTED], and the statements are in a separate
9 book, I believe. It's in the small one as well.

10 MR. COHEN: This one?

11 648. MS. GOLDBLATT: Yes.

12 BY MS. GOLDBLATT:

13 649. Q. So these statements end at the end
14 of 2012. I'm assuming that was because the account
15 was then shut down?

16 A. That's correct.

17 650. Q. Late 2012?

18 A. Yes.

19 651. Q. Large deposits were received daily
20 from FIRMA Foreign Exchange?

21 A. Yes.

22 652. Q. We see that name a lot?

23 A. Yes.

24 653. Q. What services did Firma specifically
25

M. Morgan - 139

1 Point. Often times, it was still Chris Smith,
2 though.

3 643. Q. For Stellar Point?

4 A. For Stellar Point at times, yes.
5 Later on, but initially it was Rajiv for Stellar
6 Point.

7 644. Q. Okay, and at what point did that
8 relationship end, with Stellar Point specifically?

9 A. It didn't last very long. They only
10 had a few transfers to us, from what I remember. I
11 can't give you exact dates, but you know, it just
12 kind of appeared as if they had other entities set
13 up for the movement of funds. To me, it was all one
14 and the same, Banners Broker.

15 645. Q. Was it...

16 A. I know that they've said...I think
17 so. I don't know. I know that they since filed
18 bankruptcy. You know, I think they just tried to
19 set things up differently, and I'm assuming some of
20 it was for tax purposes, I'm not sure. That would
21 be something you'd have to ask them as to why. I
22 can only speculate on what's here.

23 646. Q. So the collection of money on behalf
24 of Stellar Point, of the six different ways that
25 payments were processed. Which one of them...which

M. Morgan - 141

1 provide to Aramor? What was the nature of their
2 business?

3 A. Foreign exchange. So we have our
4 settlements, and we have client disbursements that
5 come to us in Euros largely. They offer better
6 rates than the banks, so we used Firma.

7 654. Q. So, for the conversion of Euros to
8 US dollars?

9 A. That's correct.

10 655. Q. Okay, and did Banners Broker utilize
11 that service?

12 A. They did not. They transacted only
13 in USD with us.

14 656. Q. There are also...a lot of
15 disbursements to account [REDACTED]?

16 A. Is that a US account?

17 A. It's under...you know what, it's not
18 clear. It's called Comm Cash debit?

19 MR. COHEN: Where is it.

20 657. MS. GOLDBLATT: It's if you...

21 THE DEONENT: Oh Comm Cash debit...

22 MR. COHEN: Hold on, hold on.

23 BY MS. GOLDBLATT:

24 658. Q. Tab one, in that binder. The very
25

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1 first transaction. You know, that's a small amount.
2 There's numerous throughout. It's all called Comm
3 Cash 99322. What is that account, and what does it
4 do?

5 A. I think that's an internal reference
6 from CIBC. I don't know what it refers to, but I
7 think it's...I don't want to say it's fees, it could
8 be a transfer, I'm not sure exactly.

9 659. Q. So...

10 A. Comm Cash, I remember it being CIBC
11 reference.

12 660. Q. So, if you go to the set of
13 disbursements under January 4th, which is the middle
14 of that first page?

15 A. M'hmm.

16 661. Q. And you see a large number of
17 disbursements going to this Comm Cash account.
18 Would the account number be that 44...ending in
19 [REDACTED]? Is that then a CIBC account you're saying,
20 that that's being disbursed to?

21 A. It's possible, I'd have to look into
22 this deeper though

23 662. Q. So, essentially there's a
24 significant amount of disbursements going to this
25 Comm Cash account, and we're looking for the account

M. Morgan - 144

1 gave you, plus the ones you have identified
2 under the other operating companies, is
3 what it is. These others are other clients
4 that are not based in Canada, and not doing
5 the same activities as Banners Broker.

6 665. MR. WARD: Okay, just hold on a sec.

7 I'm not going to interrupt Gillian, because
8 she knows this area better than I do. Just
9 to finish on this point, if you look at
10 page two of the same production, production
11 one, you'll see numerous debits, right, to
12 Comm Cash...Comm Cash debit, and then
13 there's this account number...

14 MR. COHEN: Yes.

15 MR. WARD: ...that keeps being repeated.

16 MR. COHEN: It's all the same number
17 too.

18 MR. WARD: Right, so these are
19 the CIBC statements that Mr.

20 Morgan provided, and I guess...

21 THE DEPONENT: Yes.

22 MR. WARD: ...what we need is an
23 undertaking to let us know...if...and I
24 appreciate you may not be able to tell
25 us...

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1 holder, the name of where these disbursements were
2 going.

3 A. Comm Cash debit.

4 MR. COHEN: When you say "account," are
5 you referring to [REDACTED]...

6 663. MS. GOLDBLATT: No, that's one of Mr.
7 Morgan's other bank statements that he's
8 provided us with already. We're looking
9 for the 09612/0544604. You can see
10 numerous disbursements there under January
11 4th.

12 MR. COHEN: Okay.

13 664. MS. GOLDBLATT: And throughout the
14 statements, if you were to look through
15 them all.

16 THE DEPONENT: I'm not sure. Comm Cash
17 debit just references the internal
18 reference. I'm not sure of the account
19 that's listed there, as to what it is.

20 What I can tell you is that the services
21 that we provide to our other clients, we
22 provide disbursements, largely cheques, but
23 also wires, globally. And Banners Broker
24 was a very small part of it. So what you
25 have, in terms of the references that we

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1 THE DEPONENT: Sure.

2 MR. WARD: ...right now.

3 THE DEPONENT: I can tell you, it's an
4 internal reference. It's not necessarily
5 to anyone else's bank accounts, but my own.
6 There's four bank accounts at CIBC. I'm
7 certain that the Comm Cash references that,
8 but to go any deeper you'd have to ask
9 CIBC. I don't know.

10 MR. COHEN: We're happy to ask CIBC...

11 THE DEPONENT: That would be best.

12 MR. WARD: But we may need your
13 authorization and consent to do so, but
14 we'd like...I guess we'd like to get
15 account statements so that we can
16 understand it from...in relation to this
17 Comm Cash debit.

18 THE DEPONENT: M'hmm.

19 MR. WARD: So that we can understand
20 what it is, and why money seems to be paid
21 out to it.

22 THE DEPONENT: That would be on advice
23 of my lawyer, I suppose.

24 MR. COHEN: I'll take that under
25 advisement, before I view these documents

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1 and find out... U/A
 2 MR. WARD: Okay.
 3 MR. COHEN: ...what the situation is.
 4 MR. WARD: Okay.
 5 MR. COHEN: What...do you have an idea
 6 of...do you have a theory of what these
 7 transfers are for?
 8 MR. WARD: No, but we have some
 9 confidence that they relate to Banners
 10 Broker, because this is the Banners
 11 account, through which Banners Broker
 12 operated.
 13 MR. COHEN: When you say "this is the
 14 account," are you referring to this account
 15 ending in [REDACTED]?
 16 MR. WARD: Yes. Yes, this is one of the
 17 four CIBC accounts that Max had. That
 18 received Banners Brokers monies.
 19 THE DEPONENT: I can tell you what it
 20 is.
 21 MR. COHEN: Oh, I see. That received
 22 Banner Broker monies.
 23 THE DEPONENT: All of our funds were
 24 received into this account. We had cheques
 25 written off the other US account. The

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1 666. Q. So the other US dollar account
 2 you're referring to, is that 15112?
 3 A. That is correct.
 4 667. Q. Okay.
 5 A. Which should show cheques clearing
 6 from that account daily.
 7 668. Q. So what's interesting, and I'm
 8 looking at those statements right now...
 9 A. Okay.
 10 669. Q. ...which are in another binder for
 11 you. If I go to January 4th.
 12 A. M'hmm.
 13 670. Q. You know, and I see a 115,000 being
 14 disbursed to this account. If I don't see it in
 15 statements [REDACTED], they have a relatively large
 16 volume of small transactions for this...for account
 17 number 15112?
 18 A. Yes, because they're cheques.
 19 671. Q. So this would be...so you're saying
 20 this is a sum of numerous cheques being disbursed to
 21 [REDACTED]?
 22 A. Here?
 23 672. Q. Yes.
 24 A. No, just transfers. Account
 25 transfers.

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1 funds that where it says Comm Cash, or it
 2 says a transfer, of some sort, it would be
 3 transferring funds, or exchanging funds
 4 into Canadian dollars or be transferring
 5 into the other US dollar account that would
 6 allow for the cheques to be disbursed out.
 7 So at any given time, if we had 300,000
 8 this week going out in cheques, we'd
 9 transfer from this primary account into the
 10 other one, where the cheques were written
 11 off of.
 12 MR. WARD: Okay.
 13 THE DEPONENT: So those are the Comm
 14 Cash debits. And the transfers would
 15 reference some of that as well. There's no
 16 relation to Banners Broker. I've given you
 17 everything on Banners Broker already. Our
 18 larger clients do disbursements daily, and
 19 they do huge volumes, and 2012 references
 20 that in these statements, which is why I
 21 was transparent, because most of our
 22 statements have to do with our other
 23 clients, and not Banners.
 24
 25 BY MS. GOLDBLATT:

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1 673. Q. Right, so I should be able to see
 2 then, that total of 115, in a single line item.
 3 A. I suppose so. I haven't
 4 forensically audited these accounts, but that's what
 5 should be there.
 6 674. Q. And if it's not, you're saying it
 7 possibly went to the Canadian account?
 8 A. That's a possibility as well,
 9 because we did cheques off the Canadian account as
 10 well. So we'd have clients wiring to the US, and
 11 we'd transfer over into Canadian. That's a
 12 possibility.
 13 675. Q. And the Canadian account, is that
 14 the account ending in [REDACTED]?
 15 A. Yes.
 16 676. Q. The Canadian one?
 17 A. There's also one...yes. I think so.
 18 There's one other, I believe, that had to do with
 19 just cheques...so it wouldn't be...no, it wouldn't
 20 be [REDACTED] It would be another account that we had.
 21 677. Q. Would it be an account ending in
 22 [REDACTED], as is indicated in the statements?
 23 A. That's certainly possible. I don't
 24 have them memorized, but it's possible.
 25 678. Q. That would make the most sense,

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1 given that's the account referenced. It says to
2 [REDACTED] That appears to be an account number?

3 A. That's possible.

4 MR. WARD: So I think maybe the solution
5 to this is, if my understanding that I
6 received from Howard still stands, this
7 just seems to be the one account that we're
8 missing.

9 679. MS. GOLDBLATT: Yes.

10 MR. WARD: I think we've got everything
11 else. And it's just this one that may have
12 been missed. The [REDACTED] account.

13 680. MS. GOLDBLATT: Ok, so I'm going to move
14 on, then.

15 THE DEPONENT: Okay.

16 BY MS. GOLDBLATT:

17 681. Q. If you could flip to tab number 11.
18 Tab 11 in the binder, under 13217.

19 A. M'hmm.

20 682. Q. So this is the November 2012
21 statements for account number [REDACTED] There is a
22 payment on November 20, and November 29. One for
23 93,000, one for 90,000. And they seem to be going
24 to 1587803 Ontario Limited, which is...we understand
25

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1 that, and we started making sure whatever we did
2 was...CRA compliance was a big deal for us, so we
3 ceased to do any sort of transactions through our
4 Canadian company after 2012.

5 688. Q. And what would the nature of those
6 disbursements to your BMO account have been? Would
7 they have been commission payments with respect
8 to...

9 A. Most likely. We held cash in there,
10 and we just had to move it. We couldn't keep it at
11 CIBC, because they were closing the account. So we
12 rather moved it than accept a cheque, so we moved
13 it. So, it's highly likely that it would have been
14 commission payments.

15 CONTINUED EXAMINATION BY MR. WARD:

16 689. Q. Okay, so yes, again the issue there
17 is that it may have been commission statements. I
18 take it may have been some Banner Brokers affiliate
19 deposits as well that were...

20 A. No, it would not have been. We had
21 ceased doing that with them much earlier than that.
22 We still got money into these accounts from several
23 clients, and FIRMA Foreign Exchange, as well as
24 other exchanges based on money that came in from our
25

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1 to be Aramor Payments, or Aramor as it's operating
2 right now. Is that correct?

3 A. Yes, that's correct.

4 683. Q. So, these payments that are
5 transferred to your company, I should...what account
6 would those specific wires be going to?
7 Specifically, I've tried to trace them to the other
8 account statements provided, and I can't find them.

9 A. Right, CIBC shut our accounts off.
10 Around that time of year.

11 684. Q. Right.

12 A. Or they gave us 60 days to move
13 funds. So we ended up opening up an account with
14 Bank of Montreal at First Canadian Place. And so we
15 simply moved our balance over there, at the time.

16 685. Q. But is that separate and apart from
17 the BMO account you were using?

18 A. It is.

19 686. Q. So that's a secondary BMO account?

20 A. That was a secondary account. We
21 used BMO for our payroll and our bills, et cetera.

22 687. Q. Do you have any recollection of the
23 account number on that?

24 A. I don't. We didn't stay with BMO
25 that long, mainly because we just stopped using

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1 clients. Banners was a very, very small window, and
2 you see a lot of the activity from them between a
3 certain point of the year until about September,
4 October, usually earlier. So this doesn't reference
5 Banners at all.

6 690. Q. Why is this being produced then? I
7 mean you gave it to us?

8 A. You asked for 2012, so I gave you
9 2012. That's what the year...that's the year that
10 the activity took place, so that's what I gave you.

11 MR. WARD: Okay.

12 CONTINUED EXAMINATION BY MS. GOLDBLATT:

13 691. Q. There are a few other payments that
14 I wanted to ask you about. They relate to the time
15 frame of October 2012. So to the extent, are you
16 confirming that no payments from October 2012 would
17 relate in any way to Banners Broker?

18 A. I'm saying it's doubtful. I don't
19 have the exact dates.

20 692. Q. Right.

21 A. But I know that we started to
22 encounter serious problems with Banners Broker.
23 Their payments coming in and going out. Probably up
24 until about August, September of 2012. And our bank
25

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1 had given...had put on us on notice at that time,
2 and so we told Banners Broker to cease this
3 activity, stop having funds sent to us in this
4 manner. And that we'd still help them with credit
5 card processing and other things. And they did
6 adhere to that. Why we kept the accounts open at
7 the time, was because there was a lot of lost wires
8 and transactions, and we still had other clients
9 that were using our accounts for other things, so we
10 couldn't immediately terminate.

11 693. Q. With that in mind, can I quickly
12 take you to two other transactions, just to confirm
13 that they don't relate to Banners Broker's monies?

14 A. Sure.

15 694. Q. One is if you turn to tab ten, which
16 is your October 2012 statements. There's a specific
17 wire for...on October 16th. So that's page four,
18 and that's for 356,000 dollars. That's a receipt
19 into this account from 1587803, which again, is
20 Aramor Payments? And so, I'm just trying to
21 understand the nature of the receipt of this cash.
22 Where would this have come from?

23 A. October 16th.

24 695. Q. It's a receipt into the account of
25 \$356,016.47, and it's come from another one of your

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1 provided documentation of the wire sent. So if it
2 was a wire from FX firm, our FX firm would tell us,
3 you have incoming funds from this company in this
4 amount, and your name was referenced, and here is
5 the trade number, and here is the exchange. Do you
6 accept it, et cetera, and they put it into our
7 account. So, our other clients were very organized,
8 and they upload their files to us in our file
9 manager. They would document their process, and we
10 know where their funds are, and how to account for
11 that. They had very complex accounting teams on
12 their side, and their money was much more
13 substantial than Banners Broker. They didn't
14 operate a multi-level marketing company where money
15 had to go out right away.

16 699. Q. So how did you, or can we, account
17 for the Banners Broker contributions that went
18 through your accounts?

19 A. Primarily from the names that I gave
20 you, and the companies that you saw referenced.
21 That would be it. If there are any other in Canada
22 that they have, you guys would have known by now.
23 So whether it be Parrot Marketing or Monetize, or
24 Stellar Point, or Banners Broker, or a numbered
25 corporation that they may have. Or any of their

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1 entities. It appears, it's under the 1587803
2 Ontario Limited name. I'm just trying to understand
3 what transaction...

4 A. I'm not sure. We have FX accounts,
5 where they would reference our name. I'm not 100
6 percent sure. We only had the CIBC and BMO
7 accounts, and the BMO wasn't opened until late 2012,
8 so I'm not certain. It says a wire transfer. I
9 don't know if that's an error or not, but for that
10 kind of money, my guess is that it came from one of
11 our FX firms, and we were referenced as the listed
12 name.

13
14 CONTINUED EXAMINATION BY MR. WARD:

15 696. Q. Again, Max. Maybe just generally
16 taking a step back from the details.

17 A. Sure.

18 697. Q. We're looking at a CIBC bank account
19 statement?

20 A. M'hmm.

21 698. Q. In your name, and there's monies
22 that go in and out of it. How did you keep track of
23 what was Banners Brokers money, and what was money
24 that related to your other clients?

25 A. Well our other clients always

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1 affiliates, that's how you would be able to tell.
2 That's why we provided the statements. If I were to
3 go through each wire that we got, I'd have to give
4 you the various clients IDs as to why they sent the
5 wire and how much. And that would take all day.

6 700. Q. No, and we're not interested in...

7 A. I can tell you whose are whose, but
8 I can tell you that specific one wouldn't be from
9 Banners.

10 701. Q. So can you...

11 A. The fact that it's such a odd amount
12 and not an event amount like 200,000, means that
13 there was probably some sort of exchange involved,
14 from Euro to US, and then was deposited into our
15 account.

16 702. Q. So just...we're not interested in
17 anything that's not Banners, but we do need to sort
18 of figure out what monies that went through this
19 account were Banners.

20 A. M'hmm.

21 703. Q. So how can we do that? What's the
22 easiest way to do that? What would we have to ask
23 of CIBC, or ask of Aramor?

24 A. Well CIBC would accept it from our
25 FX firms globally, so I'm not certain they'd be able

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1 to provide. Is that something I should answer, or
2 no?

3 MR. COHEN: Well we can take a look at
4 the questions you're posing and attempt to
5 provide an answer. U/T

6 MR. WARD: Okay, because I mean, we are
7 going to...I think we've agreed that we're
8 going to wrap up soon, in five minutes, and
9 we'll come back and continue this. But
10 obviously, we're not interested, like I
11 said, in anything that doesn't have to do
12 with the entities under investigation.

13 MR. COHEN: No, I think I'll be able to
14 help my client understand that.

15
16 CONTINUED EXAMINATION BY MS. GOLDBLATT:

17 704. Q. Okay. But conversely, we do need it
18 specifically identified the BB money that flowed
19 through these accounts.

20 A. Sure.

21 705. Q. And we're happy to go to CIBC and
22 get that, if its easier, if there's documentation,
23 but why don't you just go in and think about that...

24 A. Okay.

25 706. Q. ...and then we can approach it again

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1 the next time we meet.

2 A. Sure.

3 707. Q. On that note, so why don't we wrap
4 up here because it's almost 1:30.

5 MR. COHEN: Okay.

6 MR. WARD: Thanks for your time.

7 THE DEPONENT: Thank you.

8 MR. COHEN: And we're off the record.

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Certified Correct:

Ardita Balilaj
Verbatim Reporter

Court File No. CV-14-10663-00
ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1992, c. 27, s.2, AS AMENDED
AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN THE ISLE
OF MAN WITH RESPECT TO BANNERS BROKER INTERNATIONAL LIMITED
APPLICATION OF MILES ANDREW BENHAM AND PAUL ROBERT
APPLETON, IN THEIR CAPACITY AS JOINT LIQUIDATORS OF BANNERS
BROKER INTERNATIONAL LIMITED, UNDER PART XIII OF THE
BANKRUPTCY AND INSOLVENCY ACT (CROSS-BORDER INSOLVENCIES)

CC/am

This is the Continued Examination pursuant to the
Bankruptcy and Insolvency Act of MAXWELL MORGAN, taken at
the offices of CASSELS BROCK & BLACKWELL, Suite 2100,
Scotia Plaza, 40 King Street West, Toronto, Ontario, on the
29th day of May, 2015.

APPEARANCES:

DAVID WARD

-- for the Receiver

ERIN CRADDOCK

GILLIAN GOLDBLATT

PHILIP GENNIS

MAXWELL MORGAN

-- self-represented

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1 714. Q. But we will go through them one at a
2 time, and then that will short-circuit things for
3 the rest of the examination.

4 A. Okay.

5 715. Q. We have taken these undertakings
6 from the transcript. So, we understand that we
7 already have them.

8 A. Okay.

9 716. Q. But we have also tried to describe
10 them in a little more detail, so it is clear...

11 A. That is fine.

12 717. Q. ...exactly what we are asking for.

13 A. Okay.

14 718. Q. So, there are undertakings in total.

15 A. Okay.

16 719. MR. WARD: And before I forget, let's
17 mark this document as Exhibit 1 on the
18 continued examination. We will call it
19 M1.

20
21 --- EXHIBIT NO. M1: List of undertakings from April 13,
22 2015 examination of Maxwell Morgan
23

24 BY MR. WARD:

25 720. Q. So, the first undertaking, as I

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1 MAXWELL MORGAN, resumed

2 CONTINUED EXAMINATION BY MR. WARD:

3 708. Q. Good morning, Mr. Maxwell.

4 A. Good morning.

5 709. Q. Just a couple of housekeeping
6 matters. We haven't resworn you this morning,
7 because we can agree that you are still under the
8 oath that you gave us when you first attended...

9 A. Sure.

10 710. Q. ...for your discovery?

11 A. Yes, that is fine.

12 711. Q. Thank you for that. I am passing to
13 you a list of undertakings...

14 A. Okay.

15 712. Q. ...that we have taken from a
16 transcript of the examination that was conducted
17 when you attended here on April the 13th.

18 A. Okay.

19 713. Q. And I think we can streamline things
20 if we walk through it, and make sure that we are
21 both clear on the undertaking. And to the extent
22 that you have any concerns with your ability to
23 fulfill these undertakings, you know, please
24 indicate.

25 A. Sure.

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1 understand it, is to produce all Aramor records in
2 respect of cash payments, and by that I mean cash
3 payments that Aramor was across...

4 A. Yes.

5 721. Q. ...and we are obviously speaking
6 specifically of Banners Broker-related cash
7 payments. And, so, that could be cash payments that
8 were at the direction of Banners Broker or any
9 related companies.

10 A. Okay.

11 722. Q. By or on behalf of either Mr. Dixit
12 or Mr. Smith or anyone else that instructed you.

13 A. Sure. So, with respect to that, I
14 think the e-mails that I have seen, that you already
15 have in your possession, that is the extent of the
16 instructions that we have been given, and as far as
17 the payment confirmations, those would have been on
18 those e-mails, as well.

19 723. Q. Which e-mails are you...and by all
20 means, there a document there.

21 A. Sure.

22 724. Q. That is the same document book that
23 we had in front of you last time.

24 A. I believe...first of all, all cash
25 payments were done for Chris Smith. So, if anything

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1 went outside of that, he would have received it and
2 then given it to any of his employees or potential
3 vendors. So, yes, as far as cash payments, I saw a
4 list of e-mails just from Chris, and with my
5 response, telling him where to pick up and the
6 transaction ID number. I think from what I looked
7 at last time, there was maybe five or six e-mails.
8 It didn't happen very often. So, that would be the
9 extent of what we would have.

10 725. Q. Okay. Let's just take a step back
11 and clarify what you are speaking of when you talk
12 about cash payments.

13 A. Yes.

14 726. Q. What is it that you mean when you
15 use the term "cash payments"?

16 A. Physical cash pickup. So, you would
17 go to a specified location through a money service
18 business and pick up the cash.

19 727. Q. Okay.

20 A. Okay.

21 728. Q. And is that because Aramor would
22 have wired cash to that location for...wired funds
23 to that location...

24 A. Yes...

25 729. Q. ...just let me finish the

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1 behalf of the client.

2 733. Q. Well, which companies did Aramor
3 deal with? Which of the eKash companies did you
4 deal with?

5 A. Groupe Marche Kash and eKash. They
6 have a numbered component to it, as well. I don't
7 have it off the top of my head, but eKash is just
8 the business...doing business as a name. The
9 numbered company was an Ontario corporation.

10 734. Q. Can we get an undertaking for you to
11 review your records and give us the names of the
12 eKash-related entities that Aramor dealt with to
13 affect these cash payments for Mr. Smith?

14 A. Sure. U/T

15 735. Q. And furthermore, if you could give
16 us the jurisdiction in which the companies operated,
17 as well, please?

18 A. Jurisdiction, yes, okay. U/T

19 736. Q. And if there was a principal or a
20 person within those companies that you dealt with,
21 we would like, as well, please.

22 A. Yes. U/T

23 737. Q. Okay. And the contact information
24 for that person, as well?

25 A. The only contact info I would have

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1 question...

2 A. Oh, sorry.

3 730. Q. ...to be converted into cash for
4 pickup?

5 A. Yes. So, basically, they would wire
6 funds for a number of reasons, usually for
7 disbursements for their customers, or members and
8 vendor payments, et cetera. So, we would follow
9 whatever instructions were given. It was only after
10 that we would find out what the money was for. So,
11 essentially, you know, we had a payment service
12 business partner that said, "We can provide a cash
13 payments, we can provide payments to India". This
14 happened to be the same vendor, and we would wire
15 the funds to them, and they would convert the cash
16 for them.

17 731. Q. So, this is eKash?

18 A. eKash.

19 732. Q. And how do you spell eKash?

20 A. Just E and then K-A-S-H. They also
21 go by Groupe Marche Kash. So, G-R-O-U-P-E
22 M-A-R-C-H-E K-A-S-H, and then they also have two or
23 three numbered companies in Quebec, a couple
24 companies registered in the U.S., as well. So, they
25 were able to do a number of business services on

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1 for them at this point would be an e-mail address
2 and Skype ID.

3 738. Q. Understood.

4 A. Okay.

5 MS. CRADDOCK: Actually, we did a
6 search. There is no companies in Canada
7 that operate under the business name
8 "eKash".

9 THE DEPONENT: I can give you a website,
10 if you would like. You can look it up.

11 MS. CRADDOCK: I found the website...

12 THE DEPONENT: Okay.

13 MS. CRADDOCK: ...but there is no...I am
14 doing a business name search.

15 739. MR. WARD: Okay. Well, we have the
16 undertaking. So, let's take it from there.

17 BY MR. WARD:

18 740. Q. But just returning to the subject of
19 records in relation to the administration of these
20 cash payments, clearly there would be e-mails,
21 right? On Aramor's servers?

22 A. Yes, but I think you guys have them
23 already. It is basically between Chris and myself.
24 There isn't anything outside of that. There was...I
25

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1 don't know. He only asked for it a handful of
2 times. It is probably about six e-mails in total.
3 I saw the e-mails when working with my previous
4 lawyer, and I think you guys already have it on
5 record. There really isn't anything else outside of
6 that that I would be able to provide, that would
7 give you...glean more information that you need.

8 741. Q. Again, just so I understand it...

9 A. Sure.

10 742. Q. ...would Aramor wire Banners Broker
11 funds to eKash?

12 A. There were times, there were a few
13 times where he wired directly to eKash because we
14 didn't want to get in the middle.

15 743. Q. "He" being Chris Smith?

16 A. Chris, right. And there were times
17 where we already had his funds, and then he asked us
18 to wire to eKash.

19 744. Q. Right.

20 A. eKash provided Indian cash payments
21 on the ground in India, which was the primary reason
22 they were initially signed up, and then when he
23 realized they had a money service business here, as
24 well, and they could provide cash on the ground here
25 for him in large quantities, he had asked us to send

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1 I think on further review, they are not complete.
2 So, we may...I will return to that in a minute,
3 but...

4 A. Sure.

5 752. Q. And similarly, I am going to return
6 to e-mails.

7 A. Sure.

8 753. Q. Just because, again, our objective
9 is to...such records as exist that are Banners
10 Broker-related, we want to obtain, and I know you
11 had other clients, apart from Banners Broker. We
12 are not interested in that.

13 A. I know. That is where it gets
14 sticky, because eKash did work for us with other
15 clients, as well. So, I can't...you know, in all
16 honesty, I wasn't the best record-keeper of each
17 thing. I mean, we cared about what we reported to
18 CRA, obviously, but outside of that, I would have to
19 go back diligently and try to find the details. And
20 it might be a bit sticky.

21 754. Q. Well, let's see what we can get,
22 then. There is an undertaking...let's look at the
23 next one.

24 A. Sure.

25 755. Q. When we met on April the 13th, you

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1 money there, as well.

2 745. Q. Okay.

3 A. Yes, so...

4 746. Q. So, I am not interested in the...

5 A. In the eKash...

6 747. Q. No, I am not interested in the
7 occasions where Chris Smith...

8 A. Wired directly...

9 748. Q. Directly to eKash.

10 A. Okay.

11 749. Q. What I am interested in is the
12 situations where you, being Aramor, in presumably
13 your CIBC bank accounts...

14 A. Yes.

15 750. Q. ...wired money, forwarded on money
16 to eKash on Chris' instructions. Now, presumably
17 there would be...in addition to e-mails, there would
18 be bank records that documented that, correct?

19 A. Whatever is already there would
20 be...it would be in there somewhere. I haven't
21 reviewed it, necessarily, to...it happened so few
22 times that I don't really have dates. I mean, I can
23 look at the e-mails and then probably try to
24 backtrack, but...

25 751. Q. Well, we have some bank records, and

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1 mentioned that Tricia had prepared some sort of a
2 list. And it wasn't clear on April 13th...you
3 believed you had given to us, but you weren't
4 certain, and it wasn't clear whether the list was
5 complete.

6 A. I think the list was either a list
7 of the funds that were incoming wires, as well
8 as...mostly outgoing wires to their customers.

9 756. Q. Can you turn to tab D, please, in
10 the...

11 A. Yes?

12 757. Q. There.

13 A. Yes. So, this is, I believe, what
14 she sends. This was just to give you an idea of the
15 disbursements that went out, and I guess the
16 incoming funds, what much of the incoming funds were
17 for...

18 758. Q. Okay. So, I want to...let's
19 disassemble tab D. Do you see a blue sheet halfway
20 through it, Max?

21 A. Blue sheet halfway through it?

22 759. Q. Right.

23 A. Yes.

24 760. Q. Okay. And then behind that, there
25 is another list, which is different. We have

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- 1 compared them.
 2 A. Okay.
 3 761. Q. Now, you provided, or Tricia
 4 provided for us both of these lists?
 5 A. Yes.
 6 762. Q. And I need you to just walk us
 7 through both of them, starting with the first one...
 8 A. Before the blue sheet?
 9 763. Q. Before the blue sheet. So, we are
 10 behind tab D, before the blue sheet...
 11 A. Yes?
 12 764. Q. ...and before I forget, I am going
 13 to mark this brief of documents as Exhibit 2. So,
 14 Exhibit M2 on your examination, so we can be clear
 15 for the record. So, the first question is, who
 16 prepared what we are looking at?
 17 A. I think we both did. I roughly
 18 tried to do some on my own, and then I asked her to
 19 assist me in getting more details. Just a
 20 rough...just rough numbers and names. We never
 21 really sent out any other payment to individual
 22 people. We usually just deal with companies, so we
 23 knew that whatever names we saw on the CIBC account
 24 would have belonged to them, and some of the names
 25 look familiar, because they were sent more than

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- 1 disbursements for them. So, if their customers sent
 2 money, this was to pay...or sent money in to Banners
 3 Broker, and at some point we would disburse money
 4 back to them in various forms, and that could have
 5 been cash pickups. That could have been
 6 disbursements going out. That could have been
 7 payments...
 8 770. Q. Understood, yes. And I want to deal
 9 with disbursement separately.
 10 A. Sure.
 11 771. Q. But just looking at the pages behind
 12 tab D, before the blue tab.
 13 A. Okay.
 14 772. Q. We agree that it documents
 15 receipts...
 16 A. Yes.
 17 773. Q. ...from either Banners Broker
 18 affiliates...
 19 A. Okay.
 20 774. Q. Or, in the first two instances, on
 21 the top of page 1, for Monitise Group Inc.
 22 A. M'hmm.
 23 775. Q. And then at the bottom of the last
 24 page, before the blue tab, you will see there is a
 25 heading that you have prepared, it says:

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- 1 once.
 2 765. Q. But what was...I mean, what were
 3 you...what does this indicate? Like, this
 4 is...presumably, this is just receipts, right?
 5 A. Yes, this is just money that went
 6 out on behalf of Banners Brokers. So, it is to say,
 7 "Well, this is"...and we don't know if this is all
 8 of their information, but this is a company sending
 9 us money and us doing disbursements on their behalf
 10 and saying this is why they sent us the bulk of the
 11 money.
 12 766. Q. But in fairness, the way I read
 13 this, this is just monies that Aramor received...
 14 A. From their customers.
 15 767. Q. Or, alternatively, I mean, you look
 16 at the first two entries from Monitise Group Inc.
 17 A. Correct.
 18 768. Q. Okay. And this doesn't deal with
 19 disbursements, correct?
 20 A. No, this is actually incoming funds.
 21 769. Q. Incoming?
 22 A. From their customers. But we wanted
 23 to relate it to Banners Broker. There were two
 24 things that happened. Either their customers would
 25 send us money, or they would send us money to do

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- 1 "...Wires from Ontario numbered
 2 companies..."
 3 So, am I correct that the entries below that
 4 heading...
 5 A. Yes.
 6 776. Q. ...are monies that Aramor received
 7 from Banners Broker-affiliated numbered companies.
 8 A. That is not clear to me. I know
 9 that they would never...they didn't have any
 10 companies in Quebec. My assumption is that...and it
 11 is an assumption. I don't remember fully, but these
 12 Quebec inco companies look like they might have been
 13 eKash. eKash was operated out of Quebec. They sent
 14 money to eKash, or eKash processed some funds for
 15 them, and some of those funds ended up back to us
 16 for payouts or for whatever purpose. It is a bit
 17 tangled. The reason I put it there is because none
 18 of my other clients have Quebec numbered
 19 corporations. So, I figured we would include that
 20 because we weren't sure.
 21 777. Q. Okay. But you believe that these
 22 were receipts from these Quebec numbered companies
 23 or, in the first case, an Ontario numbered company,
 24 that were to Banners Brokers' account, correct?
 25 A. Yes

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- 1 778. Q. Okay.
- 2 A. That is our belief.
- 3 779. Q. Now, in terms of preparing these
- 4 pages that we are looking at, the receipt side, what
- 5 source documentation did you or Tricia look at to
- 6 prepare this?
- 7 A. Well, for Tricia specifically,
- 8 just...we had lists of names, that they would send
- 9 for payments coming in. Oftentimes, it was just our
- 10 bank statements, because some monies that came in
- 11 were lost at times. And for the Quebec inco, that
- 12 was purely off bank statements. Sometimes, money
- 13 came in and we would have to go and ask them what it
- 14 was for or why it came in, or whatever the case may
- 15 be. So, yes, we worked off of a few different
- 16 assumptions.
- 17 780. Q. Well, you worked off bank
- 18 statements, right?
- 19 A. That was the primary source.
- 20 781. Q. Right. Anything else?
- 21 A. Yes, lists that Chris would send to
- 22 do payouts, or lists that he would send saying, "We
- 23 are expecting money from these members".
- 24 782. Q. Okay. So, payout lists, and they
- 25 would be sent by e-mail, presumably?

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- 1 A. Yes.
- 2 783. Q. And were those...were the payout
- 3 lists kept? Presumably they would still be
- 4 available on...
- 5 A. Yes. I can...yes, they were.
- 6 784. Q. Okay. I am going to deal with all
- 7 the e-mails at once. So...
- 8 A. Sure.
- 9 785. Q. ...I am not going to...
- 10 A. Yes, they were kept for the most
- 11 part. We have...
- 12 786. Q. Yes.
- 13 A. ...a fairly...
- 14 787. Q. Let's just talk about e-mails now,
- 15 because one of the undertakings that we want to get
- 16 from you is...we have some e-mails, you are correct,
- 17 in that binder, okay? I don't believe that up to
- 18 now, you have actually produced e-mails because we
- 19 haven't directly asked you for e-mails. There are
- 20 some e-mails that you either authored or received
- 21 that we will be looking at later this morning.
- 22 A. Yes, okay, sure.
- 23 788. Q. But what we really need to get, Max,
- 24 is a complete set of e-mails between Aramor
- 25 Payments...

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- 1 A. Sure.
- 2 789. Q. ...your company...
- 3 A. Yes.
- 4 790. Q. ...and either Banners Broker or any
- 5 of the associated corporations, or the individuals
- 6 that are associated with Banners Brokers and those
- 7 are Smith, Joseph and Dixit primarily.
- 8 A. Okay.
- 9 791. Q. All right? Now, the e-mails...in
- 10 terms of the operation of your business, did you
- 11 have an e-mail server that you worked off, or did
- 12 you have a web-based e-mail server?
- 13 A. It is web-based, but we also have
- 14 file management, file manager, where our clients can
- 15 upload e-mails to. Not e-mails, but their list and
- 16 payment instructions to. And we also have a payment
- 17 gateway that clients can upload items to.
- 18 792. Q. So, the web-based...so, there is a
- 19 payment gateway?
- 20 A. Yes.
- 21 793. Q. A...
- 22 A. File manager, sort of an FTP, and
- 23 then web-based e-mail.
- 24 794. Q. Okay. And the web-based e-mail
- 25 account was...

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- 1 A. Google.
- 2 795. Q. ...Google, okay.
- 3 A. Yes.
- 4 796. Q. So, I suspect, and in fact, Erin
- 5 assures me that to the extent that you used a
- 6 web-based e-mail provider like Google, it would be
- 7 possible to, perhaps with our assistance...like an
- 8 IT specialist to go in and obtain copies of all
- 9 e-mails that went between Aramor and the entities
- 10 that we are interested in, the Banners Brokers
- 11 entities?
- 12 A. Yes and no. A lot of the
- 13 instructions that we...I mean, you could, but it is
- 14 not all very clear. I mean, oftentimes they had
- 15 immediate instructions. They would send a Skype
- 16 request, they would BBM me. They would call me on
- 17 the phone, they would upload it. You know, we tried
- 18 to get them to stick to uploading it to our file
- 19 manager because it is secure, and the servers are
- 20 not in Canada. So, that was our request initially,
- 21 because we felt it was more secure for them and our
- 22 clients, being the various industries that we deal
- 23 in, but...
- 24 797. Q. Well, I appreciate there may not be
- 25 a lot of Google e-mails that relate to Banners

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1 Broker...

2 A. Right.

3 798. Q. ...but to the extent that they
4 exist, and we know that there are some...5 A. There are some that exist. I
6 wouldn't allow it in terms of having an IT person
7 out, because then they would be privy to checking
8 other clients' information. I think that would be
9 wrong.10 799. Q. Well, we...do you have an
11 alternative suggestion as to how you could get those
12 to us?13 A. I could hand over what we have, and
14 you guys will have to take it on faith that I am
15 providing the correct documents. There is a lot of
16 things that you are looking for that were not
17 explicitly sent by e-mail, or instructions that can
18 be provided the way you would like.19 800. Q. No, I appreciate that, and we need
20 to...certainly, we need to deal with...in the realm
21 of what is possible. And I think that e-mails are
22 possible.23 A. If there is something specific you
24 are looking for, yes, I can look for it and provide
25 it to the extent that I have it. If I don't, I

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1 A. Yes.

2 806. Q. ...the request and the undertaking I
3 am going to put on...I am going to ask you for on
4 the record is to produce for us...and you can do
5 this yourself, or we can assist with an independent
6 third party IT...7 A. I could get payment instructions
8 that would corroborate some of what you are looking
9 for, that is specific to what you are looking for.
10 I mean, a lot of the e-mails I got are just
11 random...12 807. Q. Well, we need...and there is a
13 period of time between the end of 2011 and mid-2013.
14 So, that is the time frame, that Aramor...

15 A. 2011 and mid-2013?

16 808. Q. Right, through the course of
17 your...essentially, the course of your relationship
18 with Banners...

19 A. Yes.

20 809. Q. ...that...the request is that we
21 would like all e-mails that were exchanged,
22 regardless of whether they have to do with payment
23 instructions or anything else. We need a complete
24 record of Banners Broker-related e-mails that are
25 available on this Aramor Gmail account.

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1 don't, but in most cases I have been...you know, I
2 didn't retain a lawyer initially. That was just
3 done on the request, well, not request, but on the
4 advice of someone, and when I was contacted by
5 Spergel, I had handed over whatever was asked
6 initially...

7 801. Q. Right.

8 A. ...but I mean...

9 802. Q. No, and we appreciate that.

10 A. Right, so...

11 803. Q. And I don't think this should be
12 particularly burdensome. We can take it a step at a
13 time. I mean, we are...14 A. It is more time-consuming than
15 burdensome, but I understand what you guys need to
16 get, and...

17 804. Q. We need...

18 A. ...if you say specific things, I
19 will line it up...20 805. Q. Well, see, the problem with that is
21 we don't know what exists in order to be specific
22 with respect to the content of e-mails. So, I think
23 that accepting that there may not be a lot of
24 e-mails because you received instructions over the
25 phone or Skype...

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1 A. I will provide those. U/T

2 810. Q. Thank you. And if you get into it,
3 Max, and it is too burdensome, then what we propose
4 is to have an independent, someone who is not going
5 to have any interest in looking at your third-party
6 accounts, assist...

7 A. Right.

8 811. Q. ...by taking care of the
9 technological side of that, and then you would have
10 an opportunity to vet them to make sure that we
11 weren't getting anything that isn't Banners
12 Broker-related.

13 A. Okay.

14 812. Q. So, we will approach that in a
15 two-step process. First of all, we will ask you to
16 produce them, and that may well be sufficient.

17 A. Okay.

18 813. Q. Thank you. And this really does
19 help short-circuit things in terms of what we are
20 trying to get today.

21 A. Okay.

22 814. Q. The other thing that you mentioned
23 was a payment gateway that was sometimes employed...

24 A. Yes.

25 815. Q. ...to upload instructions to...

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A. Yes.

816. Q. Can you just describe for me...

A. Payment gateway is something that connects, oftentimes, a client's website with a bank. And sometimes it is also just used for relaying information that can be easily transmitted to a bank or a third-party payment provider securely. Encrypted, perhaps, when you are dealing with sensitive banking information, such as whatever would be considered PCI-compliant, like Visa or MasterCard. So, it wasn't unusual for us. We had a payment gateway. We used it for very specific payment models for our clients. Banners didn't use it very often, but we had encouraged them to go ahead and upload transactions to that payment gateway. I can't recall if they ever did.

817. Q. So, to the...were the transactions that Banners Broker may...

A. Yes.

818. Q. ...have uploaded to the payment gateway, would they be archived on a server?

A. Yes. I mean, I can access those. I can give you all of the payment instructions that were ever sent to us.

819. Q. Please. I will take that as an

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824. Q. What did you call it internally? What was...you could say, "Chris, upload your payout list to"...

A. To our file manager.

825. Q. To the file manager, okay.

A. I don't know if there was a code name that my staff used. I don't know, but that is what it is called. They never really did, though, very much. Really, it is other clients that have taken advantage of it. You know, we built it at other clients' request, but Chris generally e-mailed whatever he wanted to get done at some point.

826. Q. And presumably you still have access to the file manager?

A. Yes.

827. Q. Okay. So, to finish off this set of undertakings, could you please review the file management system and produce for us any Banners Broker-related information...

A. Sure.

828. Q. ...including payout instructions?

A. Okay. U/T

829. Q. Thank you.

A. No problem.

830. Q. So, I just want to return, if we

M. Morgan - 186

undertaking, thank you.

A. It is not a problem. U/T

820. Q. And then just to finish off the...you had a file management system, as well?

A. Yes, and...

821. Q. And you mentioned that the servers were not in Canada?

A. Yes.

822. Q. Just describe that for me.

A. That is similar to the payment gateway in a sense that it doesn't communicate with a third party in any way, but it is just archives, files for our clients. So, even if they are looking to apply for other accounts elsewhere, or different things, they can, you know, upload their directors' passports, corporate documents, et cetera, without e-mailing them. To the extent of what Banners Broker might have done on there, it is...I believe it is probably just some lists of payments that went out. They used to upload and e-mail them, so I am certain I already have them available on Gmail.

823. Q. And for my note, what was the name of that file management system? Did it have, like, a...

A. Not really. It was just...

M. Morgan - 188

could, to that...the receipts summary behind tab D of Exhibit M2.

A. Okay.

831. Q. For the purposes of receiving these funds, you have given us a list of Aramor account numbers.

A. Yes.

832. Q. And these are at your CIBC?

A. Yes.

833. Q. It all seems to be...if I am reading it correctly, they are all the same account number?

A. Yes, that is correct.

834. Q. But I understood that you had several accounts at CIBC, one or two at Bank of Montreal, and perhaps others that were used for Banners Broker purposes.

A. Loosely. So, I will explain. The CIBC account was the primary account used to receive funds from their members. It was posted to their website, unbeknownst to me until later on. It was also used to fund, if they needed to send us money. We also had the EFT account, which wasn't used very much. There is a fraction of transaction that went through that, and that was with BMO, and then we also had an account with BMO for Aramor that we

M. Morgan - 189

might have received a couple of transactions on behalf of Banners Broker. This was towards the tail end of our business with them.

835. Q. Right.

A. So, I don't recall the amounts, but they weren't...it happened maybe once or twice, and then it was over, and we had set up that BMO account because CIBC was closing our accounts with...

836. Q. I recall that from the first time, that is right. So, apart from...there were four accounts at CIBC, two US dollar...

A. Yes, it was only one account that they used. Two US dollar and two Canadian.

837. Q. Right, and there was one primary account?

A. The primary account in the US side was the only account they used.

838. Q. Which is the one that has the account number identified on this...

A. That is right.

839. Q. ...document that we are looking at right now, it ends in [REDACTED]?

A. Whatever else I provided for that bank was just to be transparent. We never had any other accounts for them, you know, we had account

M. Morgan - 191

BY MR. WARD:

843. Q. Okay.

A. So, whatever you have there, it was what we had.

844. Q. It is complete?

A. In anticipation of closing those accounts.

845. Q. Right, okay.

A. Yes, CIBC had given us, like, 90 days or something like that, to taper down our transactions.

846. Q. So, just for the record, then, as I understand it, to wrap up what you said, you have given the receiver a complete set of CIBC bank account statements for the account ending in [REDACTED]...

A. That is correct.

847. Q. ...which was the primary account...

A. That is correct. I went to CIBC, and I asked for the full year up until December 31st, but that is what they gave me.

848. Q. Okay.

A. And it was understood that that is what was available. That is how it went down.

849. Q. Okay. Now, there is a couple of

M. Morgan - 190

for cheques. We had account for some Canadian business we did, et cetera, for other merchants.

840. Q. Now, I have a note here that you have provided us with a complete set of bank statements for the primary account at CIBC...

A. Yes.

841. Q. ...which is the one that we are looking at, ending in [REDACTED]. However, for the latter part of 2012, some of the account statements are only one page. So, we just want to be sure that we have a complete set of account statements for that account?

A. The latter...okay, yes, the December statements.

842. MR. WARD: And just let me go off the record for a second.

--- DISCUSSION OFF THE RECORD

THE DEPONENT: We were told that our accounts were coming to an end at the time, I believe. So, activity slowed down. If we had other business with other clients, we had them fund elsewhere.

M. Morgan - 192

other CIBC accounts that I want to ask you about that are separate from this one. And the first one ends in 15112.

A. Okay.

850. Q. And I am told that we have...you have provided some statements for that, but we are missing statements from October to December 2012 for that account?

A. Yes. It wasn't closed, but CIBC was shutting down all their accounts, and that account was specifically used for cheque disbursements for other clients, not Banners Broker. The cheque disbursements, because cheques are a sensitive thing, where they can clear at any time, we had discouraged our other clients from using that account, and so there really wasn't...I mean, I don't know if there was any additional statements, or there just wasn't any need to provide them. I believe, if you look at the other statements from that time period or from that year, you will see that it is just cheques clearing out of that account which had nothing to do with...

851. Q. So, then, is it...

A. ...Banners Broker.

852. Q. So we are clear, then, it is your

M. Morgan - 193

1 evidence that, for the October to December 2012
2 period with respect to the account ending in 15112,
3 you have looked and there was no Banners
4 Broker-related activity?

5 A. There was never any Banners
6 Broker-related activity.

7 853. Q. Okay. And then the next CIBC
8 account ends in 019.

9 A. It is Canadian.

10 854. Q. And similarly, the indication I have
11 heard is that we are missing the statements from
12 December 2012, but we have the rest of the
13 statements.

14 A. Yes. So, that account we ceased
15 using probably November, that is probably why.
16 There wasn't...I mean, if CIBC provided a statement,
17 it would just say zero or "no activity". We didn't
18 do anything on that account after a certain period
19 of time. That was a Canadian account, had nothing
20 to do with Banners, as well.

21 855. Q. And then finally, there is an
22 account that ends in [REDACTED]

23 A. Yes, also Canadian, same story. One
24 was an operating account for Aramor, the other...you
25 know, so we pay our taxes out of that, et cetera.

M. Morgan - 195

1 BY MR. WARD:

2 862. Q. So, Max, if we could look, again, at
3 undertaking 2 on the list of undertakings?

4 A. Yes?

5 863. Q. It is actually a spreadsheet that we
6 have asked for, an Excel spreadsheet which details
7 all funds received from Banners Broker. And if I
8 have understood you correctly, all of the funds that
9 you have received from Banners Broker during the
10 period that you were associated with them would have
11 gone into this CIBC [REDACTED] account?

12 A. Yes, and for a short period of time,
13 maybe about a month or so, BMO. There was maybe one
14 or two transactions that went into BMO after we
15 closed our CIBC account.

16 864. Q. Okay. And just so I am...were there
17 any other accounts anywhere in the world that Aramor
18 maintained that Banners Broker might have sent, or
19 its affiliates might have sent funds to?

20 A. No, not that we would have
21 maintained. So, we have...you know, we set them up
22 with alternative relationships with other
23 processors, vendors, et cetera. So, if they were to
24 fund those accounts, that had nothing to do with us.
25 We might help with the bookkeeping or the management

M. Morgan - 194

1 The other was Canadian cheques that we did for a
2 company. So, yes, there was no...Banners Broker did
3 everything in U.S. dollars, and anything that was to
4 be converted was done at the customer's end,
5 generally.

6 856. Q. So, what you are telling me is there
7 was no Banners Broker-related...

8 A. No, none.

9 857. Q. ...activity in that account at any
10 point in time?

11 A. No, we just provided those accounts,
12 just to be transparent.

13 858. Q. Okay.

14 A. Because those were accounts we had.

15 859. Q. And just to remind everyone, when I
16 say Banners Broker, I am referring to...

17 A. Monitise and all the other ones,
18 sure.

19 860. Q. ...Stellar Point, all of the Banners
20 Broker...

21 A. Correct.

22 861. MR. WARD: ...-related companies, okay.
23 Just off the record for a second.

24 --- DISCUSSION OFF THE RECORD
25

M. Morgan - 196

1 of how they are going to do it, or administer it,
2 but they were not our accounts.

3 865. Q. So, just with reference to the
4 undertaking number 2, and the sheet that we have at
5 tab D before the blue tab...

6 A. Yes?

7 866. Q. ...is this the spreadsheet that you
8 believe sets out the...details all funds received
9 from...

10 A. I believe there is more from them,
11 their companies. It is what we could initially
12 find, given the time period we had to provide it.

13 867. Q. Okay.

14 A. So...

15 868. Q. Okay.

16 A. Yes.

17 869. Q. So, can we leave it this way, then?
18 Because I am going to take you to some specific
19 examples, where...

20 A. Sure.

21 870. Q. ...Gillian and Erin have found some
22 indication from the Banners Broker accounts that
23 there may have been money sent to Aramor that is not
24 included on this receipts list?

25 A. Sure.

M. Morgan - 197

- 1 871. Q. So, why don't we just get an
2 undertaking number 2, which I think we already have,
3 to give you a chance to go back, if you could, or
4 Tricia...
5 A. Okay.
6 872. Q. ...and just check that this is
7 complete, that we have a complete statement from
8 Aramor's records of all monies received by Banners
9 Broker. Can you...
10 A. I can do that.
11 873. Q. Thank you. So, that is undertaking
12 number 2 on Exhibit M1.
13 A. Okay. U/T
14 874. Q. And then similarly, the flip side of
15 the coin is we are also looking to get a complete
16 statement of all funds sent to either the
17 corporations, Banners Broker corporations, or the
18 principals, Smith, Dixit, and Joseph, or the
19 affiliates by Aramor, and is that something, Max,
20 that you or Tricia could prepare and give to us?
21 A. Yes. And just so I understand, for
22 the record, there are funds that we have sent on
23 their behalf to third parties that might not have
24 been affiliated with any of these guys, or their
25 companies that may have turned around after, and

M. Morgan - 199

- 1 A. Sure, I would hope so, yes.
2 878. Q. Okay.
3 A. Why not?
4 879. Q. Okay, thank you for that. And just
5 while we are at tab D, before you close tab D,
6 behind the blue sheet, there is another document,
7 which I said we have compared to the first one, and
8 they are different...can you just describe for me
9 what yourself or Tricia were doing here?
10 A. Right behind the blue sheet?
11 880. Q. Right behind the blue sheet. And
12 you will see that they are different when you look,
13 for instance, at the first two line items, the
14 Monitise entries? The second item is...on the
15 document before the blue sheet is \$149,000 receipt
16 whereas on the document after the blue sheet, there
17 is \$29,000.
18 A. Yes, I am not sure. There was
19 obviously some sort of mixup or discrepancy because
20 there is the \$29,000 on the first sheet, too, but
21 there is two of them here on this...after the blue
22 sheet. So, I am not sure. We would have to go back
23 and retrace our steps.
24 881. Q. Okay. And I believe I have that.
25 A. I am assuming it is probably an

M. Morgan - 198

- 1 sent it to their companies, you know, in terms of
2 just rerouting money. And that is not something we
3 would know, necessarily. We have...sometimes, we
4 get instructions to pay vendors. And if we pay a
5 vendor, and it is another payment company or another
6 company that is not affiliated with any of that we
7 see here, it could be assumed that that money was
8 used to move money elsewhere. I am sure there are
9 probably instances of that, but that wasn't my
10 business to really...
11 875. Q. Well, if you could do your best to
12 prepare something that...a complete statement of
13 disbursement, and presumably there would be...in a
14 lot of cases, to the extent they are written, there
15 would be instruction from Smith that would help make
16 sure that we captured all the disbursements for
17 payments out.
18 A. Sure, we will go ahead and do that. U/T
19 876. Q. Please. And ideally, it would
20 balance. So, the receipts that we are going to see
21 on the one spreadsheet would...
22 A. Yes.
23 877. Q. ...equal or be very close to the
24 disbursements going out to Banners Broker or the
25 affiliates, less your fees?

M. Morgan - 200

- 1 error, or...
2 882. Q. Sure.
3 A. ...we just omitted something. I am
4 not sure.
5 883. Q. So, we will leave that with you,
6 then, and I think it is...
7 A. Sure.
8 884. Q. ...included within the broader
9 undertaking.
10 A. I will clear that up. U/T
11 885. Q. Thank you. Now, just back with our
12 undertakings chart, I am at number 4, Max, on the...
13 A. Yes, okay.
14 886. Q. You described for us, on April the
15 13th, how there was a BMO account that was used for
16 purposes of EFT payments.
17 A. Yes?
18 887. Q. And just...can you explain for me
19 again what you mean by an EFT payment?
20 A. It is a direct deposit to your bank
21 account. So, if you have a Canadian bank account,
22 you can either debit or credit that account through
23 the mechanism of EFT, electronic funds transfer.
24 888. Q. Okay.
25 A. Yes.

M. Morgan - 201

- 1 889. Q. And that was done strictly in
2 Canada, correct?
3 A. Yes.
4 890. Q. And it was done...I further
5 understand that it was done through an affiliate
6 company of Aramor, which you identified as 2319639
7 Ontario Limited?
8 A. That is correct.
9 891. Q. And what was the business of that
10 company, 231?
11 A. It was just to disburse EFTs.
12 892. Q. So, can we get from you, then...and
13 there may not have been a lot of EFTs, but we would
14 like a complete statement of all of the EFT payments
15 that were...
16 A. Sure.
17 893. Q. ...that Aramor or 2319639 Ontario
18 Limited affected for Banners Broker.
19 A. Okay. U/T
20 894. Q. Thank you. Maybe the easiest way to
21 get that to us would be to produce the account
22 statements for 231's account at the Bank of
23 Montreal. Is that the way you...
24 A. We will try. I would have to
25 petition one of the corporate offices to do it, and

M. Morgan - 202

- 1 I don't know what their protocol is. I had a very
2 good relationship with CIBC. So, I can walk to the
3 branch and talk to the business tellers there. They
4 were able to order it for me because I was friendly
5 with them, but I don't know how BMO will...how fast
6 they will act or what they will do. This specific
7 EFT account was set up in Vancouver, so...
8 895. Q. Would you be prepared to authorize
9 the receiver to make that request on your behalf
10 with a copy of the...whatever they produce going to
11 yourself as well as to their receiver?
12 A. I would like to attempt first, but,
13 yes, I will permit it.
14 896. Q. Okay. So, let's...again, a two-step
15 process. If you could attempt first, thank you for
16 that. And then the next few get a little...the next
17 few undertakings, Max, get a little easier.
18 A. Okay.
19 897. Q. Number 5, I just wanted to confirm
20 that we had agreed when we last met that you could
21 provide me with a complete copy of the agreement
22 between Aramor Payments and Banners Broker?
23 A. Yes.
24 898. Q. And we have a copy, but it was
25 missing the schedules and it wasn't signed. Okay.

M. Morgan - 203

- 1 So, you will confirm that?
2 A. Yes.
3 899. Q. And then over the page, number 6,
4 similarly you were going to provide the receiver
5 with complete and, presumably, signed copies of the
6 agreements between Aramor and Beanstream and Aramor
7 Allied Wallet...
8 A. Sure. U/T
9 900. Q. ...with respect to Banners Broker?
10 Thank you for that.
11 A. Okay.
12 901. Q. And then undertaking number 7...
13 A. Okay.
14 902. Q. ...there were some commission
15 statements from Allied Wallet to Aramor Payments in
16 connection with the payment processing services, and
17 supplied to Banners Broker, and I wanted to confirm,
18 as well, that you can provide those to us?
19 A. Yes, we can do that. U/T
20 903. Q. Thank you. And then number 8?
21 A. Yes, we can do that, too. U/T
22 904. Q. Thank you for that. And number 9,
23 let me just consider this, because we may have
24 covered it. I think we have dealt with number 9...
25 A. We have covered that. It is one

M. Morgan - 204

- 1 specific account that you want to know where funds
2 were sent to or from to any of the corporations?
3 905. Q. Well, yes, and assuming...from what
4 you have told us, there was only one specific
5 account at CIBC, plus the BMO...
6 A. That is correct.
7 906. Q. ...towards the end. So, this
8 undertaking number 9 is presumably captured in the
9 answers to undertakings number 2 and 3.
10 A. That is correct.
11 907. Q. Okay. And then finally, undertaking
12 number 10. There was a BMO...another BMO account at
13 First Canadian Place?
14 A. That is correct.
15 908. Q. That was established in around
16 November 2012, after CIBC shut Aramor's accounts.
17 And you use that a little bit for Banners Broker,
18 correct?
19 A. Yes, we did. I can provide
20 statements for that for November 2012, and possibly
21 December, as well, for what they did.
22 909. Q. Sure. And we are only interested
23 in...well, what we are interested in is statements
24 for that account that document Banners
25 Broker-related activity, regardless of the time

M. Morgan - 205

1 period.
 2 A. Okay. U/T
 3 910. Q. Thank you. Okay. So, I want to
 4 look further at the little brief of documents that
 5 is tabbed and loose.
 6 A. Okay.
 7 911. Q. And behind tab A, there is reference
 8 to a \$300,000 amount that was paid from Monitise
 9 Group's account at Choice Bank to an entity called
 10 Cambridge Mercantile Corp...
 11 A. Sorry, what number is that?
 12 912. Q. It is just tab A.
 13 A. Tab A?
 14 913. Q. You will see a form there.
 15 A. Okay.
 16 914. Q. So, as I read this, there was a
 17 \$300,000 amount that was paid from a Monitise Group
 18 incorporated account...
 19 A. Yes.
 20 915. Q. ...which we understand was at Choice
 21 Bank, to a beneficiary by the name of Cambridge
 22 Mercantile Corp., that banked at the Bank of
 23 America, New York.
 24 A. Yes.
 25 916. Q. And can you tell me, is Cambridge

M. Morgan - 207

1 Aramor, is Cambridge Mercantile Group
 2 essentially...is it a company? Is it another one of
 3 your companies?
 4 A. Yes. It is not one of my companies,
 5 no. Cambridge is a huge FX broker on King Street,
 6 so they serve a lot of different companies. But we
 7 had an account with them to be able to receive funds
 8 from our clients and vendors, and to be able to send
 9 funds out, as well.
 10 920. Q. I see. And there is an account
 11 number on this, and you will see it as ending in
 12 1636? Was that the Aramor account at...
 13 A. No, we never had a specific account.
 14 They have their own accounts, and what we have is
 15 some sort of ID that is attached. So, if clients
 16 send funds for us, they can quote that in the
 17 notation, and then we would receive the funds.
 18 921. Q. Okay. And what happened to the
 19 funds after they made it into...how can we trace the
 20 \$300,000...
 21 A. You would have to trace...
 22 922. Q. ...beyond Bank of America?
 23 A. You would have to trace it through
 24 Cambridge. So, what happened is Cambridge got the
 25 funds. These guys, Banners, sent us the

M. Morgan - 206

1 Mercantile Corp. associated with Aramor?
 2 A. Yes. So, we had FX account there,
 3 that some of our clients funded. We have a lot of
 4 clients in Europe. We had some in Asia, as well.
 5 What had happened was Banners Broker wanted to be
 6 able to send direct deposit payments or...in Europe,
 7 called SEPA, through Cambridge, or they asked us if
 8 we could facilitate it. We told them we can't do it
 9 directly, but it would have to go through Cambridge.
 10 They may have funded more than once, but I think it
 11 was only once, and then Cambridge came back to us
 12 and said, you know, "You operated on behalf of a
 13 third party, or your clients. These guys are going
 14 to have to set up an account directly with us".
 15 And, so, we proceeded to attempt to do that and were
 16 not successful. But, yes, this might have happened
 17 once or twice, as far as I know.
 18 917. Q. Okay. So, it appears that it
 19 happened in this instance.
 20 A. M'hmm.
 21 918. Q. And just so I am...can you check and
 22 let us know if it happened in any other instances?
 23 A. Yes, I can check. U/T
 24 919. Q. Okay. And just so I am clear on the
 25 relationship between Cambridge Mercantile Group and

M. Morgan - 208

1 instructions. The instructions were to disburse X
 2 number of funds. What had happened is we got...some
 3 of the funds went to Ireland, which was really...
 4 923. Q. Some of these \$300,000?
 5 A. Yes. However, the country code that
 6 was typed in was Iran. And, so, that raised flags
 7 accidentally, and that is when we started to get
 8 into hot water with Cambridge, and they said they
 9 need to set up their own account, because they
 10 clearly knew it was out of our regular pattern. We
 11 never really sent a lot of payments to Ireland
 12 or...and never to Iran, obviously. So...
 13 924. Q. Okay. So, what we are trying to do
 14 is find out what happened to the \$300,000 beyond
 15 this point in time.
 16 A. It got disbursed. It got disbursed
 17 based on whatever their instructions were.
 18 925. Q. Okay.
 19 A. And I can't say that it was just
 20 micropayments. It might have been larger payments,
 21 too, but Banners sent instructions, we remitted
 22 those instructions over to Cambridge, and Cambridge
 23 acted on them.
 24 926. Q. Okay. So, can you either, by
 25 contacting Cambridge or just by looking within your

M. Morgan - 209

1 own records...

2 A. Sure.

3 927. Q. ...can you please give us an
4 accounting for what happened...where that \$300,000
5 went?

6 A. Sure. U/T

7 928. Q. Thank you. And then the next item
8 in this brief is a \$200,000 amount, and you will see
9 this behind tab B. That was, again, transferred
10 from monetized group account at Choice Bank?

11 A. Yes.

12 929. Q. To a Bank of Montreal account of
13 Aramor.

14 A. Yes.

15 930. Q. In February of 2013.

16 A. Okay.

17 931. Q. And this would have been the First
18 Canadian Place?

19 A. That is accurate.

20 932. Q. Okay. And...

21 A. That was after our CIBC accounts
22 were closed.

23 933. Q. Right.

24 A. I think...I don't believe those were
25 necessarily disbursements that we did. I think

M. Morgan - 211

1 A. Yes.

2 940. Q. This receipt doesn't appear on the
3 receipt listing that Tricia had prepared, and you
4 had given to us earlier.

5 A. I don't think it was clear to her,
6 necessarily, who it was from or where it was from
7 initially. And I had given her a list of names of
8 companies, et cetera, to look for. So, it was easy
9 for her to...like to...bypass this.

10 941. Q. Okay.

11 A. She wouldn't have hidden it, because
12 she knew that we had the...and you guys have all the
13 statements, so...

14 942. Q. Okay.

15 A. ...it is probably just an oversight.

16 943. Q. Understood.

17 A. I can certainly get some more detail
18 on it.

19 944. Q. As long as it is included in the
20 revised, sort of, comprehensive receipts
21 disbursement summaries, that would be fine. And
22 then, if we look behind tab E in the same brief,
23 there is a few entries I want to take you to that
24 the receiver is interested in. It looks like there
25 were three transfers to Stellar Point, that were

M. Morgan - 210

1 those funds were sent to us, and then off to
2 Payoneer, or we were to remit those funds elsewhere
3 in a large lump sum. So, we didn't do a bunch of
4 micropayments ourselves.

5 934. Q. Okay. But you either...

6 A. I can get you details on that.

7 935. Q. Well, yes, thank you. And I
8 will...for the record, we would like an undertaking
9 as to...so, with information sufficient to determine
10 the disposition of those funds beyond the Bank of
11 Montreal. And it may be...because you have told us
12 that we can have the relevant Bank of Montreal
13 statements, that just by looking at the statements,
14 we can figure out how the money...

15 A. Sure.

16 936. Q. ...was disbursed on.

17 A. Okay. U/T

18 937. Q. And then the next tab is tab C...

19 A. Okay.

20 938. Q. ...and you will see that, on
21 September the 3rd, 2012, is this highlighted for...

22 A. It is.

23 939. Q. It is, okay. So, on September the
24 3rd, 2012, there was a \$299,935 amount that was sent
25 to your Aramor CIBC bank account.

M. Morgan - 212

1 made in the summer of 2012.

2 A. Right.

3 945. Q. And the first one you see, on the
4 first page, it is an \$80,000 entry...

5 A. Right.

6 946. Q. ...and the indication there is "Comm
7 cash debit". And we talked a little bit about this
8 on April the 13th, but remind me: What is your
9 understanding of a comm cash debit?

10 A. I think it is just...it is a
11 transfer within the branch. So, we didn't have to
12 wire the funds necessarily, because Stellar Point
13 should have had an account at the same branch. From
14 what I recall, I did the introductions...

15 947. Q. Right.

16 A. ...for them to get an account there,
17 so...

18 948. Q. So, you believe that to just
19 indicate that there was an intra-bank transfer...

20 A. Right, of their own funds, and from
21 what I understand, I know that Stellar Point had a
22 large commercial property, and they had a staff of
23 about 60 or 70 people at one point. So, from what I
24 remember at the time, or as you mentioned to me, it
25 was for his payroll and other expenses, and this was

M. Morgan - 213

1 consistent. So, I said, "Okay, sure. We will
2 transfer it. It is your money".

3 949. Q. Okay. And, please, if you can move
4 forward to tab F?

5 A. Yes?

6 950. Q. There are five transfers from
7 Stellar Point that are documented in tab F.

8 A. To Aramor?

9 951. Q. To Aramor.

10 A. Okay.

11 952. Q. And, again, I am told that these
12 were not on the receipt summary that...

13 A. No, Tricia would not have known...

14 953. Q. Okay. So, if you could just make
15 sure, then, that they...

16 A. It says Banners Broker Limited here,
17 is this Banners Broker Canada...this is Banners
18 Broker, and then it changed to Stellar Point.

19 954. Q. Correct.

20 A. Is that accurate?

21 955. Q. Yes. And, so, we just need to...we
22 just want to...if you could remind Tricia or whoever
23 to make sure...

24 A. Yes.

25 956. Q. ...that these types of transfers are

M. Morgan - 215

1 A. I would prefer to leave Lyndon out
2 of this. What is Lyndon's relevance to this? And
3 by that I don't mean he has anything to hide. He
4 doesn't, but he is a good friend. He went through a
5 tough time. He left Aramor and went to Global
6 Payments on my referral and recommendation, and he
7 was simply an account manager that did a good job
8 setting them up with payments for Allied Wallet,
9 Beanstream and a couple of other companies. He
10 would have no relevance to the money that you are
11 looking for within Aramor as far as these
12 statements, et cetera. He was never part of that
13 side of the business.

14 963. Q. Yes. It is just in case we needed
15 to speak to him for any reason. There is no plan to
16 pursue Lyndon or anything, or anyone else, for that
17 matter. We are just trying to figure out the flow
18 of funds. Now, if he is...

19 A. He is a close family friend. Unless
20 it is by court order, I don't want to provide that.

21 964. Q. And in the same vein, I know that
22 there were a couple other people within your
23 organization that did some Banners Broker work...

24 A. Yes.

25 965. Q. ...and the other one, of course, is

M. Morgan - 214

1 included in the revised receipts disbursement
2 summary.

3 A. Okay. U/T

4 957. Q. Okay. And then similarly, tab G of
5 the same brief shows a receipt to your CIBC account
6 from G Cube Media. And, again, this was also not
7 included in Tricia's form.

8 A. Yes, I don't think she was familiar
9 with it.

10 958. Q. Okay. But...

11 A. We will include it. U/T

12 959. Q. Thank you, because we consider G
13 Cube to be affiliated.

14 A. It is.

15 960. Q. All right. Okay. So, let's...I
16 think we are done with that, and we are making good
17 progress, Max. A couple other housekeeping matters.
18 Lyndon Burrell do you know where...where is Lyndon
19 Burrell...

20 A. Burrell...

21 961. Q. ...if we needed to speak...

22 A. Global Payments.

23 962. Q. Okay. And can you give Gillian...or
24 do you have his contact information to give to
25 Gillian?

M. Morgan - 216

1 Tricia Edwards. Is she in the Philippines or
2 Canada?

3 A. Tricia is in Canada.

4 966. Q. Okay. And is she still with Aramor?

5 A. She is independently contracting,
6 but yes.

7 967. Q. Okay. And, so, similarly, just in
8 the event we needed it, could we get, please,
9 contact information for Tricia Edwards? An e-mail
10 address and a phone number?

11 A. Look, I don't mind bringing Tricia
12 here, bringing her in or anything like that. I
13 would prefer if she comes in or anything like that,
14 she is with someone, she is with me. Not a lawyer,
15 but...

16 968. Q. That is fine.

17 A. Yes, I don't want her operating
18 outside of that. And we run a business, and she is
19 pretty busy. So, you know, she will help me get the
20 documentation you need, but...you know, I consider
21 myself the principal and the one who had the
22 relationship with Banners for the most part, and
23 everyone else aiding in it, and I don't want to drag
24 in other people into it if not needed...

25 969. Q. Okay, and...

M. Morgan - 217

1 A. She can obviously provide detail on
2 some transactions, because she was my payments
3 manager, but to her they are just instructions.

4 970. Q. So, can we just leave it that you
5 can make her available to us if necessary...

6 A. If necessary, yes.

7 971. Q. ...on further requests? Okay, thank
8 you for that. And the two other names that I had,
9 again, from the first day, are Liza Abridana and
10 Alicia Varga.

11 A. Liza is in the Philippines, so she
12 wouldn't be available. She no longer works with us.
13 Alicia still works with me; however, she never had
14 any affiliation with Banners Broker. I am not sure
15 why she would be named on anything. She was
16 completely not with...she was with the company at
17 various, various times during the process, but did
18 not have any affiliation whatsoever.

19 972. Q. All right.

20 A. Had no dealings.

21 973. Q. And let's turn to the...because I
22 think we are in the home stretch now...

23 A. Sure.

24 974. Q. ...to tab 16 of the large document
25 binder, which I believe I have already marked, but

M. Morgan - 219

1 980. MR. WARD: Okay. So, just...as I was
2 about to do, we are going to mark the large
3 black binder with 64 tabs as Exhibit M3 for
4 identification.

5 --- EXHIBIT NO. M3: Large black binder with 64 tabs

6 BY MR. WARD:

7 981. Q. And, Max, I am at an e-mail behind
8 tab 16.

9 A. Okay. Sorry, this is Chris Smith?

10 982. Q. Yes, this is an e-mail from yourself
11 to Chris Smith.

12 A. Okay.

13 983. Q. Behind tab 16, and just take a
14 minute and refresh on it, but as I read it, on
15 January the 18th, Chris is telling you to look out
16 for three wires.

17 A. Okay.

18 984. Q. And do you see the third wire there?
19 It says:

20 "...From World WebMedia Swiss..."

21 A. Yes.

22 985. Q. "...200,000 euro to Barclays..."

23 A. Correct.

M. Morgan - 218

1 just to be clear for...

2 A. Just to clarify, she did have...she
3 helped with the Indian payments. That was it.

4 975. Q. She being...

5 A. Alicia.

6 976. Q. Alicia Varga?

7 A. Yes. So, she helped with the Indian
8 cash payments, really just kind of
9 orchestrating...not money movement, but the
10 organization of files, because it was pretty messy,
11 but that was it. I don't know what she would know
12 or remember, but it was specific to Indian cash
13 payments. So, if you have any questions regarding
14 that, she could answer those.

15 977. Q. Now, is she in Canada?

16 A. Yes.

17 978. Q. Okay. And similarly...

18 A. If you need to have her in to ask
19 questions regarding the Indian cash payments, I can
20 bring her in.

21 979. Q. Thank you. And just...we touched on
22 this the first day, but within Aramor, it was
23 yourself and not anyone else that authorized the
24 movement of funds?

25 A. Correct.

M. Morgan - 220

1 986. Q. Can you just explain for me what
2 that was?

3 A. I don't know if it is a typo, or if
4 we had an FX account or...no, not an FX account. A
5 funding account to Barkley's for credit card
6 funding. We have a program where you can fund
7 credit cards directly, and it is possible that he
8 sent money there. We have never had a Barkley's
9 account. We have a lot of third-party processors
10 that do. So, I wouldn't know why that would be sent
11 to us. The other two, yes, and you could probably
12 see that on the statements. G Cube and Monitise,
13 but World WebMedia was not something that we had
14 seen before, and we have never had a Barclay's
15 account.

16 987. Q. Have a look at the very next tab.
17 Tab 17.

18 A. Okay.

19 988. Q. And, again, as I read it, on January
20 the 26th, 2012, you are sending Chris...

21 A. Yes, okay. So, it was the FIRMA
22 foreign exchange, that is an FX firm that we deal
23 with. So, that is why...okay, that makes sense.
24 That is not our Barkley's account, just so you know.

25 989. Q. Well, just...yes. So, whose

M. Morgan - 221

1 Barkley's account was it?

2 A. From a foreign exchange...allowed us
3 to receive funds in euros or any other currency to
4 get exchanged and then send it off elsewhere if it
5 needs to...if it needs to be funded somewhere else.
6 I don't know why he sent funds to FIRMA, and I don't
7 know...I would have to go back and check, and I can
8 certainly try to provide some background there as to
9 why those funds were sent. My assumption is that it
10 was used to fund one of his disbursement accounts or
11 credit card funding, as mentioned in the...

12 990. Q. I am just trying to put the
13 two...tab 16 and 17 together. And behind the blue
14 sheet in tab 17 is the actual receipt from FIRMA
15 Foreign Exchange.

16 A. Yes.

17 991. Q. Or two FIRMA Foreign Exchange.

18 A. Correct.

19 992. Q. What is happening here with this
20 200,000 euro? What is Aramor's involvement in
21 dealing with Barclays, FIRMA Foreign Exchange and
22 Banners Broker?

23 A. We had a relationship with FIRMA
24 only. Banners Broker, I don't know...WorldWeb Media
25 Inc., we never received funds from them ever before

M. Morgan - 223

1 to us, exchange it and put it to our account. This
2 is something else. This is them wanting to send the
3 funds in euros or another...or USD, but it is from
4 Switzerland, and they want us...clearly, World
5 WebMedia, we haven't seen that on any of our other
6 statements. So, this is a one-off. I don't know
7 what it was for, and it wasn't sent directly to us.

8 996. Q. So, the account number on this
9 statement...

10 A. Belongs to FIRMA.

11 997. Q. The one ending in [REDACTED]?

12 A. Yes.

13 998. Q. That is your account to FIRMA. So,
14 it belongs to FIRMA?

15 A. It belongs to FIRMA, yes. We never
16 owed any accounts out in Europe.

17 999. Q. No, I appreciate that. I guess what
18 I am trying to understand is where the money went
19 from here.

20 A. That is something that FIRMA would
21 have to obtain for you, or you would have to ask
22 Chris. You know...and this isn't the first time
23 they have used one of our third-party relationships
24 to move money, or we have introduced them to someone
25 that can do that for them. You know...

M. Morgan - 222

1 in any account. The fact that they were sending it
2 to here, it is possible that was a one-time thing,
3 maybe in one of their offshore accounts. I am not
4 sure, but they wanted money moved and...

5 993. Q. Who is "they"?

6 A. Either Chris or...what is his name?

7 Kuldip. This was brought up in our last meeting
8 where you mentioned something about a Swiss bank. I
9 am not sure why they would send funds at the time,
10 but FIRMA has the capability of exchanging and
11 moving the funds. And, so, it is likely that is
12 what they did.

13 994. Q. And how did the receipt...because
14 the receipt that you have behind tab 17 that you are
15 sending to Chris...

16 A. Yes.

17 995. Q. ...how did this come to you?

18 A. Well, we had the a relationship with
19 FIRMA. So, we authorized them to send it.
20 Whatever...we said to them, "If you want funds
21 exchanged, or you need somewhere to send euros, you
22 could send it to FIRMA". Now, we have relationships
23 here, and, you know...like we had with Cambridge and
24 a few other firms where we could have...if they
25 needed to send us direct funds. They would send it

M. Morgan - 224

1 1000. Q. So, you are saying, then, that you
2 introduced, essentially, Banners to FIRMA?

3 A. No, we had the relationship with
4 FIRMA, and we said we have a client that wants to
5 use our account to send money, or to send it to
6 wherever they need it to go.

7 1001. Q. Was an Aramor account...

8 A. It is not an Aramor account. It is
9 just our relationship with FIRMA. We don't own any
10 accounts with FIRMA. What happens is it is FIRMA's
11 bank account. FIRMA says, "Maxwell, you guys can
12 have your clients send money here, and just indicate
13 that it is, you know, whatever the reference is, and
14 then they can go ahead and move it, or whatever the
15 case is. FIRMA makes their money purely on
16 exchange. So, whatever they got in USD had to be
17 converted to euro or something else. That is just
18 the rule. FIRMA doesn't care where it comes from or
19 what it is. As long as it is legal money, they will
20 make their money on the exchange.

21 1002. MR. WARD: Okay. Let's just go off the
22 record for a second.

23 --- DISCUSSION OFF THE RECORD
24
25

M. Morgan - 225

BY MR. WARD:

1003. Q. So, Max, with reference to tabs 16 and 17 of M3, if you could...if you are able to make, if you are willing to make inquiries of FIRMA...

A. Yes.

1004. Q. ...to determine from them the disposition of the 200,000 euro. You will do that for us?

A. Sure. U/T

1005. Q. Thank you. Okay. And, Max, we will send you a list of all these undertakings as well. You are welcome to please take notes, and...

A. Okay.

1006. Q. ...there will be a transcript, but we are happy to send you a list.

A. Okay.

1007. Q. Now, there is a few other e-mails that I want to get to that don't have to do with account transfers, per se. They are a little more higher-level or general, but either yourself or Burrell were across them with Smith. And the first one I want to take you to is tab 18.

A. Sure.

1008. Q. And this is a discussion, you

M. Morgan - 227

London every year around that time. I am going to go on record and probably say it was Wirecard.

1010. Q. Wirecard?

A. Out of Germany.

1011. Q. Right. There is a reference in the e-mail to you meeting with a few offshore banks in London.

A. Yes.

1012. Q. Did you do that on behalf of Banners, or...

A. No. I go to London every year for a big conference, and there is a lot of banks and clients and entities that I deal with. So, I am sure that whatever I went there for, I loosely mentioned this specific scenario, this specific client to get a feeler for what might be out there. And when I said I met with a few offshore banks, I don't know how many. It is possible I said whatever I needed to appease them. They are my client, but...

1013. Q. You also say...you say further down, you say:

"...Here is the message I got back in my last conversation with a bank in Europe after I submitted everything..."

M. Morgan - 226

authored the e-mail, but the subject of the e-mail is a master account that you are having difficulty in obtaining. So, if you could refresh on that, I would like you to explain what the issue is here.

A. I can't recall exactly why they needed a master account, or what a master account might have been at the time. I don't know. It clearly was a term that we used here. They came to us initially in the latter part of 2011 for a whole bunch of things, primarily credit card processing, but other things that they figured, you know what, you have relationships with that you can probably obtain, which is true. The premise of this e-mail was to understand their business model, because it looked very risky to some of the banks or entities I spoke with, that they wanted me to engage with, and I wanted them to...I got a message back from a bank in Europe that wanted to understand their business model a little bit more, and I didn't have a full understanding as far as what was on the website. You know, my understanding initially was that it was banner ad advertising. And, so, when the bank came back to me with this, it was...

1009. Q. Which bank was this?

A. I am not 100 percent sure. I go to

M. Morgan - 228

A. Yes.

1014. Q. So, was there some sort of an application that you submitted?

A. I think it was...yes, a package. So, it might have been an application. It might have also been the principals' documents, et cetera, and I don't think it was by e-mail. I think I might have personally delivered it, or...

1015. Q. But does that help you remember which bank it was?

A. Not really, it doesn't. I could go on record and saying Wirecard because I have a pretty good relationship with them. Yes, no, I wouldn't remember which exact bank it was. Bear in mind, this was...I mean, we submit applications to banks and processors daily in the hundreds sometimes, back then. So, I would have to go back and look at some of the relationships I have, and see...

1016. Q. Okay.

A. ...who it was, but I don't think...I don't even think the bank would have kept this because it was just an application. I don't think it was anything of real record. The point of this e-mail was that if the bank doesn't exactly

M. Morgan - 229

1 understand how to classify your business, or
2 understand what it is, then it is going to be hard
3 for me to operate for you, to represent you in what
4 you need, because it is risky and people don't
5 understand it.

6 1017. Q. You didn't understand it, either?

7 A. I understood what I thought I
8 understood, and then when I saw this, or saw the
9 bank sent this, I met with them and said, "Guys, you
10 know, this is extremely complicated" and banks are
11 scared of this type of activity. It is an MLM, but
12 the way they are explaining it, it sounds like it
13 could be something else. It sounds like it could be
14 duplicitous in some way.

15 1018. Q. Right. I mean, I take it that you
16 were never completely comfortable with this business.
17 Is that fair?

18 A. I was comfortable with the
19 principals involved. I thought they were good guys.
20 I thought they were honest. I thought they were
21 building a good business. They seemed to have a
22 good morale with their staff, and good press at the
23 time. So, I just wanted them to provide clarity and
24 make the business model simpler so that it provided
25 less questions, you know? My job when I set up a

M. Morgan - 231

1 much of a relation with Kuldip, so I think his
2 relation was more...his role was more silent. But,
3 yes, Chris' relationship with a little bit puzzling.
4 I had concerns about him. Rajiv, not so much. I
5 just...off the record.

6 --- DISCUSSION OFF THE RECORD

7
8
9 THE DEPONENT: I just didn't want to
10 paint him in a certain way.

11
12 BY MR. WARD:

13 1021. Q. Him being...

14 A. Rajiv.

15 1022. Q. Okay.

16 A. I have no problem saying he is a
17 friend, but I don't know their business dealings in
18 and out well enough to say that...how involved he
19 was. I know when it came to money, outside of what
20 Stellar Point needed for their payroll and their
21 overhead, which was very clear to me, I primarily
22 dealt with Chris on all the instructions, incoming
23 and outgoing.

24 1023. Q. Have you spoken with Smith lately?

25 A. Never. It has been...the last

M. Morgan - 230

1 merchant with accounts is to help them with their
2 business, and to help the bank, or process or
3 understand the model so that it causes less problems
4 when there is underwriting, it causes less problems
5 if there is a case of fraud, because things
6 like...fraud happens all the time in credit card
7 transactions, and it is not always the merchant's
8 fault. So, I wanted to represent their interests
9 clearly, and...

10 1019. Q. I guess just to help us understand,
11 because part of the...I mean, the receiver has to
12 tell the story here, as well, in terms of what...

13 A. Sure.

14 1020. Q. ...their understanding of the
15 business is. But I take it that the comfort that
16 you had with the principals, did that change at some
17 point? I mean, CIBC shut down your accounts later
18 on...

19 A. Yes, and they shut it down mainly
20 because there was carelessness. I wouldn't say
21 these guys were dishonest. They didn't try to hide
22 anything from me. So, I wasn't necessarily upset
23 with them. I really, after that, just said, "Let's
24 focus on credit card processing, which we could
25 easily do for you, provide for you". I didn't have

M. Morgan - 232

1 dealing we had with them, in terms of money going
2 into our BMO account was the last time I probably...

3 1024. Q. Okay.

4 A. ...communicated with him.

5 1025. Q. And what about the last
6 communication or contact with Josun?

7 A. It has probably been years. I know
8 he...

9 1026. Q. Okay.

10 A. ...left the company...

11 1027. Q. Right.

12 A. Yes, I only had met with him maybe
13 three or four times in total since we knew each
14 other. So, yes, I didn't...for him, it was more of
15 a handshake. We never spoke much more than that.

16 1028. Q. And how about Dixit? Rajiv?

17 A. Probably a week ago.

18 1029. Q. A week ago?

19 A. Yes.

20 1030. Q. Okay.

21 A. Our kids are in the same school.

22 So, if I pick up my kids, I will see him.

23 1031. Q. Okay. And he is your personal
24 friend, you had said, as well?

25 A. Not so personal, but I am a likeable

M. Morgan - 233

guy, so...you know? If people come around, I will see him...Oshawa is not a big place. So, yes, I know him very well.

1032. Q. How did the richest... fast-forwarding...how did the relationship end, the Aramor relationship with Banners?

A. With Banners?

1033. Q. Who ended it, and how?

A. I don't know if it ended that formally. I think it was kind of like, "We don't have any more accounts for you guys to fund. We can continue doing introductions for you". Lyndon didn't want anything to do with it anymore, just because of the stuff coming up online. We still had a relationship with Allied Wallet, and they were still processing credit cards with them, and they were still providing us with our commissions. So, where that is concerned, I just left that as is. I think they just scaled down their business on their own.

1034. Q. Well, they ended up getting put into liquidation in the Isle of Man...

A. Right.

1035. Q. ...and then receivership here. So, were you with them pretty much to the end, then?

M. Morgan - 235

1039. Q. Right.

A. ...that he sells stuff out of. He needed a merchant account. I introduced him to someone who would obtain it for him, and I know he had some other interest that he is working on, that is...I loosely consult with him on. I told him anything related to an MLM, I can't be involved with, just based on what has happened with Banners, it is just too risky. And since then, Aramor has turned away any business from any MLM just because it is...the risk profile is too high.

1040. Q. Right, right. The question is, Stephanie Schlacht was also involved in the Banners Broker business. We know that for quite a while, and then she is married to Rajiv. First of all, did you have any business dealings with her in terms of taking instructions for payouts or anything else?

A. No. No, everything was Chris. She was Rajiv's executive assistant, apparently, at the time. I dealt with her a lot when it came to Stellar Point, but not when it came to payment instructions. Just administrative stuff; if I needed to met with Rajiv or something, she would book it. So, no, I mean, the relationship I had with her after was more of a friendly one because of

M. Morgan - 234

A. No, just, all of a sudden, just...communication kind of ceased, particularly with Chris. Rajiv still communicated with me because he valued my input on payment processing. So, he would ask me questions. You know, I know he had other business interest he wanted to pursue. So, he asked me questions and I knew new his wife very well. And, so, I still had communication with Rajiv, but not Chris, and Chris was the guy I communicated with for the business a long time ago.

1036. Q. Right.

A. Rajiv left Banners and did his own thing with Stellar Point, and decided he wanted to do web hosting and a host of other things, and...

1037. Q. Right.

A. ...so, he came to me to ask about payment processing and I said as long as it is not in the realm of what you were doing with Banners Broker, we can look at it. I can make the introduction at the very least. So, that is what I did.

1038. Q. Right, right. And I take it you are not working with Rajiv now currently?

A. I do some consulting for him. He has a storefront called Wireless Cash...

M. Morgan - 236

their romantic dealings.

1041. Q. Were you at their wedding?

A. I was in the wedding.

1042. Q. In their wedding?

A. Yes.

1043. Q. Okay.

A. A lot of people asked me to be in their wedding.

1044. Q. All right.

A. Yes, we are not particularly...

1045. Q. So, you are like a groomsman?

A. I was a groomsman. If you know Rajiv, he is not very charming. So, people who have been kind to him and friendly, he is just that kind of character, and he asked me to be in his wedding. So, I said, "Sure, you know, I will make your wedding look better. I will be in it". I am good for a party anyways.

1046. Q. Okay. I am going to move through some points quickly, because I don't think a lot turns on...it may be that not a lot turns on this, but there is a reference at tab 25 of this binder to what is called a closed-loop solution.

A. Yes.

1047. Q. I haven't seen that term before.

M. Morgan - 237

1 What is that?

2 A. Yes, that is like eWallet. I don't
3 know if you have heard of the term "eWallet".

4 1048. Q. I have, yes.

5 A. Okay. So, an eWallet...MLMs like
6 eWallets because it allows money to come in. Each
7 individual or each of their customers has an
8 individual subaccount. It is virtual money really,
9 and then when they want to cash it out to have it
10 sent elsewhere, they can do so. So, I know they
11 have had relationships with a few eWallets out
12 there, and I have been exploring options for them to
13 have an eWallet solution that I could introduce them
14 to.

15 1049. Q. So, is eWallet the same as a closed
16 loop?

17 A. It is absolutely the same thing.
18 The money stays there, it comes in, it goes out, the
19 same way.

20 1050. Q. Okay. And then moving forward, tab
21 28, there is some correspondence regarding options
22 to do business in Bangladesh.

23 A. Yes.

24 1051. Q. Tell me about that, because...

25 A. Sure.

M. Morgan - 238

1 1052. Q. Yes, please.

2 A. So, their model was they used to
3 travel, and Rajiv was pretty heavy on the sales end,
4 and presents, you know, what they could do for you
5 when, you know, you get involved with Banners
6 Broker, and they said Bangladesh was blowing up for
7 them. It was becoming very profitable, and they
8 needed payment options there. I had never done
9 anything related to Bangladesh, and I didn't know a
10 lot. We had a relationship with UseMyServices, and
11 UseMyServices mentioned they might be able to do
12 something. And, so, I think we just started to
13 explore that option for them. There was nothing
14 direct that Aramor could do, but we were looking at
15 relationships that might be able to facilitate that.

16 1053. Q. So, was something put in place? Do
17 you know?

18 A. Not that I remember. It is possible
19 there was some sort of short-term solution, but
20 Bangladesh was very difficult. I don't think
21 UseMyServices could do it. I think we tried to look
22 at some other services that might be able to do it,
23 and it just didn't seem possible.

24 1054. Q. But was Burrell in charge of the
25 Bangladesh options?

M. Morgan - 239

1 A. Not really. I think he just
2 was...he would earn commissions if he could get
3 UseMyServices to do something. He had built a
4 relationship with them. So, I think he introduced
5 that option. The UseMyServices never did anything
6 for them there because it just fell through. It
7 didn't work out. Bangladesh was a tough place to
8 get money out of.

9 1055. Q. Okay. So, here is...tab 29 is more
10 interesting. So, let's move on to that. The
11 subject is "Cash pickup".

12 A. Right.

13 1056. Q. And just to refresh on it...review
14 it...

15 A. Sure.

16 1057. Q. ...and then if you could just
17 describe for me what is going on here, in terms
18 of...

19 A. Yes, it was just...he had some money
20 to pick up, pretty much. The information was
21 provided to me as to where he was to pick up the
22 funds, and I told him I can't pick up the funds. I
23 am not going to disburse them for you. I am not
24 walking around with that kind of money. So, I gave
25 him the information to pick it up, and who to ask

M. Morgan - 240

1 for it, and that was it. These e-mails are pretty
2 much the extent of the communication when it comes
3 to money. Sometimes there was a PIN that he would
4 give them, or a specific code. Sometimes just the
5 person he would ask for.

6 1058. Q. So, do you know Jason Berry?

7 A. No, I think that is an alias,
8 probably.

9 1059. Q. And is...

10 A. I am pretty certain it would be.

11 1060. Q. And was this something that...this
12 is something that Aramor coordinated for Chris,
13 right?

14 A. Loosely. I can't recall if these
15 were either his existing funds that he already had
16 with us, and we sent it. Of if he sent it. You
17 know, and that I can look into, but, yes, I did
18 coordinate it for him in the sense that the
19 individual that did our...or eKash that did our
20 Indian payments, they had a money service business
21 here, as well, and they said they can do cash
22 disbursements, which we thought was above-ground,
23 because they are a money service business. The
24 offices that they have had, you know, including this
25 location were just virtual offices, so, office space

M. Morgan - 241

1 they could rent out and, you know...

2 1061. Q. Well, have you ever been to 14 Haas
3 Road...

4 A. No.

5 1062. Q. ...unit 106?

6 A. No.

7 1063. Q. I mean, why do you think it is a
8 virtual office? Like, what would we see there?

9 A. That is just how eKash operated.

10 They always had...I mean, they would use Regus or
11 other companies to have their operations at. I
12 think they just didn't like to sign any long-term
13 leases, so it made sense for them.

14 1064. Q. Okay. So, when you say "virtual
15 office", you mean that it wouldn't say eKash...

16 A. Not virtual office, but, yes,
17 boutique office where they could just use it for the
18 day if they wanted to, or they could be there
19 longer, but it wouldn't say eKash on the door.

20 1065. Q. Okay.

21 A. Although they could have that
22 option, perhaps. I am not sure.

23 1066. Q. Now, you have promised us...what we
24 call loosely a disbursement summary. So, can I
25 assume that if that \$40,000 went through any of

M. Morgan - 243

1 are talking about", and this is one of those
2 instances where, you know, we said we would go ahead
3 and put it down while we searched for it, and find
4 out what is what, but I think it is clear, in this
5 e-mail, that we weren't aware of any other deposits,
6 we need information notices as there are several
7 deposits daily, there is no way to know whose money
8 is whose. We were trying to...we were trying to
9 keep him organized, you know...

10 1070. Q. You were trying to sort things out,
11 right?

12 A. We were trying to sort things out.

13 1071. Q. Okay.

14 A. So, I don't know if there was ever
15 that deposit. I would have to look, but it doesn't
16 sound consistent with the type of deposits they were
17 doing.

18 1072. Q. Right. But can we take it
19 that...and I mean, we will see this when we look at
20 your...the additional documents. I mean, ultimately
21 Aramor was able to reconcile what went in and out on
22 account of Banners?

23 A. No, not all the time. There was
24 lots of money missing at different times, because
25 they said they sent something and it didn't come, or

M. Morgan - 242

1 Aramor's accounts, you will...

2 A. Yes.

3 1067. Q. ...and that you had funded it to
4 eKash, we would see that on the summary that you are
5 going to provide?

6 A. As best as possible. I don't know
7 if it ever did go through us, but I will
8 double-check. U/T

9 1068. Q. Thank you. And then over the page,
10 the next e-mail deals with a larger amount.

11 A. This is 30?

12 1069. Q. Yes, tab 30. Just reread it. I
13 think my...I am not sure I had a question on this
14 one, other than...I mean, it is a large amount,
15 \$400,000 deposit. You say:

16 "...It will be accounted for today by
17 Tricia..."

18 A. Yes, and I think what happened is,
19 so much money was coming in at the time, and we had
20 other clients funding the same account. We had no
21 idea to know whose was whose at times, although our
22 other clients were very clear as to what was going
23 on. Sometimes money would come in for Chris, or he
24 would say that we have...we should see this on our
25 statement, and we would say, "We don't know what you

M. Morgan - 244

1 their customer sent something and it didn't come.
2 There was probably about half a million dollars
3 missing, their total reconciliation. They didn't
4 seem to care most of the time.

5 1073. Q. But to the extent that money came
6 into Aramor, you are going to be able to...

7 A. Yes, if it came to Aramor,
8 absolutely. There is...I mean, this is April 24th,
9 2012. If this came in from them, you will see it on
10 the statement.

11 1074. Q. Okay, thank you. And just moving on
12 to tab 33, there is a reference...this is an
13 exchange between Lyndon and Allied Wallet?

14 A. Yes.

15 1075. Q. And Allied Wallet is telling Lyndon,
16 all U.S. cards and anything coming from a U.S. IP
17 address are blocked?

18 A. Yes.

19 1076. Q. Do you understand what the reason
20 for that was?

21 A. Yes. So, oftentimes...so, for
22 Banners Broker, they were accepting payments from
23 everywhere internationally. U.S. purchasers tend to
24 be a little more aggressive with chargebacks when
25 they are not happy with something. They call their

M. Morgan - 245

1 bank and they charge it back right away. And, so,
2 oftentimes, that spikes the chargeback ratio, and it
3 is not really indicative of how good the merchant is
4 when it makes them look bad. At some point the
5 credit card processor is going to say...or the bank
6 will say, "We can't process for you anymore, the
7 chargebacks are too high".

8 1077. Q. I see.

9 A. And, so, the processor's job is to
10 find ways to reduce that or to mitigate the risk
11 somewhat. Sometimes, there is different chargeback
12 management programs, but this one would be okay,
13 just stop taking U.S. cards, maybe there is another
14 way you can get your U.S. payments. And the U.S., I
15 believe, was a small fraction of what they were
16 doing. Most of their good business was in
17 developing countries. And, so...or places like
18 Ireland, you know? European countries. So, it had
19 been suggested to us...it had been suggested to us
20 that maybe with this merchant, we should probably
21 get rid of U.S. cards on this specific account, and
22 Allied was good to work with. They didn't want to
23 keep the account open. And, so, they made that
24 suggestion.

25 1078. Q. Okay. And here is a question, maybe

M. Morgan - 247

1 Wallet would have wanted.

2 1081. Q. Right.

3 A. So, yes.

4 1082. Q. Okay. And how long do...do you know
5 how long monies need to be held at Allied Wallet and
6 be subject to chargebacks? Like, do you know how
7 that end of things...

8 A. I don't think there is a statute of
9 limitations on...there is a statute of limitations
10 on chargebacks, within reason. So, obviously if you
11 bought something five years ago, you can't charge it
12 back, but I think you have at least up to 60 days.

13 1083. Q. Right.

14 A. I am not 100 percent sure, but I
15 know with U.S. cardholders, as soon as they see
16 their statemet, if there is something that is not...

17 1084. Q. Do you know whether or not
18 Allied...from your dealings with Allied Wallet, do
19 you know whether Allied Wallet has any Banners
20 Broker holdbacks?

21 A. Well, in their pricing, Banners
22 Broker had a 10 percent rolling reserve, maybe
23 higher. Maybe it went up to like 15 percent. That
24 is standard on high-risk merchant accounts where
25 they are going to say, "We are going to hold 10

M. Morgan - 246

1 it is for you more with your industry consulting hat
2 on, but how did...for Allied Wallet, what was the
3 ratio? Do you have some understanding of the ratio
4 of chargebacks to monies that went through their
5 account?

6 A. Sure. It spiked one time up to
7 about 8 to 10 percent, specifically U.S. cards. And
8 it wasn't anything wrong that Banners was doing, but
9 when you see that spike in such a short period of
10 time, it can be a lot of different factors. At this
11 point, they were compliant will Allied Wallet, there
12 was no problems, and so Banners Broker's program
13 said, "Okay, we will restrict certain things on our
14 site, or are you able to do certain things on your
15 end?" And Allied said, sure. And Allied had
16 orchestrated a call with us at that time to kind of
17 outline what needed to be done to bring this under
18 control. Otherwise, Visa and MasterCard would
19 eventually determine what needed to be done.

20 1079. Q. Well, when Allied blocked the U.S.
21 IP addresses, did that reduce the chargeback?

22 A. Within 48 hours it went back down to
23 under 2 percent, which is...

24 1080. Q. Under 2 percent.

25 A. ...fairly standard for what Allied

M. Morgan - 248

1 percent of all the monies collected for, you know,
2 90 days, 180 days", and it is assumed by most
3 high-risk merchants that if the account is, you
4 know, shut down, that they are not going to see that
5 money back.

6 1085. Q. Why not?

7 A. It is just how it goes with
8 high-risk accounts.

9 1086. Q. Where does it go, though?

10 A. The processor keeps it.

11 1087. Q. Did they disburse it out from
12 chargebacks, or does the process...

13 A. Well, they are holding it for
14 chargebacks, yes.

15 1088. Q. Right.

16 A. But if the chargebacks...it is very
17 rare I have ever seen that money paid back. There
18 is very few processors that say, "Okay, after a year
19 we have 70,000 left. Here it is".

20 1089. Q. Right.

21 A. Very rare.

22 1090. Q. They just take it into income?

23 A. Pretty much. Now, Allied doesn't
24 have a reputation for that. I don't think they
25 would do that, but I don't know what they did,

M. Morgan - 249

1 because once we set up the account, where the money
2 goes as far as reserves is not our prerogative.

3 1091. Q. All right.

4 A. But I know they had a fixed 10
5 percent, and as the situation with their processing
6 changed, I think it went up to 15.

7 1092. Q. And you don't know what the
8 situation is now vis-a-vis Banners and Allied?

9 A. No. It is...I mean, the
10 relationship has been over for some time, excuse me,
11 so, yes, I am not too sure.

12 1093. Q. Okay. And then perhaps this is to
13 the same point, but what is a whitelist system?
14 There is a reference to it in the letter at tab 42.

15 A. A whitelist system would be an
16 acceptable list of cards that could be charged. So,
17 yes, they might have dropped or deleted or
18 restricted U.S. cards and U.S. traffic, but there
19 might have been some that are whitelisted to be able
20 to go through. Whitelisted are friendly, so people
21 who are recurring buyers, or maybe someone who you
22 know is going to be allowed to buy again, because
23 they have a good history.

24 1094. Q. I see. So, they could still be a
25 U.S. card, but the person that...the cardholder is

M. Morgan - 251

1 well over there. We used to have a prepaid card
2 program with them many, many years ago, that we
3 abandoned.

4 1097. Q. "We" being...

5 A. Aramor.

6 1098. Q. ...Aramor?

7 A. I know that Banners, particularly
8 Chris and Rajiv, liked dealing with Choice Bank, and
9 they liked doing things in Belize. That is the
10 extent of what I know. They are not necessarily a
11 bank I would do business with, but that is just
12 because I don't want money to disappear one day,
13 so..

14 1099. Q. Meaning?

15 A. I don't find them...they are
16 not...you know, in terms of offshore banks, it just
17 doesn't seem like a bank that would take good care
18 of, you know, certain things.

19 1100. Q. I see.

20 A. And sometimes, when something is too
21 easy to set up, it is a red flag to me.

22 1101. Q. Okay. And, similarly, can you tell
23 me anything about Via Bank?

24 A. Via?

25 1102. Q. Via Bank or Via Bank in St. Lucia?

M. Morgan - 250

1 whitelisted?

2 A. It is possible. It is highly
3 likely.

4 1095. MR. WARD: Okay. So, then, why don't we
5 just...let's take a break. Off the record.

6 --- A BRIEF RECESS

8 MAXWELL MORGAN, resumed

9 CONTINUED EXAMINATION BY MR. WARD:

10 1096. Q. Just when we stepped out, we were
11 talking about a couple of the other offshore banks
12 that had dealings with Banners Broker, and one of
13 them, obviously, is Choice Bank. Do you have any,
14 from your experience in the industry...do you know
15 how much about Choice Bank in terms of its
16 reputation and tolerance for risk?

17 A. Yes. Belize is a country that is
18 known for harbouring offshore funds, and is not a
19 very sophisticated banking domicile, but Banner had
20 chosen to do a lot there. Choice Bank has taken on
21 a lot of risk before, and backed away from certain
22 things. So, they used to be heavy in the online
23 gambling space, U.S.-facing, which is a fairly grey
24 area. So, I am familiar with them. I know them

M. Morgan - 252

1 A. No.

2 1103. Q. No?

3 A. That one I don't know.

4 1104. Q. And have you heard of or had any
5 dealings with a gentleman by the name of Jordan
6 Oxley?

7 A. No.

8 1105. Q. Okay. I thought I detected a...

9 A. Oxley is a funny last name, that is
10 all.

11 1106. Q. Okay. All right, we are back to
12 Exhibit M3. We are at tab 45. And this relates to
13 eKash payments, and I think we need to deal with
14 these e-mails in reverse order.

15 A. Sure.

16 1107. Q. So, if you have a look three pages
17 into the production, there is a page that is marked
18 at the bottom as being...as ending in 19/3.

19 A. Okay.

20 1108. Q. And at the top of that page, in
21 fact, on the proceeding page, you are writing to
22 Chris. And obviously take a minute and read this.
23 You were going to do the cash thing for him. And
24 then you go on to say:

25 "...Won't be using Nana this time. I have

M. Morgan - 253

1 a better solution, and it is cheaper than
2 waiving the fees. Sources are very
3 thorough..."

4 Is how the e-mail ends. Can you just tell me about
5 what was being transacted here?

6 A. Yes. So, Nana is eKash. What is
7 the date on this?

8 1109. Q. It is November 7, 2012.

9 A. Okay. So, yes. Nana is eKash. I
10 don't know if we ever ended up...okay. He did end
11 up sending money, but I don't know if we ended up
12 still using Nana or not. There are some other
13 players in the industry that would do cash
14 exchanges, and I have clients that will do it, or
15 that would have considered doing it for a little
16 piece of the action. Nana always...or eKash always
17 tended to make some mistakes on the pickup. Maybe
18 there would be ten grand missing or twenty grand
19 missing or something was always wrong. And, so,
20 Chris would have to go back and chase it. So, he
21 started to ask for additional resources. I don't
22 believe we ever ended up using additional resources,
23 because Nana was just consistently easier.

24 1110. Q. And if you continue on to the first
25 page, you are writing to him on November the 8th,

M. Morgan - 255

1 commission on it, a tiny bit, and he didn't want to
2 use net anymore. But Nana might have been the only
3 one...Nana might have given me a new source or a new
4 resource, and asked not to use his name, simply
5 because we still allowed Chris to do business. So,
6 it is possible that he was still doing business with
7 eKash, just maybe not Nana.

8 1113. Q. And what else do you remember about
9 this, Max, specifically?

10 A. This specific one?

11 1114. Q. Yes, it is like \$300,000 amount,
12 right? So, I am just thinking that it...

13 A. I remember it was...

14 1115. Q. ...would be memorable...

15 A. ...probably split up into U.S. and
16 Canadian.

17 1116. Q. And what commission would you have
18 received on this?

19 A. I don't remember. I want to say I
20 don't remember. I mean, it wasn't something we had
21 a table set or a schedule, like some other payments.
22 It was probably just a handshake agreement
23 where...you know, it was very small. So, oftentimes
24 it would be a grand I would earn on it or whatever,
25 because there wasn't really much I had to do, except

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1 2012, at 6:15 a.m.:

2 "...Hi Chris. I believe it is possible.

3 Go ahead and send a wire to the account
4 that is attached..."

5 Now, we don't have that attachment, but maybe you
6 will recall, and you can tell us what was being
7 proposed there?

8 A. It would not have been my account,
9 because he would have already had those wire
10 details. So, I am not sure which account it was,
11 off the top of my head, but it was probably one of
12 eKash's accounts, and they had several. It might
13 not have been in Canada. It might have been if he
14 was sending U.S. funds especially. It could have
15 been Wells Fargo or Bank of America or one of the
16 larger banks in the U.S.

17 1111. Q. And then further up the chain you
18 say...you are writing to Chris:

19 "...Hi, Chris. Any update? I have my guy
20 ready..."

21 Who was it that was going to...

22 A. I am not sure.

23 1112. Q. ...effect the transfer?

24 A. I am not sure. I know that...there
25 is a few things at play here. One is that I earn a

M. Morgan - 256

1 give instructions. So, it was pretty small.

2 1117. Q. Okay. Now, there was \$300,000.
3 Well, let's just move forward, and...tab 50, this is
4 a different issue, some reference letters that we
5 see that are...there is one signed by Shirley Yu.
6 She is describing Banners Broker, being an active
7 business party with MyAdMarket. Do you know what
8 this is?

9 A. I don't. Lyndon clearly obtained it
10 in trying to set up Banners Broker with
11 UseMyServices. It seems like it is just
12 strengthening their reputation with an ad market.

13 1118. Q. So, there is a couple others...do
14 you know if Lyndon drafted these?

15 A. No, he would never do that.

16 1119. Q. No?

17 A. What Lyndon did was, he would obtain
18 whatever you needed from...whether it is a provider
19 or the merchant himself, and just relay that
20 information over. Hence my hesitation to involve
21 him, because he was simply doing a job. He did it
22 well and he did it honestly. So, I don't even know
23 if he would recall a lot of this stuff, but
24 UseMyServices was...little different dealing with
25 them than others, because they are located in

M. Morgan - 257

1 Canada, and they were governed by FINTRAC in many
2 respects, and they wanted to make sure everything
3 was done by the book. So, Lyndon was...that was a
4 lot of back and forth in trying to get them set up.
5 But, I mean, the letter, nothing seems funny about
6 the letter. That would be consistent. Banners was
7 pretty good at tying in with traffic exchanges and
8 things like that. So...

9 1120. Q. Okay.

10 A. ...that seems normal.

11 1121. Q. So, let's move forward, then, to tab
12 53.

13 A. Okay.

14 1122. Q. This, as I read it, is an example of
15 instructions from Chris to yourself, and it relates
16 to a \$65,000 wire, and am I reading this correctly
17 that Chris is instructing you to transfer the money
18 to Parrot, or is the money being received from
19 Parrot? What is being communicated here?

20 A. To Parrot, the beneficiary is

21 Parrot, so, to Parrot.

22 1123. Q. Okay. So, on the disbursement list
23 that I keep coming back to, we presumably will see
24 that \$65,000 going from an Aramor account, probably
25 at CIBC to Parrot.

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1 aramorpayments.com e-mail address. So, was that the
2 Google...

3 A. Yes.

4 1132. Q. ...account.

5 A. That is right.

6 1133. Q. Okay. So, presumably, as part of
7 the e-mails that you have undertaken to obtain, we
8 can see that India payout list...

9 A. Sure.

10 1134. Q. ...as an attachment? Okay, great.
11 I guess, moving forward, because these are also
12 arranged chronologically, when you look at tab 56,
13 we are in February of 2013...

14 A. Yes?

15 1135. Q. ...and the subject of this e-mail is
16 "Chargeback alerts, 50 plus in 60 minutes"?

17 A. Yes.

18 1136. Q. You were copied on it, Lyndon
19 drafted it?

20 A. Correct.

21 1137. Q. Was there...I take it that was
22 unusual for...

23 A. Yes, that kind of spike was unusual.

24 I can't recall what it was, but I think it was a
25 tech glitch and maybe something else on the side of

M. Morgan - 258

1 A. No, that would believe...no, that
2 would probably be BMO.

3 1124. Q. Okay. But we would see it on the
4 BMO statements, then.

5 A. Yes.

6 1125. Q. Okay.

7 A. Now, would I end up having copies of
8 these, to...or would you guys be able to send this
9 to me?

10 1126. Q. Sure, certainly.

11 A. Yes.

12 1127. Q. Yes, certainly.

13 A. Okay.

14 1128. Q. And these are just examples, I mean.
15 But obviously we are looking to Aramor, to the
16 extent that you can, to give us the most complete...

17 A. Sure. U/T

18 1129. Q. Okay, then tab 55, we are back to
19 Nana again. So, just take a minute and read this
20 through...

21 A. Okay.

22 1130. Q. So, Alicia Varga had a...it looks
23 like Alicia Varga had an India payout list?

24 A. Yes, that is right.

25 1131. Q. Okay. And, so, she is using an

M. Morgan - 260

1 Banners Broker. It seemed like it was something
2 that could be corrected, and probably something that
3 was corrected pretty quickly. Yes, I would have to
4 get more clarity on it, but these kind of things
5 would happen from time to time with Banners Broker,
6 where they would see a spike in chargebacks, and
7 usually from the U.S. I mean, I don't want to blame
8 it on the merchant, because this is not unusual for
9 a lot of high-risk clients.

10 1138. Q. And in this case, it is Christy.

11 A. She was copied.

12 1139. Q. Where would Christy be?

13 A. Christy is working for...in human
14 resources for Durham College, I think.

15 1140. Q. She has an Aramor Payments address,
16 right?

17 A. She used to work for me, yes.

18 1141. Q. Okay.

19 A. Now, Christy...the reason Christy
20 was copied on this is because Christy was the one
21 who initially used to work with Allied Wallet
22 directly to set up merchant accounts, not specific
23 to Banners Broker. She was just a...kind of a
24 liaison with Allied Wallet with us, but she didn't
25 do anything with Banners Broker, but she was copied,

M. Morgan - 261

1 I guess, as a courtesy. She had asked to be
2 notified of anything that would affect her
3 commission status.

4 1142. Q. So, just so I understand then, if
5 Allied had an issue with chargebacks and Banners,
6 would they go to Aramor, or would they go to Banners
7 or both?

8 A. Both. The client is always going to
9 be Banners, but Aramor helps, kind of, smooth things
10 over. You know, if there is a third-party program
11 we need to institute to ensure that chargebacks are
12 brought down, we would do that. If there are
13 certain things...you know, there is oftentimes
14 shouting matches between merchants and processors,
15 we can mediate. If there is something
16 administratively we can do, because we have seen
17 these kind of things before, we can oftentimes sit
18 down with the merchant, not all merchants, but
19 Banners, being local, we could sit down with them
20 and explain what needs to be done.

21 1143. Q. Right.

22 A. And Allied is pretty hands-on, so...

23 1144. Q. Well, you had an agreement with
24 Allied, because...

25 A. Yes.

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1 out. What was the purpose of this meeting and this
2 e-mail? What was going on at the time?

3 A. Well, Lyndon ministered a lot of the
4 accounts, but I think UseMyServices had some
5 compliance issues with Banners Broker. They are
6 outlined here to some degree, integration with
7 Telpay, that was complete. So, that is on Lyndon's
8 end. That is a separate merchant account, I would
9 imagine. And then where I came into play, in terms
10 of kind of understanding what was next, Rajiv had
11 asked for merchant accounts or Canadian-based
12 merchant account for Stellar Point for webhosting,
13 virtual office services in the event to get event
14 management services. So, we covered all that ground
15 in the meeting.

16 1151. Q. So, were you, like, a consultant to
17 them, on how they can stay in line with their
18 payment processors?

19 A. Yes, we were. You know, informally,
20 we have an interest in it because we are earning
21 commissions on it, we don't want to see any of the
22 relationships end. So, we will always try to step
23 in, and advise them as to what to do. So, yes...

24 1152. Q. All right. Two more tabs I want to
25 take you to. The next one is tab 61.

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1 1145. Q. ...that was undertaking number 6...

2 A. That is correct.

3 1146. Q. ...and to produce it, but did that
4 agreement...

5 A. No, it had nothing to do with that.
6 We were not obligated to be notified of anything. I
7 think Allied just likes to strengthen the
8 relationship with their resellers, and it is just
9 good business practice to involve us.

10 1147. Q. So, tab 58, please. We are moving
11 forward towards the end of the relationship, but it
12 is March 21, 2013, the subject of this e-mail is
13 "Aramor update and joint action items". It
14 references a meeting in the first line.

15 A. Yes.

16 1148. Q. Between Lyndon, who drafted the
17 e-mail, yourself, Chris and Raj.

18 A. M'hmm.

19 1149. Q. So, do you...and I take it that it
20 was an important meeting just by reviewing the
21 e-mail. Do you recall this meeting?

22 A. Yes, loosely. We met a handful of
23 times, yes. I could say I recall it to some degree.

24 1150. Q. And there is concerns that are set
25 out here, and there is action items that are set

M. Morgan - 264

1 A. All right.

2 1153. Q. And let's start with the second page
3 of the production.

4 A. Sure.

5 1154. Q. So, Chris is writing to you on April
6 the 3rd, 2013, to give you a time reference.

7 A. Yes.

8 1155. Q. He says:
9 "...Maxwell, I hope all is well. Can you
10 please do another wire to Parrot Marketing?
11 Only \$15,000 of the \$60,000 has been
12 received so far, not to mention the missing
13 \$300,000. Please give me an update on
14 that. If there is a chance again to
15 receive cash in the States, let me know and
16 I will go pick it up..."

17 So, there is a few thoughts that are in that e-mail
18 from Chris.

19 A. Okay.

20 1156. Q. Well, first of all, what did you
21 understand him to be asking you to do?

22 A. Well, that was our last
23 communication, I think. Chris had asked me to
24 facilitate another one of these transfers. I had
25 given him the sources to where it is going to go.

M. Morgan - 265

1 And I told him, you know, this is not something that
2 I can administer over too heavily. You know, there
3 is a huge risk in sending that kind of money. From
4 what I understand, the money went missing.

5 1157. Q. You are talking about the \$300,000?

6 A. That is right. He never ended up
7 getting it.

8 1158. Q. So, what was...I mean, I kind of
9 relate this back to the \$300,000 that we saw
10 earlier.

11 A. Right.

12 1159. Q. Was it the same \$300,000 that you
13 were...

14 A. I think so, yes.

15 1160. Q. ...meant to transfer?

16 A. Yes, because he mentioned the
17 \$65,000. I think so.

18 1161. Q. And that was \$300,000 that you
19 have...the indication in your e-mail was that you
20 had somebody other than Nana, who was going to
21 take...receive funds...

22 A. Right.

23 1162. Q. ...and convert the money into cash
24 for Chris.

25 A. Right.

M. Morgan - 267

1 least, up until now, and you say this may be one of
2 your last communications with Chris, but...

3 A. Yes?

4 1166. Q. ...you had had a relationship with
5 the guy for a while, a business relationship.

6 A. Chris?

7 1167. Q. Yes.

8 A. Yes?

9 1168. Q. Did you take...what steps did you
10 take to investigate what happened to the \$300,000
11 and pursue it?

12 A. Limited ones, mainly because it was
13 not my money. So, I had advised them time and time
14 again not to do it. I wouldn't do it. So, you
15 know, I am not going to advise a client to do
16 something that I wouldn't do. I told him, no, you
17 don't need to do that. He had already been stopped
18 by the police with over \$100,000 on him, and
19 take...the money taken and...you know, there had
20 been a lot of inconsistencies with Chris, and I told
21 him it is just not a good idea. So, I said, "If
22 anything happens to the money, you know, I have a
23 business to run. I am not going to be, you know, on
24 the hook or searching for it, because once it is
25 gone, it is gone".

M. Morgan - 266

1 1163. Q. And that \$300,000, it appears it
2 went missing.

3 A. He was robbed, and...

4 1164. Q. And? Sorry, who robbed him?

5 A. I don't know the person directly. I
6 had a client that had mentioned to me that he may
7 have someone who can do it. I don't know if it was
8 affiliated with Nana or not. I can't recall. It is
9 possible that it was still Nana that did the
10 transfer, but I had a client that said, you know, we
11 can do this. I have a guy who can do it, and he
12 will accept less. And, so, I had Chrisd not to do
13 any transfers any longer. It is probably not the
14 best idea, you know, and it is in Canada, et cetera,
15 but he continued to want to do it, and he wanted
16 cash. As I said, "I don't mind facilitating this
17 for you, but I can't be responsible for the money".
18 I said, "I don't know anything about these cash
19 transfers". And Chris said, "I need to do it". So,
20 it got done. Now, I don't know if it was...I don't
21 think it was to our account directly. I believe it
22 might have been to whoever's account it was that had
23 the 300K that they got. I will have to go back
24 and check, but...

25 1165. Q. I mean, what is...you had had, at

M. Morgan - 268

1 1169. Q. But did you take any...did you make
2 any phone calls, or did you do anything to search
3 for it?

4 A. Yes and no. I might have made one
5 or two phone calls, but if the money is gone, you
6 are not getting anyone on the phone. So, I mean, I
7 don't recall getting any specific answers. I just
8 told Chris, "You are on your own". Chris didn't cry
9 or get upset. He understood the risk. To me, it
10 was just another \$300,000.

11 1170. Q. Okay. So, let's just follow up
12 through the exchange, because there is two or three
13 more...

14 A. Sure.

15 1171. Q. ...above the e-mail from Chris, I
16 see your response, which is timestamped 5:02 a.m.
17 April 8th, 2013. And you have said, "I have sent
18 out an additional"...let's just rewind for a second,
19 because...let's go back to Chris' first e-mail.
20 There is the April 3rd one at 1:18. There is three
21 matters that he is really contacting you about. One
22 is the missing \$300,000...

23 A. Yes.

24 1172. Q. He asks for an update, and then he
25 says:

M. Morgan - 269

1 "...Is there a chance again to receive cash
2 in the States? Let me know, and I will go
3 pick it up..."

4 So, what is that about?

5 A. I might have presented an option to
6 receive cash in the States, because eKash had more
7 money service businesses out there that were easier
8 to get. So, they mentioned to me Los Angeles, New
9 York and very specific places, and I said to Chris,
10 "That might be an option if you want to do it". It
11 was presented to him before, but kind of...he didn't
12 like the idea of going and picking up that much cash
13 and trying to get across the border with it, which
14 makes sense. I don't know if this was an act of
15 desperation, where he felt that might be the only
16 other option, but he was very insistent on getting
17 cash. So...

18 1173. Q. Did you have an understanding or a
19 belief as to why he needed cash in these amounts at
20 this time?

21 A. No, he didn't seem in trouble.
22 Chris is a very calm guy. I don't know if you have
23 met him already. You probably have. He didn't seem
24 in trouble or anything, or desperate. Well, he
25 seemed desperate in this situation, but...no, I

M. Morgan - 271

1 So, it starts at the bottom of the first page. They
2 go together.

3 A. Okay. I don't know why I would have
4 written that, but it is possible that I sent an
5 additional 20K. It might have been from their own
6 money, though. So, I am not sure, but he seemed
7 very, very desperate to get the money sent to a
8 specific place. So...

9 1179. Q. But presumably, the 65...I mean, I
10 read this, and maybe perhaps you know, but the
11 \$65,000 that Chris is asking about doesn't have
12 anything to do with the missing \$300,000. So, it
13 seems like it is a separate...

14 A. No, it is separate. 65 is separate.

15 1180. Q. So, what were you...what was Aramor
16 doing in relation to the 65?

17 A. I am not sure. I would have to go
18 back and check, but I think we had discrepancies on
19 their balances and a few other things, and we didn't
20 disburse all the money he had asked, based on the
21 fact that...

22 1181. Q. Okay.

23 A. ...we were maybe owed money or there
24 were certain inconsistencies with his balance. So,
25 we only had sent a portion of the 65 until we sort

M. Morgan - 270

1 don't know. Why does anyone need \$300,000 in cash?
2 I don't know.

3 1174. Q. How did he seem desperate in this
4 situation?

5 A. Just a little more insistent on it,
6 whereas in the past it was kind of a casual, "Can
7 you do this for me" and...

8 1175. Q. Okay.

9 A. Yes.

10 1176. Q. And then the first part of the
11 e-mail that we are looking at says:

12 "...Only \$15,000 of the \$65,000 has been
13 received so far..."

14 And then, in your response, immediately above that,
15 you say:

16 "...I have sent out an additional \$20,000
17 to defray what you wrote on the 65..."

18 So, what are the issues in respect to the \$65,000
19 that you were addressing with Chris?

20 A. Sorry, which e-mail is that?

21 1177. Q. Well, the first one is at the bottom
22 of the second page.

23 A. Okay.

24 1178. Q. It is the missing \$300,000 in the
25 middle, and your response is immediately above it.

M. Morgan - 272

1 some of those issues out, and then me saying I would
2 send an additional 20, some of those things might
3 have been sorted out.

4 1182. Q. Okay. Let's read up through the
5 rest of the e-mail, and then we will revisit how we
6 can figure it out, but immediately above that, Chris
7 deals with the 65 again, in the third paragraph of
8 the e-mail.

9 A. Okay.

10 1183. Q. He says there was the \$35,000 out of
11 \$65,000 collected from the shorted cash pickup.

12 A. Right.

13 1184. Q. And the \$300,000 is still
14 outstanding. Does that help assist you...

15 A. Yes and no. The additional 20 we
16 sent was based on balancing certain things out, and
17 we had a lot of issues with balances with Chris and
18 Banners Broker. As far as the botched pickup where
19 he only had half the money, I mean, that has nothing
20 to do with us. That has to do with eKash. These
21 kind of things happened all the time, and this was
22 the only time he ever e-mailed me out of
23 frustration, because it seemed like it was
24 getting...business was slowing, and he needed the
25 money. As far as the 300K is concerned...yes, I

M. Morgan - 273

mean, I had a guy that I had introduced him to, and said, "This is the guy you could send money to", and ended up running off with the money. So, you know, I introduced him to him, maybe by phone or by e-mail, and...

1185. Q. But you don't remember the guy's name that you introduced him to?

A. Roger was a client of mine. Roger did...Roger ran an Asian sportsbook, and had cash pickups all over North America. So, he used eKash to do that, as well. And Roger said, "I have a network of guys that can do this for Chris". I mentioned it to him in passing. I said, "Okay, you can speak to Chris directly", and that was it. Roger had introduced Chris to another guy who he sent the money to. There is a corporation involved, I am sure, and Chris did end up sending the money.

1186. Q. Did he send...was it Roger, or an associate of Roger's?

A. It was an associate of Roger, and I don't know if Roger is his real name. He was a very thick-accented Asian man, so I don't think that is his real name.

1187. Q. And where did Roger...where does he live?

M. Morgan - 275

up..."

A. M'hmm.

1193. Q. So, what did you mean by that?

A. Season? Well, there is...there was some deferred monies. We had some discrepancies accounting-wise. When we talk about our season, we are talking about...we have lulls in between the year. We deal with a lot of sportsbooks and casinos and other businesses that have high seasons and low seasons. So, you know, we told them we will rectify some of these problems when we, you know, were able to on our own. You know, it was really just a token answer or token response to the money so he knew he didn't have to worry very much. With respect to the rest of the e-mail...

1194. Q. Well, just the first part, stopping there.

A. Sure.

1195. Q. I mean, I read that as saying that...I read that as an acknowledgement on Aramor's part that when you have the money, someone is going to give Chris \$30,000 to \$35,000.

A. We felt responsible for the fact that he had done Indian payments and other stuff with eKash. We felt somewhat...a sense of

M. Morgan - 274

A. Well, I met him in Toronto, but I don't know where he lives. He is back and forth between Hong Kong and here and Vancouver and L.A. and New York. He runs an Asian sportsbook, so...

1188. Q. An Asian sportsbook where? In...

A. I think it is almost all in China.

1189. Q. Okay. And who introduced you to Roger?

A. I was introduced to Roger through some guys in London. Ukash, it is a company called Ukash.

1190. Q. London, Ontario?

A. England.

1191. Q. England?

A. Yes. So, I met them at a conference, became drinking friends, and then they introduced me to him. They said, "He will meet you in Toronto. He is looking for certain services, and eventually getting certain marketing areas, and we wanted to talk to you", and that was that.

1192. Q. So, let's just go to the top of the e-mail. You say:

"...Regarding the \$30,000-\$35,000 that we still intend on sending, at this time it will have to wait until our season picks

M. Morgan - 276

responsibility to try to make him whole on money that he felt he was missing. At the same time, there were still balance discrepancies. Our goal was to try to keep Chris happy and try to take care of him. We didn't have an answer for him at the time, and so I was simply reassuring him that he will end up getting that money when it is available.

1196. Q. And did he ever get that money, to your knowledge?

A. No, we weren't able to chase down Nana and get that money for him. So, we told him...at some point I told him, you know, I can't be on the hook for that.

1197. Q. For the 30 to 35...

A. Correct.

1198. Q. ...or the 300?

A. Both.

1199. Q. And then the second paragraph of the e-mail, you say:

"...We have just gotten restarted after a slow summer, Nana, eKash has gone missing in seven-figure settlements to some of my merchants..."

A. Yes.

1200. Q. But was it Nana or...

M. Morgan - 277

- 1 A. eKash, but he is the...he was the
2 director.
3 1201. Q. And so, Nana and the eKash, and the
4 missing funds, are you referring to the 65 or the
5 300?
6 A. When I said "seven-figure
7 settlements"?
8 1202. Q. No, when...were you talking about
9 the missing money that...
10 A. The 30 to 35K, the 65, yes.
11 1203. Q. Right, right.
12 A. With respect to the rest, I had
13 introduced eKash to some of my online gambling
14 merchants to disburse cheques and some other
15 services through his company, and he took from them
16 liberally, or got that shut down for them. And
17 basically, those clients would have been different
18 than Chris in the sense that, you know, they were
19 large sportsbooks. So, you know, all I have to do
20 is turn Nana over to them, and they will handle the
21 rest. So, I don't know where Nana is now.
22 1204. Q. You say:
23 "...It has made negotiations on my end very
24 tense..."
25 A. Yes, because they were long-time

M. Morgan - 278

- 1 clients of mine. I vouched for his services, you
2 know? They come back to me and say, "Hey, this guy
3 took a million dollars". You know, I am not a
4 flight risk, so they know that. I meet them at
5 different conferences, and it has made it hard for
6 me to resell them other stuff because of what he had
7 done. So, I still have some relationships with some
8 of them, but it was difficult.
9 1205. Q. Okay. And just...when you say
10 "conferences", these are industry conferences?
11 A. Industry conferences.
12 1206. Q. What types of conferences are they?
13 A. Online gambling primarily, forex and
14 binary exchange conferences, primarily online
15 gambling.
16 1207. Q. And then the very last tab in the
17 binder, 64. It references a revised processing
18 agreement from Jack. And there is an agreement
19 behind it, if you take a look at it.
20 A. Okay.
21 1208. Q. Can you describe...explain for me
22 what was being negotiated here?
23 A. I am not aware of this account. We
24 presented Banners with several merchant account
25 options, so...because no company is really listed

M. Morgan - 279

- 1 here, except on the agreement, I am not...
2 1209. Q. It says "Concept Seven LLC"...
3 A. Yes, I don't recall having an
4 agreement with them, or having set them up with
5 anything. So, it is possible we were about to go
6 into an agreement with them. I don't believe
7 Banners ever used this account, mainly because of
8 the discount rate and the reserve. Chris thought it
9 was too high, and we had presented him several other
10 options, and he said no.
11 1210. Q. So, you are not familiar with Jack
12 or...
13 A. No, and we presented him several
14 options like this, and he turned it down. So, it
15 was...at that point, we had stopped processing with
16 him, but we still had Allied doing a few things.
17 1211. Q. Okay. So, just to conclude for the
18 day, obviously our focus right now is on
19 understanding the money flows, and I think that the
20 undertakings that we discussed at the beginning of
21 the morning are going to be helpful for us in doing
22 that...
23 A. Okay.
24 1212. Q. ...and...
25 A. Can I keep this?

M. Morgan - 280

- 1 1213. Q. Please, yes. What, Max, do you
2 think your timing is on answering undertakings?
3 A. On the undertakings, I am going to
4 say...we are at the end of May, third week of June,
5 to have everything complete.
6 1214. Q. So, about three weeks?
7 A. Yes, about three weeks.
8 1215. Q. I think that works.
9 A. Okay.
10 1216. Q. That works well.
11 A. So, I will start compiling, and
12 particularly the three weeks is largely based on
13 what I think the banks will need, in terms of
14 turnaround time to get me statements.
15 1217. Q. Okay.
16 A. The e-mails and stuff, I can get
17 those probably sooner, but three weeks gives me a
18 window to be as diligent as possible.
19 1218. Q. Okay, good. And I will tell you
20 that once we have those, obviously Jillian and Phil
21 will take a look at them.
22 A. Sure.
23 1219. Q. And it may be the most efficient
24 way, at that point, as to just bring you back and
25 talk about them in this room.

M. Morgan - 281

1 A. Sure.
 2 1220. Q. Okay. Thank you very much for your
 3 time.
 4 A. Thank you.
 5 1221. MR. WARD: We are concluded for today.

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M. Morg

REPORTER'S NOTE:

Please be advised that any undertakings, objections, advisements and refusals are provided as a service to all c their guidance only, and do not purport to be legally bindi necessarily accurate and are not binding upon Victory Verba Reporting Services Inc.

I hereby certify the foregoing to be a true and accu transcription of the above-noted proceedings held before me 29th DAY OF MAY, 2015, and taken to the best of my skill, a and understanding.

Certified Correct:

Charlotte Chittenden
 Verbatim Reporter

Court File No.: CV-14-10663-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

AB/lm

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1992, c.27, s.2, AS AMENDED
AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN
THE ISLE OF MAN WITH RESPECT TO BANNERS BROKER
INTERNATIONAL LIMITED
APPLICATION OF MILES ANDREW BENHAM AND PAUL ROBERT
APPLETON, IN THEIR CAPACITY AS JOINT LIQUIDATORS OF
BANNERS BROKER INTERNATIONAL LIMITED, UNDER PART
XIII OF THE BANKRUPTCY AND INSOLVENCY ACT (CROSS-
BORDER INSOLVENCIES)**

This is the Examination of LORENZO GUARINI, pursuant
to Section 163 of the Bankruptcy and Insolvency Act, taken
at the offices of CASSELS BROCK & BLACKWELL LLP, Suite
2100, Scotia Plaza, 40 King Street West, Toronto, Ontario,
on the 21st day of April, 2015.

A P P E A R A N C E S:

DAVID S. WARD	} -- for the Receiver
ERIN CRADDOCK	}
CHRISTOPHER HORKINS	}
LARRY ELLIS	}

ALSO PRESENT:

**Gillian Goldblatt
Philip H. Gennis**

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L. Guarini - 4

document book that I have put in front of you?

A. Yes.

4. Q. Okay, and so what we have here is an extract from an officer's register for Stellar Point Inc.

A. M'hmm.

5. Q. And it indicates on the third line that Lorenzo Guarini...it's yourself, correct?

A. Yes.

6. Q. "...Was vice-president of Stellar Point Inc. between September the 28th, 2009 and September the 18th, 2013..."

Do you see that?

A. Yes, I do.

7. Q. And is that correct?

A. I think so.

8. Q. And you say "[you] think so", was that...were you involved in corporate governance issues with respect to Stellar Point or was there somebody else who sort of looked after that on your behalf?

A. Yes, if I can...not to get into a

story, but I have to be able to get into the story

so, you guys will understand where I am coming from.

9. Q. Sure.

L. Guarini - 3

LORENZO GUARINI, affirmed

EXAMINATION BY MR. WARD:

1. Q. Good morning, Mr. Guarini. Am I pronouncing your name right?

A. Yes, perfect.

2. Q. Terrific. So, just prior to going on the record I introduced the people around the room. And we are here today to investigate the business and affairs of Banners Broker and Stellar Point and companies that are related to them. We understand that you had some involvement with those companies over the years, in some capacities, and I am going to give you...we will chat about that today.

We are particularly interested in any information that you may have in terms of how people were paid and how the companies interacted with investors around the world and the business model and the flow of funds, as between banks and payment processors and whatnot. And I appreciate that some of those issues you may know about and some of those issues you may know nothing about, okay?

A. Yes.

3. Q. So, why don't we start...if you could have a look, please at the tab 13 of the

L. Guarini - 5

A. So, years ago, I met this Rajiv Dixit, because I am a network marketer. I took this guy who was basically broke and took him under my wing. I have been in network marketing for years. And I taught this guy many things about network marketing and things like that. So, we became friends.

And we got involved in a couple businesses together before that. When I got involved with this Banners Broker was through Rajiv Dixit. And I was brought into Banners Broker...first, I was coming in as a customer of Banners Broker. And then, as it went along, I started with them as support, a support person for Banners Broker. I knew nothing of online advertising. I'm not very good online.

So, I didn't understand advertising funnels and all this other thing. So, when it came to doing business, Rajiv Dixit climbed the ladder with these guys, okay. And instead of me having positions or advertising panels, okay, like, I purchased with the company, they wouldn't allow me to be...what's the word I'm looking for? I wasn't allowed to partake, okay? I either worked for the company or I was just like a regular person joining in the company.

10. Q. Not an affiliate?

L. Guarini - 6

1 A. They wouldn't allow me to be an
2 affiliate. At first I was, and I made my first, I
3 think around...I don't know the exact amount, I
4 think, \$360 and then they cut me off and I wasn't
5 allowed to be an affiliate anymore. Although I did
6 know people and the people that I knew, friends of
7 mine that had joined the company and then started
8 building from there, but they didn't allow me.

9 And so what I did was...I didn't want to
10 have to come to Toronto. I was retired from
11 Chrysler and I didn't want to have to come downtown
12 Toronto, as you can see today, it was a nightmare
13 just to park. And so I agreed that I would do
14 support, so long as they could teach me and teach me
15 and teach me, because I'm not that quick especially
16 when it comes to computers.

17 So, to be quick about it, that's where it
18 all started, that's where it all began. And at that
19 time, he asked me if I could work four hours from
20 home. He said, "You don't have to come to Toronto",
21 right...

22 11. Q. Dixit said this?

23 A. No, this was Chris, Chris Smith.
24 This is long before Stellar Point. And this was
25 from Banners Broker. I don't know if it's

L. Guarini - 8

1 chiefs at that time, when I first started, was Chris
2 Smith and Kul Josun, okay? Those were the two guys
3 that were basically in charge. They were the big
4 guys. And Raj Dixit got involved at that time, too,
5 but he didn't have the power, let's just say. He
6 wasn't the principal boss.

7 17. Q. Okay.

8 A. As the company started to grow,
9 within that first year...I mean, from the beginning
10 it started with, really, with my friends. It
11 started in Ottawa, okay, with some friends in
12 Ottawa, and then from Ottawa, it went to New York,
13 Florida, California and then Europe, and it just
14 exploded, it went crazy.

15 18. Q. Let me just interrupt you for a
16 second. And then I will let you finish the story,
17 okay?

18 A. Yes, no problem.

19 19. Q. But I want to put a time period on
20 this, because if you look at the document that I
21 have put in front of you, it looks like you were
22 involved with Dixit in Stellar Point in the fall of
23 2009. And we know Banners Broker didn't start up
24 until at least a year later.

25 A. Yes, so I don't...that's why I said

L. Guarini - 7

1 international or whatever, but that's what it was,
2 that's where it began.

3 And I did support and he said, "only four
4 hours." From four hours, I found myself going from
5 four to fourteen hours. I got paid \$200 a week.

6 12. Q. For how many hours, four hours a
7 day?

8 A. Well, yes, and sometimes six,
9 sometimes ten, it all depended. But I did it
10 because I was home and, you know, it was money. So,
11 it helped out. And that was at the beginning of
12 this company.

13 13. Q. So, 200 hours a week, customer
14 support, from home, at the beginning. Does that
15 sound...

16 A. Not 200 hours a week.

17 14. Q. No, \$200 a week?

18 A. Yes.

19 15. Q. Right, okay that is what you were
20 paid?

21 A. Yes.

22 16. Q. Okay.

23 A. So, to move along further, the
24 company started to grow within the first six months,
25 eight months. Now, in the meanwhile, the company

L. Guarini - 9

1 to you that I'm not sure. I don't...another quick
2 one. Raj is...if he was a golf club we would call
3 him a Titleist, okay. Because Raj likes titles.

4 20. Q. Yes.

5 A. President, vice-president, executive
6 this, all this stuff. I am not into that. Now, Raj
7 likes to start corporations and do whatever. A lot
8 of times, like this here, I have no clue, to be
9 honest with you. I...you know, "Hey listen you need
10 to be the vice-president of this" and whatever.
11 It's a dream, "Yes, okay. I'll be vice-president",
12 whatever. Nothing...like here it says 2009. I
13 don't even remember signing anything saying I was
14 vice-president. But if it says I did, then I guess
15 I did.

16 21. Q. In any event, that was before
17 Banners Broker had even started.

18 A. Right.

19 22. Q. So, as best as you can remember,
20 tell us when you first got involved in Banners
21 Broker as an affiliate, as someone with an account?
22 Was it near the start of Banners Broker, like...

23 A. When I got involved with Banners
24 Broker?

25 23. Q. Yes, as an account holder, someone

L. Guarini - 10

1 who made the \$360?

2 A. Yes, I would say probably in the
3 first six months, I was...

4 24. Q. Of Banners Broker's existence?

5 A. Yes.

6 25. Q. Okay, so you were there at the
7 beginning, it's fair to say?

8 A. Yes, absolutely. They...I mean,
9 there was two young guys. They were programmers.
10 There was Kul Josun, there was Chris and Raj.

11 26. Q. Right. And Raj introduced you to
12 Banners Broker?

13 A. Yes.

14 27. Q. Okay, fair enough. Okay, so I
15 interrupted, so why don't you...

16 A. No, it's okay.

17 28. Q. ...finish the story though.

18 A. So, I'm trying to get back to it.
19 I'm just trying to paint you the picture of what
20 this person was, okay. Especially Raj. Now we
21 became friends. I did so much for this guy.

22 29. Q. Well, maybe the next part of the
23 story, then, is at what point did you stop being an
24 investor? And I know they asked you to close your
25 account at some point and then you had some

L. Guarini - 12

1 33. Q. So, at some point, your
2 responsibilities changed, right, you became more
3 involved?

4 A. Yes.

5 34. Q. And so tell me about that. So, we
6 are back at the beginning, you are no longer just
7 doing customer support. You are no longer working
8 from home, so tell us about that.

9 A. Yes, now, the company has grown.

10 35. Q. Yes.

11 A. And the guy that was going around
12 was Kul Josun, okay. So, he was going around the
13 different places and doing...well, I won't say
14 presentations, he was brutal at it...but he was
15 going around basically saying, "I'm the owner of
16 Banners Broker," blah, blah, blah. And the company
17 growing from thereon in, it had grown...I wish I
18 could remember the exact date, but they had a
19 big...what's the word...big hoopla in Portugal,
20 okay? Their first grand opening, let's just say.
21 And people flew in to Portugal from everywhere. And
22 there was at least...I'd say at least 1,000 people
23 there. The hotel was all jam-packed with people
24 coming from everywhere in Portugal.

25 At that time, whatever happened between Kul

L. Guarini - 11

1 different responsibilities. So, tell me about that.

2 A. Well, the company was starting to
3 grow, but, I guess they said it would have been a
4 conflict of interest for me to be doing the business
5 and then get paid as an employee, because I am an
6 employee of the company. And people out in the
7 network marketing industry would see it as a
8 conflict of interest. You know, "You shouldn't be
9 working for the company because then people will see
10 you, that you are working for the company and then
11 want to join you thinking that they could get some
12 type of favour", or whatever.

13 And so I said, "Okay, that's fine." At
14 that time, I was okay with it because I needed to
15 earn some extra cash and I was good with that. So,
16 I never expected this company to rocket the way it
17 did. I was just there to do a job.

18 30. Q. Okay, so when did you get involved
19 with customer service?

20 A. I don't know how far into Banners
21 Broker it was.

22 31. Q. But it was at the beginning?

23 A. Yes, oh, yes.

24 32. Q. And you were working from home?

25 A. Yes.

L. Guarini - 13

1 Josun and they brought in...Kul Josun got involved
2 with...I'm trying to remember his name. He was
3 another clown.

4 36. Q. John Rock.

5 A. That's it, John Rock. So, these two
6 guys...and I know who John Rock is through the
7 network marketing world, okay. This guy is the con
8 of all cons. When I saw John Rock get involved I
9 had said to Raj, "Do you know this guy has a really
10 bad reputation? Do you really want this guy
11 involved with this company?" They ignored what I
12 said and so they got involved. They got John Rock
13 involved. John Rock now, starts to sniff where the
14 money is at.

15 37. Q. What money?

16 A. Who's in charge of the money of this
17 company that is supposedly growing.

18 38. Q. Got it, okay.

19 A. John Rock's job was to make sure
20 that they were compliant in Canada. That BB was
21 compliant in Canada. And so he was hired. He now
22 sees that Kul Josun is one of the main players of
23 the money, okay? And so he tries to sell Kul on a
24 product that he had the rights to, which came to
25 Canada and flopped, that he bought the rights to it,

L. Guarini - 14

1 for Canada, from some guy in Germany. And he bought
2 into it.

3 When we had all gone to Portugal and had
4 the big hoopla that was going on, John Rock and Kul
5 Josun tried to do a major takeover of Banners
6 Broker. And what they did was they called all the
7 big leaders who had big downlines into a private
8 meeting there at the hotel and told them all that
9 they were going to take this company and join it
10 together with Banners Broker, right. And they
11 figured that if they had all these leaders that were
12 onboard, Kul was now going to Chris and saying, "You
13 have no choice", right, "We are going to meld these
14 two companies together whether you like it or not.
15 We'll just take it over, because all these people
16 will just follow us."

17 39. Q. Yes.

18 A. And there was a big hoopla there
19 where Chris was being threatened or blackmailed.
20 And I can't remember the guy's name, but it was an
21 Indian fellow from the U.K., at the time. This is
22 where you will see Kul Josun and Chris split, okay.
23 Whereas Chris said, basically, "I'm the principal
24 owner of BB", and they booted Kul Josun out. Online
25 they put down, "We wish him well. He's going in a

L. Guarini - 16

1 and everything else. And we went to Ottawa
2 together. We went to some places...we went to
3 Florida together. Like, a good guy. A good-hearted
4 guy, very charming. But I don't understand why he
5 did what he did. Because the way the company was
6 growing and everything was going well, I am sure
7 that the company was making profits and why would
8 you basically try to screw things up. And
9 unfortunate, that's what happened in Portugal, of
10 whichever time it was. I am not really good with
11 dates, guys, okay, but I will do the best that I
12 can.

13 45. Q. So, just, let's talk about Josun a
14 bit more, because...I mean, we are at the point
15 where he leaves Banners Broker.

16 A. Sure.

17 46. Q. So, when you went to Portugal, what
18 was your responsibility? What were you doing at
19 Banners Broker? Was it still customer support?

20 A. Yes, customer support. I mean, they
21 brought me along, that I didn't really need to be
22 there. But they brought me along and that was
23 awesome, I mean, it was great. But basically, I was
24 always there helping anybody, everybody that needed
25 help or needed any type of support.

L. Guarini - 15

1 different direction, wish him well", whatever.

2 And so, I mean, I saw some crap going on,
3 but from what I saw, I didn't understand why Kul
4 would do that. Kul was travelling to Europe, he was
5 going everywhere. Then, and I can't prove it, but
6 through hearsay and hearsay from Raj Dixit and even
7 Chris, that Kul made off with \$3 or \$4 million of
8 the company's money. I can't prove it, but I...

9 40. Q. Okay, I just want to stop there.
10 The Portugal convention was in July of 2012.

11 A. Okay.

12 41. Q. Because we know when it was.

13 A. Okay.

14 42. Q. So, that's when Josun left or was
15 fired?

16 A. Yes.

17 43. Q. Now, were you personally part of the
18 decision to fire Josun?

19 A. No, I had no authorities or...I had
20 no authorities at all.

21 44. Q. How well did you know Josun prior to
22 that?

23 A. Well, I had only met Kul from the
24 office when I first had gone to the office. He
25 seemed like a really good guy. You know, nice guy

L. Guarini - 17

1 47. Q. So, you were working with Josun
2 then, before he was fired? Did you deal with him on
3 a day-to-day basis?

4 A. No, because Kul was always...at that
5 time, at the beginning, Kul came with me to Ottawa,
6 we went to Ottawa. We went to New York together.
7 We went to Florida together.

8 48. Q. Anywhere else?

9 A. And I think Vancouver.

10 49. Q. Vancouver. Anywhere else you guys
11 travelled together?

12 A. Not to the best of my knowledge, no.
13 Okay, and then Kul started going to Europe. So, I
14 didn't really see Kul unless he had come back from
15 Europe. Once in a while, I would see Kul.

16 50. Q. Did you ever go to his house?

17 A. No.

18 51. Q. Or meet his family?

19 A. Never. In Portugal, I knew he had
20 two sisters, but...and his daughter.

21 52. Q. Tara?

22 A. Yes, and his son, in Portugal.

23 53. Q. Okay.

24 A. Nice kids.

25 54. Q. You didn't meet them before

L. Guarini - 18

1 Portugal?

2 A. Not to the best of my knowledge, no.

3 55. Q. So, tell me some more things about
4 Josun, in terms of what was he doing at Banners.
5 For instance, why did you travel to Ottawa, Florida,
6 New York and Vancouver with Kul?

7 A. It was to help grow the company,
8 okay? Because there were presentations that were
9 being set up. There were a lot of people that were
10 coming to see what Banners Broker was about. So,
11 they wanted to know about what... everything Banners
12 was doing.

13 So, Ottawa was a lot of my friends, a lot
14 of my people. So, they would come, and we set up a
15 meeting, a hotel meeting and things like that. And
16 Kul would come and I would more do the presentation
17 than he would, because he really wasn't very good at
18 doing presentations. Like I say, good guy, he was
19 charming, everything else, but he was not a good
20 presenter.

21 56. Q. So, was it just the two of you guys
22 that would go to these cities?

23 A. No, sometimes Chris would come.
24 Sometimes Dixit would come. So, when it came to
25 going...what's it called, yes, Trinidad and a couple

L. Guarini - 19

1 of other places, it would be Kul and Raj, Kul and
2 Raj. If you are talking the nice, warm exotic
3 places, Kul and Raj would go. When it was just your
4 regular Ottawas and...they really didn't want to go.

5 57. Q. So, in any event, Ottawa, Florida,
6 Vancouver and New York, you would go, you would do
7 hotel presentations to affiliates?

8 A. Yes.

9 58. Q. And would you guys collect money
10 from them? Or what was the pitch?

11 A. No, if they wanted to sign up, they
12 could sign up. But never accepted money. I never
13 accepted money. Nor did I have the authority to,
14 nor would I. Because I didn't want to be
15 responsible for people's money.

16 59. Q. And so just staying on the topic of
17 Kul.

18 A. Yes.

19 60. Q. Do you know how he was paid for
20 what he did? Did you have any sense of that? You
21 mentioned some rumours earlier. But just leaving
22 aside the rumours, what do you know about how this
23 guy was paid by Banners Broker? How well did he do?

24 A. I would be lying if I answered,
25 because I don't know the exact amounts, but I know

L. Guarini - 20

1 he was doing okay. Just based on him bragging.

2 61. Q. Yes.

3 A. But he didn't...I can't say the
4 amount, because I don't really know. But I know the
5 way he was spending...

6 62. Q. Fair enough. What was his lifestyle
7 like?

8 A. Oh, he had a good lifestyle. He had
9 a good lifestyle to the point where all of a sudden
10 he got an Audi A8, and it wasn't just that.
11 Where...out of the U.K., I also have friends there,
12 okay. So, they would go to the meetings in the U.K.
13 and then say, "Yes, Kul was there." But a very good
14 friend of mine said, "Man, like he really acts like
15 a hotshot, right?" I said, "What do you mean?"
16 "Well, like he's out there buying drinks for
17 everybody," blah, blah, blah.

18 63. Q. So, you saw the Audi A8?

19 A. Oh, yes.

20 64. Q. And you understood that to be what,
21 a Banners Broker car or something he purchased with
22 his own money?

23 A. Oh, no.

24 65. Q. Because he was bragging, right?

25 A. Yes. And so I don't know if he

L. Guarini - 21

1 bought it with his own money, with Banners Broker
2 money. I...

3 66. Q. Tell me about the bragging. Like,
4 just describe the sorts of things he would say.

5 A. Well, basically, he said, "This is a
6 lifestyle." I mean he...and with all due respect,
7 I am not racist in any way, but it's like...all of a
8 sudden it's like...and it seemed like, especially
9 the Indian men, they get to a certain point and they
10 think that their life is a much better standard than
11 everybody else. And they like to look down.

12 I know that from experience, from Rajiv
13 Dixit and all that other stuff. I don't care for
14 that kind of stuff, but Kul had an arrogance, okay.
15 And this Audi A8, so what? It's a car, no big deal.
16 But he let people know it.

17 67. Q. What else did he spend his money on?

18 A. I mean, he was always wining and
19 dining. From what I heard, again, it's hearsay and
20 I know it is...I'm saying "hearsay", but I know that
21 I know it wasn't just hearsay. As much as it was...
22 women, if you know what I mean. And not just him,
23 Dixit. These guys would go and spend five grand.
24 And I knew not to doubt it, because I saw the way
25 they were doing things.

L. Guarini - 22

1 But if that was what they were getting paid
2 in profits and whatever, so be it. But these guys
3 lived high off the hog at that time, okay, at that
4 time. That's what they were doing.

5 68. Q. Again, we are just talking about
6 Josun now.

7 A. Yes.

8 69. Q. And we will get to Dixit in a
9 minute. But what else did Josun spend his money on?
10 Can you think of any other examples? Did he buy
11 jewellery? Did he travel? Did he have investments?

12 A. I don't think...I think maybe a
13 watch. But I don't think...I don't remember him
14 with jewellery and things like that. Unless he
15 bought it for his kids or whatever. I don't
16 remember that.

17 70. Q. What about bank accounts? Money
18 that may be offshore or anything like that? Do you
19 know anything about that?

20 A. I don't recall. For Kul, I don't
21 know. I know that he set up...he had some account,
22 I am not sure if it's Europe. Because from what I
23 was hearing, was that he was collecting cash from
24 people in Europe. And he put it in some bank
25 account. It could be Europe, but most likely

L. Guarini - 23

1 Europe.

2 71. Q. And who told you that?

3 A. I heard that from Dixit.

4 72. Q. And you heard that after Josun had
5 been fired or before?

6 A. I would say around the same...around
7 that time.

8 73. Q. That would make sense.

9 A. Yes.

10 74. Q. Around the Portugal convention?

11 A. Yes.

12 75. Q. And again, just let's talk a little
13 bit more about Josun. I mean, he had...you had
14 never been to his house. Did he talk about his
15 house or things for his children?

16 A. We knew...what I knew that he lived
17 with his sister. That's all I knew. I didn't know
18 whether he had a house or not. Never...no, never
19 visited his home or anything.

20 76. Q. So, something happened in Portugal.
21 There is the attempt to take over, that you
22 described.

23 A. Yes.

24 77. Q. And Josun was fired by Smith and
25 Dixit?

L. Guarini - 24

1 A. Yes.

2 78. Q. And then how did that...did that
3 change your role within the company, did it affect
4 you in any way? What happened next?

5 A. No, not at the beginning. That's
6 when Dixit moved into his role as the next Kul
7 Josun, let's just say.

8 79. Q. Okay, and just explain that a bit
9 more. So, how did Dixit become the next Kul Josun
10 after Portugal?

11 A. Well, I mean, he has this way. I
12 don't know what it is about him. He has this way of
13 convincing people to part with their money. And he
14 has this way of convincing. He went in there to
15 convince Chris that, basically, this company wasn't
16 going to succeed without him. That he needed Raj or
17 Chris was going to falter. And so, again, from
18 there, that's where this guy came in to change
19 things.

20 80. Q. Dixit did?

21 A. Yes.

22 81. Q. Okay, and so tell me what happened
23 next. What did he do, for instance, to change
24 things?

25 A. The company was still growing. And

L. Guarini - 25

1 I mean rapidly growing. So, at that time, Dixit
2 came in and here's where I got the Titleist thing
3 from, okay? Okay, "I'm going to be the chief
4 executive officer of building this business. You're
5 going to be in charge of advertising. You're going
6 to be executive of this", and he started giving
7 people titles and responsibilities.

8 Chris just let him go about his thing. So,
9 I didn't care. I was just doing my job, right. And
10 at that time, still support. And then...now they
11 needed somebody to go to the U.K., to certain
12 places, to start doing the presentations. And I was
13 asked if I was okay to travel. And I said, "Okay,
14 this sounds exciting. No problem." So, I was going
15 to be able to travel and meet with the people, do
16 the presentations and that's what I did. That was
17 the beginning of that. So, basically, now, I think,
18 I was the new Kul. You know, travelling abroad.

19 82. Q. Did you get a title at this point?
20 Did Raj give you a title?

21 A. Brand ambassador.

22 83. Q. Global brand ambassador, does that
23 sound right?

24 A. Well, it went from presenter to a
25 different title to brand ambassador. So, I said,

L. Guarini - 26

1 "Okay, what's a 'brand ambassador'?" Okay, whatever
 2 it is. But that's what he did. And you will see,
 3 even with Stellar Point, you will see people had...
 4 executive secretary, executive vice-this, and all
 5 this other stuff, and we are just regular people.
 6 "What's my job?", but that's what he does. He does
 7 the title thing.

8 84. Q. Okay.

9 A. And so with Kul at that time, the
 10 rumours had gone out, he had taken off with anywhere
 11 between \$3 to \$5 million, we figure around \$4
 12 million. This came from Dixit.

13 85. Q. Dixit said that about Kul?

14 A. Yes.

15 86. Q. Did anyone else say that about Kul?

16 A. Well, even Chris. But Chris just
 17 wasn't 100 percent sure exactly how much he made off
 18 with. I only know a lot of things from what I have
 19 read on the Spergel report or whatever, which has
 20 just shocked the crap out of me on some of the
 21 things that I have read in there.

22 But, the very guys that have started this
 23 whole thing are some of the bad guys in this whole
 24 thing, including Ian Driscoll. So, I will get to
 25 that later, right.

L. Guarini - 28

1 feelings were on sponsor monsters.

2 91. Q. On what?

3 A. Sponsor monsters.

4 92. Q. Tell me what a sponsor monster is.

5 A. A sponsor monster...in network
 6 marketing, a sponsor monster is a guy that, "I want
 7 all of you to sign up with me, because when you sign
 8 up with me, I get a commission." But as a leader I
 9 don't like sponsor monsters. Sponsor monsters are
 10 the guys that are going to sign everybody up and
 11 say, "Thanks for signing up. See ya." If you need
 12 help, it's my job to help you. Because, look, I got
 13 paid a commission for you signing up with me to do
 14 business with me. And all of you, it should be my
 15 responsibility to help you, but these sponsor
 16 monsters...basically, I was chastising them, saying,
 17 "You should support your people." Instead of
 18 saying, "Well, I'll sign up all these people and if
 19 you guys got an issue, just call support." You
 20 know, it's a network marketing no-no, you shouldn't
 21 do that, because you will lose respect.

22 93. Q. Okay, got it. So, Manchester,
 23 Ireland...was that the same trip, by the way?

24 A. No, not all in the same trip, no.

25 94. Q. So, where did you go next?

L. Guarini - 27

1 87. Q. And we will get to Raj later and we
 2 will get to Driscoll later.

3 A. Yes.

4 88. Q. Let's talk about the time frame you
 5 became the new Kul. So, it was sometime after
 6 Portugal?

7 A. Yes.

8 89. Q. So, just tell us what you did, where
 9 you travelled, who you were with, what you saw, what
 10 you heard.

11 A. I went to the U.K., to England. Met
 12 with Ian Driscoll. Had meetings in Manchester. I
 13 forget the small town, there was another small town
 14 I had a meeting in. And then I had personal
 15 meetings, one-on-one, one with five people another
 16 one with five people, every half hour on the hour.
 17 So, if people were having problems or weren't sure
 18 what was happening with their accounts or...

19 90. Q. Yes.

20 A. ...didn't know what to do, I was
 21 there to help them to support. Had meetings with
 22 all these people. I also went to Ireland and
 23 basically did the same thing. Had a big conference.
 24 There was almost 1,000 people there. And did a big
 25 presentation and a speech, basically, on what my

L. Guarini - 29

1 A. These aren't in order.

2 95. Q. They are not in order?

3 A. No, I can't tell you...I can't tell
 4 you in order. I know I've done Portugal, Poland,
 5 Ireland, England, Italy, Trinidad, Jamaica...what am
 6 I missing?

7 96. Q. Spain?

8 A. Spain, thank you.

9 97. Q. Dominican Republic?

10 A. Yes.

11 98. Q. Anywhere else?

12 A. I am trying to remember. I'm trying
 13 to think. I should have just brought my passport,
 14 because I have the stamps. It was very exhilarating
 15 at the beginning.

16 99. Q. So, you were travelling a lot,
 17 Lorenzo, and so just...and we are not going to go
 18 through these trips one at a time, because we don't
 19 have that much time. But just tell me who you
 20 travelled with, and why you went to these countries
 21 and what you did.

22 A. Okay. A couple times...once I
 23 travelled with Sabih. Her name is Sabih Abbasi.

24 100. Q. And who is she?

25 A. Sabih worked in support. So, they

L. Guarini - 30

1 sent her along with me to give me a hand. Another
2 time, who did I travel with? My son came along with
3 me in the end. And he was coming with me as my
4 assistant. I also travelled to Italy with the now
5 Mrs. Raj Dixit, Stephanie...I can't remember what
6 her last name was before the marriage.

7 101. Q. Schlacht?

8 A. Schlacht, that's it.

9 102. Q. Okay.

10 A. So, she came to Italy with me...

11 103. Q. Just you and Stephanie, or was Dixit
12 there too?

13 A. No, it was just me and Stephanie.

14 This was before the affair, whatever.

15 104. Q. But presumably she was working at
16 Banners at that point, Stephanie was, right, that's
17 why she was travelling with you?

18 A. Yes. She was travelling with me
19 because she had come to do the...she was teaching
20 the ones in Italy how to do the business and that.
21 So, she came with me. I was doing presentations.
22 So, she was there to assist me.

23 105. Q. Was this all in English, by the way?
24 You don't speak Italian?

25 A. In Italy? Oh, I speak Italian.

L. Guarini - 32

1 yourself, you were always with somebody else, is
2 that fair to say?

3 A. No, some of them I was by myself.

4 But most of the time I had somebody.

5 115. Q. And you travelled with Kelly,
6 sometimes, as well, is that right?

7 A. Kelly came to Portugal with me and
8 Kelly came to England with me, because I told them I
9 wouldn't go unless they let me take her with me,
10 because, you know, it was around Christmastime and
11 basically, I wasn't getting any holidays out of the
12 deal, so I wanted her to be able to come with me.

13 116. Q. Now, was Kelly ever working for
14 Stellar Point or Banners Broker?

15 A. Never.

16 117. Q. Okay. And just...okay, so we are
17 going to finish off on the travel, but you were
18 either travelling with Stephanie?

19 A. Yes, just once with Steph.

20 118. Q. Sabih or your family?

21 A. Once with Sabih. And most of the
22 time, the rest of the time I was either by myself.
23 And then near the end, my son came with me as my
24 assistant.

25 119. Q. And you were global brand

L. Guarini - 31

1 106. Q. Right.

2 A. Like I speak it, I understand it.

3 107. Q. Stephanie speaks Italian?

4 A. No.

5 108. Q. So, sorry, continue. Who else did
6 you travel with on these trips?

7 A. I know Stephanie, I know Sabih.

8 109. Q. What about Raj?

9 A. No. There were times, like,
10 Manchester, another big conference. So, yes, he was
11 there.

12 110. Q. And Smith was there too?

13 A. Yes.

14 111. Q. Okay.

15 A. Where else? Ireland, another
16 conference. Ireland.

17 112. Q. So, that would be Dixit and Smith
18 again?

19 A. Yes.

20 113. Q. But apart from Ireland and
21 Manchester, there are a number of other countries
22 that you went to. Were you travelling with Dixit on
23 any of these trips?

24 A. Not to my recollection, no, no.

25 114. Q. But you weren't travelling by

L. Guarini - 33

1 ambassador, that was your title?

2 A. Yes.

3 120. Q. So, were you reporting to Raj,
4 during this time period? Was he your boss?

5 A. No, Chris.

6 121. Q. To Chris?

7 A. Yes. Chris, I mean, Raj would
8 arrange it, but Chris was still my boss.

9 122. Q. And so how frequently would you meet
10 Chris during this period? Would you speak to him
11 every day, some days?

12 A. No, not every day. No, just some
13 days. I was just out travelling, doing my job.

14 123. Q. Who decided where you would go?
15 Whose decision was that?

16 A. That was...well, Dixit would do most
17 of that.

18 124. Q. So, how frequently were you dealing
19 with Raj, during this period?

20 A. Fairly frequent. You know, just,
21 where do I go next?

22 125. Q. But you never travelled with him?

23 A. Not really, no.

24 126. Q. Did you socialize with him
25 otherwise, like apart from travelling?

L. Guarini - 34

- 1 A. Oh, yes.
 2 127. Q. And just describe that. Would your
 3 families get together, would you go to his house,
 4 would he go to your house? Like, just tell me what
 5 you remember on that front.
 6 A. Our families got together maybe
 7 twice. Honestly, my wife didn't really like him too
 8 much at all. And my son didn't really like him too
 9 much at all. But they put up with him because of
 10 me.
 11 128. Q. Right.
 12 A. So, we talked all the time. We
 13 didn't spend time together as friends, per se. I
 14 would go in, I would talk to him about things that
 15 were happening within BB, things that I saw. If
 16 there was problems or issues or even good things.
 17 129. Q. But did you have an office at this
 18 point? Were you, like, working from the Whitby
 19 office at Stellar Point?
 20 A. Well, yes, they put an office in
 21 there for me, because I didn't want to come to T.O.,
 22 you know. But once in a while I would come to
 23 Toronto, see Chris. For the most part, even with
 24 this Stellar Point office that they had set up in
 25 there, I didn't go in every day, I just went in once

L. Guarini - 35

- 1 in a while, period.
 2 130. Q. Now, I think you mentioned you had
 3 known Raj for quite a while, right? Even before
 4 Banners Broker.
 5 A. Yes.
 6 131. Q. Where did you first meet Raj?
 7 A. It was...I'm trying to remember the
 8 name of the company.
 9 132. Q. Was it with ICF?
 10 A. No, it was before that. It was
 11 before ICF, and I met Raj...it was at a Holiday Inn
 12 in Oshawa on Harmony Road/401. And it was for
 13 another company called Treasure Traders.
 14 133. Q. Okay.
 15 A. Do you remember that one?
 16 134. Q. I don't know that one, but are we
 17 talking 1990s?
 18 A. Yes.
 19 135. Q. So, you knew the guy for a long
 20 time?
 21 A. Yes.
 22 136. Q. Let's...during the Banners Broker
 23 period, did his lifestyle change at all? And I want
 24 to talk about the same sorts of questions that we
 25 were talking about a few minutes ago, when we were

L. Guarini - 36

- 1 talking about Kul.
 2 A. Yes.
 3 137. Q. Just things that you saw or heard or
 4 he told you, he may have been bragging about.
 5 A. Well, yes, I saw his lifestyle
 6 change...
 7 138. Q. Because Banners Broker was hugely
 8 successful, right?
 9 A. Yes.
 10 139. Q. We have talked about that.
 11 A. Yes.
 12 140. Q. And he was one of the...and it
 13 appears that he was one of the top guys. So, what
 14 did he do with his money?
 15 A. Oh, well, he was quite a little bit
 16 different. I got to see a lot more of him than I
 17 saw Kul Josun. Kul Josun just wasn't there long
 18 enough for me to see...for me to give you all of the
 19 bragging rights, okay. Go back to your Kul Josun
 20 page and just let me tell you also, Kul Josun
 21 started his own called Kul's Club, okay, which was
 22 in Vanuatu.
 23 141. Q. All right.
 24 A. Just to give you the...okay, and he
 25 started his own networking company out there.

L. Guarini - 37

- 1 142. Q. Well, let's just talk about that for
 2 a minute. What do you know about KulClub?
 3 A. Well, you know, people talk, okay.
 4 So, all of a sudden somebody sent me the e-mail
 5 little video on, you know, "He's back. Kul's Club",
 6 right. And it's like, "Oh, my God." You could
 7 invest in it and live in paradise. And have a plot
 8 of land in Vanuatu if you...
 9 143. Q. Where is that, by the way?
 10 A. In the middle of nowhere, past Fiji.
 11 144. Q. Okay.
 12 A. So, I kind of laughed at it, I
 13 chuckled about it, but even though he had set that
 14 up, someone else had told me that he was living in
 15 Portugal. And then about a year ago, my daughter
 16 saw him at the shopping centre in Oshawa. So, she
 17 said hi to him, and that was it. She came home and
 18 told me that she had seen him.
 19 145. Q. Okay, but is there any connection
 20 that you are aware of or that you have heard about
 21 between KulClub and Banners?
 22 A. Well, the connection to me,
 23 personally, I think the connection is he did
 24 something...I mean, where do you get the money?
 25 It's not cheap to start a network marketing company.

L. Guarini - 38

1 You have to have money to get started. And so I
2 don't know where he got this kind of money to start
3 this corporation. I can't prove, like I said, but I
4 know that I know.

5 146. Q. You read this. Did he ever tell you
6 anything about KulClub?

7 A. No, oh, no. Because he was already
8 split, separated.

9 147. Q. Got it, okay. So, we will go back
10 to Dixit now.

11 A. Yes.

12 148. Q. And obviously you know a lot more
13 about Dixit. So, what can you tell us about Raj?

14 A. Well, from the beginning, seemed to
15 be cool means like everything was normal. I
16 couldn't afford to go out to dinners and all this
17 other stuff. I mean, I was making 200 bucks a week.
18 And I'm retired from Chrysler. So, I'm not living
19 this high lifestyle. But I started seeing that they
20 would always go out to dinner, you know, Kul, Raj
21 and Chris. Always going out to dinner, always,
22 constantly. Downtown.

23 Little by little, as the company started to
24 grow, I started seeing little expenditures and then
25 Raj's thing is always, "I need a car." He needed a

L. Guarini - 40

1 wife?

2 A. Jennifer.

3 152. Q. All right.

4 A. Then the expenditures started coming
5 in where all of a sudden he's coming in in Armani
6 suits. I could tell you all kinds of things, okay,
7 Armani suits. \$35,000 bottle of cognac. And I am
8 not exaggerating. Limousines. A private jet for
9 him and his wife and his mother to fly to, I think
10 it was Bahamas. And it was right before New Year's.
11 Rings. Vehicles. A house, not rented. Big chunk
12 of change on a house.

13 And when I asked him, "How much are you
14 getting paid? Like, how much are you getting paid
15 from this company?" He says, "Oh, you know what,
16 man, I work my ass off. If not for me this company
17 would go kaput", right? And I said, "Well, no
18 offence, but I seem to be doing a lot of work here
19 and I'm not getting compensated. So, what gives?
20 What goes on? Like, I'm working for peanuts." And
21 I got a raise, I don't remember how much, but I will
22 figure it out. I am just trying to think because
23 the monies that was spent was concerning to me.

24 As it got bigger and bigger and all of a
25 sudden I saw this private jet and...

L. Guarini - 39

1 vehicle. So, at the time he got a used Chrysler
2 300, at the time. This is at the beginning. I
3 can't remember what other vehicle he had at the
4 time, but this was the beginning of the whole
5 shebang. So, he started with a Chrysler 300. I
6 don't know how much he was making, okay, but there
7 was a slight swagger, you know, like, he was
8 spending.

9 As the company was growing and as he all of
10 a sudden became the new Kul, well, I started
11 noticing, all of a sudden he's got diamond rings,
12 he's got jewellery for his wife. I don't know how
13 much...my wife even knows more than that, because he
14 had talked to Dixit's wife. So, I don't know how
15 much he had spent, and then...

16 149. Q. When you say "his wife", do you mean
17 Gloria or Stephanie? His first wife or...

18 A. No, Gloria was his mother.
19 Jennifer.

20 150. Q. Jennifer.

21 A. He started buying big names in
22 clothes. You know, like...I'll just say Christian
23 Dior, as an example. You know, he was buying her
24 all of these things and purses.

25 151. Q. But which wife was it, his first

L. Guarini - 41

1 153. Q. You saw the jet?

2 A. Oh, yes.

3 154. Q. Just tell me about that. I mean, we
4 will cover the rest of it too, but how did you end
5 up seeing the private jet?

6 A. Well, I knew that he had taken a
7 private jet, because he was asking me if my daughter
8 would go with them so she could babysit the kids.
9 And we said, "No." So, he said, "She'll be on the
10 private jet with us. It's just us." And my wife
11 was...I know she was utterly disgusted. But you
12 know what, he's the bigwig with Chris, so be it.
13 But the expenditures, his lifestyle, was not the
14 lifestyle of the Rajiv Dixit that I was used to
15 knowing.

16 155. Q. Okay.

17 A. And I knew when he was telling
18 everybody in Toronto, in the office in Toronto, what
19 to do, when to do, how to do, "You better jump and
20 I'll tell you know high," type of thing, it's the
21 way it was. Nobody liked him. They didn't like him
22 so bad they wanted him out of there. Just send him
23 somewhere else. And this is the employees that were
24 at Banners Broker.

25 And I understood. I understood why. I

L. Guarini - 42

mean, I got along with everybody. So, his expenditures near the end got really crazy. And that was one of the reasons why...when I went back to Chris and said, "What in the hell is going on? Like, I'm getting concerned here."

The reason why I was getting concerned is because, I'm going to, let's just say, U.K., and somebody is saying, "Lorenzo, listen. With my account, I put in for withdrawal, but it's been eight days or nine days or three weeks." Or, "I put in a support ticket and I didn't get an answer." And so, I would say, "Okay, no problem." I would take down their name, their ID number and what was the issue, and take it down, and then I would take it back to the office. And then I went to Stellar Point and went to the actual people that were doing support and say, "This person here, why haven't they got an answer on their support ticket?" And then I took it to Chris, and said, "Why haven't these people got paid?" "Oh, Zo, you know..." And the excuses that I would hear. I don't want to hear that, because I am the one that has got to speak to you and speak to everybody and say, "Okay, let's deal with your issues and let me help you."

And my job...and there is not a person in

L. Guarini - 44

158. Q. Right.

A. I went to his house. The guy had a television in the toilet, for crying out loud. I mean, how ridiculous is this going? You see. Now, when he bought this house...I also saw a theatre room in the basement. When he bought the house, there was no theatre room.

159. Q. Right.

A. He spent multi-thousands of dollars of refurbishing that basement. And then spent more multi-thousands of dollars refurbishing it again. It was ludicrous. It was just nothing but sheer waste. That's only a pittance of what I'm telling you.

160. Q. Why did he do it a second time, the basement?

A. Because he wanted to now get rid of this one room and make some back room and open up the room even more than what it was. So, he made his theatre room. Like, literally a theatre and a lot of money. I can't give you the figures, but I know that it was a lot of money.

And so this is an example of a lot of the sheer waste where he had brought in a pool table and then got rid of it and opened up the room even more.

L. Guarini - 43

the world that will tell you...my job was to protect those people, period. And when I started seeing these expenditures...

156. Q. I mean, towards the end, you said they got really crazy?

A. Oh, man, oh man. It got nuts. Ten, eleven, twelve...I wish I had the bill, because I had the bill at one time, where Chris said, "Zo, do you need a suit?" And I said, "Well, I got one. I could use one." So, Harry Rosen, right up here in the Eaton Centre is where it was. He went in there and bought suits for his brother-in-laws...his brother-in-law, his nephews, his brother and everything else.

Whereas Chris said to Raj, "Zo needs a suit, get him a suit." And my son was my assistant, so they got him one. And this is an example. Twelve suits. Now, that's nothing. If you go...you are talking \$3,000, \$4,000 and \$5,000 suits. And if you look in his closet there is no less than 20 of them in there. All different suits.

157. Q. You wouldn't know that, right? You didn't...

A. I saw the suits. I saw his closet. This is him bragging to me.

L. Guarini - 45

And they had to go and retrofit again. Furniture, all furnished. From what I heard, I can't prove that, okay, but a \$60,000 rock for new Mrs. Dixit. I can't prove that.

161. Q. Just on that house, how many times, approximately, would you have visited him at his house, the one that we are talking about?

A. Oh, I've been there, maybe a total of 15 times.

162. Q. And where was it?

A. It's in Oshawa. He's not far from where I live. I just forget the name of the street.

163. Q. Coyston Court?

A. Yes, that's it, Coyston Court.

164. Q. Was it 1036 Coyston Court, C-O-Y-S-T-O-N Court, Oshawa?

A. Yes. I would say that's pretty well it.

165. Q. Okay, so then you had heard something about an engagement ring or a wedding ring?

A. Yes, I heard...I mean, actually, I heard it from my wife now. I don't know where she got the number, but it was around 60 grand for a ring.

L. Guarini - 46

- 1 166. Q. Right, right.
 2 A. I know that he had at least 10, 12,
 3 maybe more watches.
 4 167. Q. Did he show them to you?
 5 A. I didn't see all of them, but I saw
 6 a lot of them. Like, Rolex to...I'm trying to think
 7 of the name, they are all big, hooty-tooty whatever.
 8 I don't know...
 9 168. Q. And you saw them because he was
 10 wearing them, or you saw them at his house?
 11 A. He would wear them different times,
 12 like, "Is that a new watch?" I like mine, it tells
 13 time just as good as a \$10,000 one or \$50,000 one.
 14 So, regardless, he had a lot of watches. And he had
 15 some...I don't know, this gadget, thingamabob that
 16 they put the watches on so that it keeps them
 17 rolling or whatever. This is where you know, this
 18 isn't...and with all due respect, this isn't the
 19 peasant that I knew.
 20 169. Q. Right.
 21 A. This is where the life really,
 22 really started getting ridiculous.
 23 170. MR. WARD: Okay, so why don't we take a
 24 break.
 25

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- 1 --- A BRIEF RECESS
 2
 3 LORENZO GUARINI, resumed
 4 CONTINUED EXAMINATION BY MR. WARD:
 5 171. Q. So, just before the break, we were
 6 talking about Rajiv Dixit.
 7 A. M'hmm.
 8 172. Q. And it was towards the end and you
 9 were giving us your observations on his lifestyle
 10 and things were getting a little out of control
 11 towards the end in terms of the spending.
 12 A. Yes.
 13 173. Q. So, I just want to make sure that
 14 we close off on that and that you have told us
 15 everything that you can think of in that regard,
 16 right?
 17 A. Yes.
 18 174. Q. One of the last examples was,
 19 perhaps, the...maybe a \$50,000 ring. And Kelly,
 20 perhaps, can tell us about that.
 21 A. Yes, like I said, for me it's
 22 hearsay.
 23 175. Q. Yes.
 24 A. But I don't doubt it. I don't doubt
 25 it, because he spent...you know, I can tell you guys

L. Guarini - 48

- 1 one thing to help you out, I don't know if you guys
 2 could do it, but Oshawa Jewellers in the Oshawa
 3 Centre, they could give you an idea of how much
 4 money was spent. And we are talking a lot of money,
 5 a lot of money.
 6 Now, mind you, some of the monies that were
 7 spent in there were for rings with a "BB" on it.
 8 And it was...what the...I think million-dollar
 9 earners, okay, would get...at those things like
 10 Portugal or Ireland or whatever, if they were
 11 million-dollar earners, they would give them a BB
 12 ring.
 13 176. Q. Right.
 14 A. So, yes, some of the expenditures
 15 were for that, but I can tell you a lot of monies
 16 that he spent, other than those rings, were at
 17 Oshawa Jewellers.
 18 177. Q. How do you know that? Or why do you
 19 believe that?
 20 A. I know, because I was there with him
 21 once. Now, that's when he was picking up the BB
 22 rings. But I know that he had bought other things
 23 there, because they were talking to him as if he was
 24 some kind of king, okay. And I probably would too
 25 if I owned the business and you are spending a ton

L. Guarini - 49

- 1 of money the way he was.
 2 Not only that, because I know that he would
 3 buy watches at airports. So, he would bring them
 4 home and, I don't know if he claimed them or not, at
 5 customs or whatever the case may be, that, I don't
 6 know. But I know he had lots of watches, expensive
 7 watches. He had some watch craziness, whatever.
 8 178. Q. So, just in the same vein, we talked
 9 about Harry Rosen before the break...
 10 A. M'hmm.
 11 179. Q. ...Oshawa Jewellers. Any other
 12 stores that come to mind?
 13 A. Mercedes.
 14 180. Q. And which dealer?
 15 A. That's...Thickson Road, Whitby.
 16 181. Q. Okay. And was there an Audi
 17 dealership that he dealt with?
 18 A. Yes, there was...that's on...I'm
 19 trying to think of the name of the street. Just use
 20 Baseline.
 21 182. Q. In Whitby?
 22 A. In Whitby.
 23 183. Q. All right. And what else? Any
 24 other stores, dealers?
 25 A. I am just trying to think. I mean,

L. Guarini - 50

- 1 those are the...
- 2 184. Q. Okay.
- 3 A. I'm just...those are the main ones.
- 4 185. Q. Fair enough. Restaurants, is
- 5 there...was there a favourite? Harbour Sixty?
- 6 A. No.
- 7 186. Q. Okay.
- 8 A. Yes, that...
- 9 187. Q. And just while we are on the point,
- 10 the same for Josun. Do you know whether or not
- 11 there was one restaurant, in particular, that he
- 12 spent a lot of time at, or one store or dealership,
- 13 in particular, that he might have shopped at?
- 14 A. No. I don't know.
- 15 188. Q. Right, and Chris has just passed me
- 16 a note. In terms of the private...the jet, any idea
- 17 how that might have been arranged? Who rented it to
- 18 him?
- 19 A. No. You know, there was a lot of
- 20 things that I am just not privy to. You know, I
- 21 wasn't privy to bank accounts or how much money the
- 22 company had or how much money the company made. I
- 23 wasn't privy to any of this stuff.
- 24 189. Q. And, in fact, that's what I wanted
- 25 to get to next. And we are just talking about Dixit

L. Guarini - 52

- 1 194. Q. That would be great. Thanks for
- 2 that.
- 3 A. So, yes, like I said, I'm here to
- 4 help you guys in any way that I can. Because I
- 5 want...this BB thing has been a nightmare for me in
- 6 my life, although it was a blessing in one way,
- 7 because I have met such beautiful people around the
- 8 world. But it's been a nightmare for me and my
- 9 family and our finances and our life.
- 10 195. Q. Okay. And we can talk a bit more
- 11 about that. I am also going to come back to the
- 12 Cyprus bank account later.
- 13 A. Yes.
- 14 196. Q. But I want to...just staying on
- 15 Dixit.
- 16 A. Yes.
- 17 197. Q. Apart from Cyprus, did you know or
- 18 had you heard rumours that he had assets anywhere
- 19 else outside of Canada?
- 20 A. No, and I would be surprised...
- 21 because, I mean, from what I thought, I would have
- 22 thought he would have told me. Because he surely
- 23 liked to let you know of his comeuppance in life,
- 24 you know?
- 25 198. Q. Okay, so the "comeuppance in life",

L. Guarini - 51

- 1 and presumably, like Josun, he bragged from time to
- 2 time?
- 3 A. Oh, yes.
- 4 190. Q. Any bragging about investments,
- 5 stocks, bonds, bank accounts, offshore, in other
- 6 people's names?
- 7 A. Not that I can recall, if I can...
- 8 191. Q. Do you know if he had any banking
- 9 relationships outside of Canada?
- 10 A. Yes. Cyprus.
- 11 192. Q. Okay.
- 12 A. In Cyprus. There was an account
- 13 in Cyprus and we had a joint account there. That's
- 14 where I wanted to put my savings, because,
- 15 apparently, they pay good interest as opposed to
- 16 here. So, now, I just got to think of the name.
- 17 And you know what? When we would log into our
- 18 accounts, you had to have this little...see, I don't
- 19 know, it's a security thing, where you got to punch
- 20 in your numbers in order for you to be able to log
- 21 into your account. So, if I still have that, okay,
- 22 I might be able to get into that account and then I
- 23 can literally come back and show you guys.
- 24 193. Q. Could you do that for us?
- 25 A. Of course, no problem. U/T

L. Guarini - 53

- 1 because I think this is an interesting area, just
- 2 because you have known Raj since the late 1990s.
- 3 A. M'hmm.
- 4 199. Q. And just...I want you to describe
- 5 for me one more time, because we have touched on it
- 6 a little bit, how his life changed before Banners
- 7 and after Banners, okay. And so let's start with
- 8 perhaps his house. Where was he living before he
- 9 bought this house that you described for us on
- 10 Coyston?
- 11 A. Before Coyston, he was living
- 12 in...near the college. Near Norville...Norland. He
- 13 was living on this Norland. He was renting that
- 14 place.
- 15 200. Q. And it may be 1019 Norland? Did you
- 16 ever go there?
- 17 A. Oh, yes.
- 18 201. Q. Okay, and what was it like?
- 19 A. I don't know...a 100 percent sure of
- 20 the number.
- 21 202. Q. Right.
- 22 A. But, yes, it was Norland Circle.
- 23 203. Q. And so you would visit him there?
- 24 A. M'hmm.
- 25 204. Q. And just describe what his Norland

L. Guarini - 54

1 Circle rental property was like.

2 A. Nice place. Big kitchen...nice,
3 like it wasn't old, okay. It was basically meant as
4 an investment property. He had rented it from a
5 friend of his. This was meant to be an investment
6 property.

7 205. Q. Okay, for his friend?

8 A. Yes.

9 206. Q. And from there...to your knowledge,
10 did he move from Norland to Coyston Court, or was
11 there anywhere in between?

12 A. I am trying to think if there was
13 somewhere in between.

14 207. Q. If you recall. If you don't recall,
15 that's fine too.

16 A. Yes, I don't recall.

17 208. Q. Okay, and what about these cars? At
18 the beginning of...

19 A. He had a van.

20 209. Q. At the beginning of Banners Broker
21 he had the Chrysler 300, right?

22 A. Yes, and I think he still had a van.

23 210. Q. So, tell me about before Banners
24 Broker. How did he get around?

25 A. He had a van, before he bought the

L. Guarini - 56

1 right? So, he kicked the door and the door ended up
2 hitting the kid in the mouth.

3 The kid, later on, goes down the road to
4 play with a friend at somebody else's house. He was
5 anal, this guy is anal, believe me. Which he
6 forbade the kid to go and play at anybody's house.
7 Well, the kid who he went to play with, his mother
8 was a teacher, so she called the police.

9 214. Q. Yes.

10 A. Because she asked him what had
11 happened and he said, "Rajiv kicked the door and hit
12 me in my mouth." So, he got arrested. He was asked
13 to go to the police station and talk to the police
14 about the incident, everything else. And they
15 arrested him and then sent him to Lindsay. So, I
16 felt bad for him because I didn't think Raj was the
17 kind to go and do that to a kid, you know, not on
18 purpose.

19 And so I put up my house and everything
20 else, to bail him out. And not only that...and it's
21 the last time that I will ever do something like
22 that, because I was in prison. He could not move,
23 he could not go anywhere without me by his side,
24 meaning I had to be there, wherever he was. He
25 could not go out in public without me there.

L. Guarini - 55

1 300, when he was living at Norland Circle. What was
2 he doing at the time? It was a phone place. Public
3 Mobile, okay.

4 211. Q. Okay.

5 A. And so, again, he had a friend of
6 his that...I don't know how he does it, but he
7 talked this friend of his into buying two more
8 Public Mobiles, but he would throw himself into some
9 type of partnership with the guy without putting in
10 a penny. And that was magic about the guy. I don't
11 know how he would manage to do it. So, he got in
12 with this Public Mobile thing. And he was driving
13 the van and everything else.

14 212. Q. Do you recall what type of van it
15 was, how old it was?

16 A. A Chevy, no.

17 213. Q. Okay.

18 A. It wasn't really old. It was a
19 fairly nice van. From there, what I remember, I
20 guess they were having dinner and Jennifer's son, a
21 little boy, wouldn't eat his food. So, Raj told the
22 boy to eat his food, he yelled at him. So, the kid
23 ran upstairs. And, apparently, he chased after him
24 and I guess the kid was behind the bathroom door and
25 he wouldn't open the door, he had locked the door,

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1 So, it became a prison for me. And another
2 guy named Glenroy was also a signatory, although he
3 didn't own anything or have anything to put up for
4 collateral. In the end, it went to a lawyer's and
5 they made some type of peace bond or whatever, he
6 was cleared.

7 215. Q. When was this, approximately?

8 A. Just before Banners Broker. Just
9 before.

10 216. Q. Okay.

11 A. And so it was still going on into
12 Banners Broker and not long after, it was done.

13 217. Q. And so he didn't have the money to
14 bail himself out of jail before Banners Broker?

15 A. No, no.

16 218. Q. And what did you pay to bail him out
17 of jail?

18 A. I can't remember, but I know that I
19 had to put up my house. So, it was...

20 219. Q. Could you check on that and let us
21 know?

22 A. I could try, sure. If you guys can
23 write me down a list of certain things that you
24 need, by all means, no problem.

U/T

25 220. Q. Yes, Erin is taking some notes and

L. Guarini - 58

1 we will get that to you, so that's great.

2 A. Yes.

3 221. Q. Rajiv Dixit, before Banners Broker,
4 the end of Banners Broker, tell me more about some
5 of the changes that you observed.

6 A. Well, from a guy that was living
7 week-to-month to a guy that was, all of a sudden,
8 spending money like it was water, like it was
9 nothing. And that's...like, a 1,000th percent
10 difference. Not 100, a 1,000. So, he went from,
11 let's say being...you know, living from week-to-
12 week, okay, to living high off the hog.

13 Even...and that's another thing I will
14 bring up, too. You know, I had never seen anything
15 like this. And this is why I say to you earlier,
16 it's the thing that just really got to his head.
17 And now I started realizing that this guy has got a
18 sickness, okay. He is really sick up here. He
19 could switch on and off, like a dual personality.

20 And tell me that people were after him.
21 "Okay, you don't know, man, we need security."
22 "What are you talking about?" And I will give you
23 the perfect example. We were in the U.K., we were
24 in Manchester...Bolton. And it was a big hoopla,
25 okay. And you know what, this was...for me, it was

L. Guarini - 60

1 And so I stuck with all the distributors or
2 what have you. I don't know what...we will use the
3 term "distributors". So, I spent time with them.
4 And they said, "No, you gotta come right now." As
5 if I'm supposedly, you know, like a vice-president
6 of the United States. I don't even think the
7 president gets that much security. It was
8 ridiculous, right? And it wasn't once.

9 222. Q. Who was it that wanted that
10 security?

11 A. Rajiv Dixit. Chris...let me tell
12 you about Chris. When I met Chris, Chris was really
13 tight with a penny, very tight. Raj got him to
14 really loosen up the strings, to convince him that,
15 "You need security, you need this, you need that",
16 all the hoopla and everything else. I was
17 embarrassed. I was embarrassed. I don't need
18 security. There was nobody out to get me. I was
19 out there to do presentations, period. Why would
20 anybody be out to get me? And if you want to have
21 one security guard, two, okay. If you feel that
22 way, no problem. I'm telling you, there was a team
23 of security guards.

24 223. Q. How many in Manchester?

25 A. I can't give you the amount. I know

L. Guarini - 59

1 great. I went up...and when I spoke to people, I
2 spoke from here. I didn't memorize things or know
3 what I was going to say. I just spoke from my
4 heart. And I could feel it, because it emanated to
5 the people.

6 But then we would get to the big hoopla
7 after. This was the big presentation and my talk to
8 the people, okay. I had people crying, I had people
9 laughing, and it was fun. And after that's over,
10 everybody is coming to the front. Everybody wants
11 to touch me like I'm Tony Robbins, you know. And
12 it's a great feeling, because everybody was happy.
13 It was a great business. Everybody was getting
14 paid. Everybody was making money, so I'm happy.

15 But when we get to the event, okay. We
16 have got buses that are taking us there, limousines,
17 20, 30 security guards. What? "Lorenzo", he was
18 Irish. He's a good guy, he's a really good guy.
19 And like I said, if you are paying me a crap load of
20 money, I don't care what you want, I'll do whatever
21 you want, you know. So, "Lorenzo, you have to go
22 right now." And I said, "Well, no, I'm staying here
23 with all the people." It was the band...it was a
24 live band, and it was a good time, everybody was
25 having a good time.

L. Guarini - 61

1 there was a lot.

2 224. Q. More than five?

3 A. Let's say 10, okay. I wonder if I
4 could find that out, too, maybe.

5 225. Q. So, the question that we have for
6 you on this side of the table is, do you remember
7 the name of anyone on the security detail or the
8 name of the security company or could you find that
9 out for us and let us know?

10 A. Yes, I will. I don't know what the
11 security company would be called, but, yes, I will
12 see if I can get a hold of...he's in Ireland.

13 226. Q. Okay.

14 A. And, yes, I'll do that. So, make
15 sure you write down all these things and I will
16 chase it down. U/T

17 227. Q. We will. And just on the subject of
18 security, in Portugal, I take it, there was some
19 security as well?

20 A. Yes. These were the biggest guys I
21 have ever seen in my life. The one guy, a black
22 guy, his...you and me, and I'm not exaggerating, he
23 is the biggest guy I have ever seen in my life. Not
24 the tallest.

25 228. Q. Right.

L. Guarini - 62

1 A. But the width of this guy, his lats,
2 okay, you and me could stand side-by-side and nobody
3 will see us other than our legs. And I am not
4 exaggerating in the least, he was the biggest man I
5 have ever seen in my life. Why we needed him? I
6 don't know. But I'm just there, I'm going with the
7 flow.

8 229. Q. Who arranged the security in
9 Portugal, to your knowledge? Was that...

10 A. It has got to be Dixit.

11 230. Q. And similar, can you see if you can
12 find out any information about who the security
13 company was in Portugal?

14 A. I can try. That will be a hard one.
15 The Ireland one, I can do it. Because he became the
16 security, not just Ireland, but it was him that was
17 hired to do Ireland...to do Ireland, England. I
18 don't know, wherever else we had. It wasn't the
19 same people in Portugal as it was afterwards.
20 Portugal was a one-time thing. But I can try to
21 find out.

22 231. Q. Do you remember his name?

23 A. I will tell you in a second.

24 232. MR. WARD: Let's just take a break for a
25 second.

L. Guarini - 63

1 --- DISCUSSION OFF THE RECORD

2
3 BY MR. WARD:

4 233. Q. So, Lorenzo, the security person
5 that you met in Ireland was?

6 A. Conor.

7 234. Q. That's his first name?

8 A. Yes.

9 235. Q. And do you have his last name or his
10 contact information there?

11 A. I am just looking right now. Brett,
12 B-R-E-T-T. Now, I don't know if I spelled his name
13 wrong myself. I have got only one "N", but I might
14 have spelled it wrong.

15 236. Q. Okay.

16 A. So, it's Conor Brett.

17 237. Q. All right, anything else, sir, that
18 could help us contact him?

19 A. Okay, hang on a sec. That's the
20 number I have for him.

21 238. Q. Okay, I am just going to pass this
22 to Erin to jot it down.

23 A. Yes, no problem at all.

24 239. Q. Thanks. Okay, so back to where we
25 were. Anything more that you can describe for us in

L. Guarini - 64

1 terms of Rajiv Dixit's life before and after Banners
2 Broker.

3 A. Well, I mean, you know, like I said
4 he was living on small means. And from, you know,
5 living, like I said, from week-to-week, week-to-
6 month, sometimes he struggled to make payments just
7 even on his rent. I mean, I have helped this guy so
8 much. So, from there...

9 240. Q. Did you help him with his rent
10 payments, is that...

11 A. Oh, sometimes, sometimes. I just
12 lend him money, yes.

13 241. Q. Prior to Banners Broker?

14 A. Sometimes. And then he would go and
15 do something, like, you know, get with his buddy
16 there and do the Public Mobile or whatever. And he
17 would pay me back, one way or another. But then,
18 like I said, from living like that to, all of a
19 sudden, what I was telling you, with the watches,
20 with the rings, the jewellery, the purses, the
21 thousand-dollar diaper bag, apparently.

22 242. Q. Okay, whose diaper bag?

23 A. For his daughter, to a car for his
24 sister. A car for his brother. I'm just trying to
25 think. I mean, there is a lot, there's a lot.

L. Guarini - 65

1 There was so much money spent and, near the end,
2 when we got into it and I said, like, "You
3 know...and I brought it up, all these expenditures.
4 The things that I said I'm seeing. And he said,
5 "Hey, look, you know what? I pay myself, I'm an
6 executive," blah, blah, blah. And I said, "You know
7 what, you and your stupid titles and everything
8 else. Okay, the way you are spending, even a guy
9 making \$250,000 to \$500,000 a year wouldn't be able
10 to spend like this. So, I need to know what the
11 hell's going on." And this is where we really got
12 into it.

13 243. Q. Yes, there was a falling out at some
14 point...

15 A. Oh, there was a major falling out.

16 244. Q. ...which we are going to come to.
17 But two cars for his brother?

18 A. Yes.

19 245. Q. What was his brother's name? I was
20 going to ask what was his brother's name and what
21 was the make of the car?

22 A. I don't remember.

23 246. Q. Did you meet his brother, and did
24 you see the car?

25 A. Oh, yes, nice guy. Kumar, K-U-M-A-

L. Guarini - 66

- 1 R, I think.
 2 247. Q. Kumar Dixit?
 3 A. Yes.
 4 248. Q. And how do you know that he bought a
 5 car for his brother?
 6 A. Somebody in the office had told me.
 7 Somebody at Stellar Point had told me. And I think
 8 he let it out, too.
 9 249. Q. Do you know anything more about
 10 that, in terms of type of car, when he bought it?
 11 A. I don't know if it was a van...I
 12 think it was a van. Actually, I think it was
 13 Stephanie that told me that.
 14 250. Q. Stephanie told you about the car for
 15 Kumar Dixit?
 16 A. Yes, I think it was Stephanie that
 17 told me that. And I think...
 18 251. Q. So who else...
 19 A. I think he was...Kumar was in
 20 Vancouver at the time. I don't know if he is still
 21 there or not.
 22 252. Q. Sorry, who else...there was a second
 23 car that you had mentioned?
 24 A. Yes, one for his sister. And if I
 25 am not mistaken, I think that was a Mercedes.

L. Guarini - 67

- 1 253. Q. And can you tell me his sister's
 2 name?
 3 A. I'm just trying to remember. It
 4 was...
 5 254. Q. Was it Reema?
 6 A. Reema, that's it.
 7 255. Q. And how did you hear that Raj Dixit
 8 bought Reema a Mercedes?
 9 A. I saw it. I saw it at the Stellar
 10 Point office.
 11 256. Q. And did Reema tell you that Rajiv
 12 had bought her the Mercedes?
 13 A. No, it was apparent. I knew that
 14 she didn't buy it.
 15 257. Q. But you saw her driving it?
 16 A. Oh, yes.
 17 258. Q. And what about Stephanie Dixit? Do
 18 you know the types of things that Raj might have
 19 bought for Steph? You mentioned the ring, purses.
 20 A. Clothes.
 21 259. Q. Where did he shop for Stephanie, if
 22 you know?
 23 A. I don't. That, I don't...I couldn't
 24 tell you.
 25 260. Q. So, I think what we are going to do

L. Guarini - 68

- 1 now, Lorenzo, is I want to talk about Chris Smith.
 2 A. Okay.
 3 261. Q. And it's going to be the same series
 4 of questions, just in terms of things that you
 5 might have seen over the years, in terms of Chris'
 6 lifestyle. I mean, I know he was tight with a penny
 7 at the beginning, was your evidence.
 8 A. Oh, yes.
 9 262. Q. So starting there, tell me how
 10 things changed with Chris Smith, in terms of what
 11 you saw and heard.
 12 A. Well, you know, with Chris...and
 13 even when I spoke with the police, Chris was a good
 14 guy. He seemed very genuine and a good heart. And
 15 I testified to the police with that, like, the kind
 16 of person he was and the type of person he was. But
 17 Chris was not stupid or a spendthrift or a showoff
 18 or anything like that. That's not what his main aim
 19 was. It was to start this company and succeed in
 20 business. But from what I knew of Chris...and I
 21 hadn't known Chris that well.
 22 I knew of Chris through another network
 23 marketing company from years back. But he seemed to
 24 me, a guy of modest means. He had some money, I
 25 guess...

L. Guarini - 69

- 1 263. Q. Now, let's talk about when you first
 2 met Chris. And I assume from what you said earlier
 3 that that was when Raj introduced you to Chris in
 4 early, early Banners Broker day.
 5 A. Yes.
 6 264. Q. So, what was Chris' lifestyle like
 7 then?
 8 A. He seemed to be...you know, he
 9 wasn't well off, that's for sure. Because from what
 10 I was...I wasn't told, but I heard, that...and I was
 11 told by Raj that Chris had the idea, the whole scope
 12 of everything, but he didn't have enough money to
 13 launch the company. And Kul had borrowed money from
 14 his sister and brother-in-law in order to get this
 15 company up off the ground. But Chris didn't come
 16 across...like I said, he wasn't rich by any means,
 17 nor did he come across that way at the beginning.
 18 265. Q. Okay.
 19 A. You know, he was good to everybody
 20 when they were working at the office. And you know,
 21 he would drop by, they would order food, takeout,
 22 takeout, takeout. Because they didn't want to
 23 move anywhere, they were constantly working on
 24 programming and all this other stuff. But, no, he
 25 wasn't crazy.

L. Guarini - 70

1 And to show you that, because when he
2 brought me on for support, he paid me a whopping
3 \$200. Even if I was doing 14 hours a day, right.
4 You are talking 70 hours a week. So, he didn't
5 offer unless I started saying something.

6 266. Q. And you mean \$200 a week?

7 A. A week, that's it. But, you know
8 what? I was having fun with the people, and I was
9 having fun...I was doing something. And so I didn't
10 complain until later. And then when I did complain,
11 he gave me a raise, right?

12 267. Q. So Chris, you have told us about
13 Chris at the beginning...

14 A. Yes.

15 268. Q. ...when you met him. If so, how did
16 it change over the years?

17 A. Well, over the years, I mean, he
18 still wasn't the type to go and, "Bring me Armanis",
19 put on the big rings or anything. He had none of
20 that. Even during the growth and everything else,
21 he didn't...he spent time at the office, at the
22 office, at the office, okay? But later on, the
23 indulgences...yes, he bought himself suits. He
24 wasn't...he had a ring. But these were all pushed
25 on him by Raj, "Hey, you're the president/CEO,"

L. Guarini - 72

1 What else? Chris also got a vehicle. I can't
2 remember what his first vehicle was, but I think, if
3 I am not mistaken, it was a Mercedes. What else?
4 You see, Chris...it's difficult for me to tell you,
5 because Chris, I saw Chris lots of times. We would
6 go, we would have dinner or something, but not...I
7 didn't visibly see him...

8 271. Q. Did you ever go to his house?

9 A. Only once, and it wasn't a house,
10 it's right here, downtown, where the offices were.

11 272. Q. On Jarvis?

12 MR. ELLIS: Church.

13 THE DEPONENT: Church. Yes, it wasn't
14 Jarvis.

15 BY MR. WARD:

16 273. Q. So you never went to his personal
17 residence?

18 A. No, never.

19 274. Q. And did the Rolexes that Chris and
20 Raj picked up in Ireland, did you see them, did you
21 see the watches?

22 A. No, I saw Raj's watch. I never saw
23 Chris' watch. But I know they both went and got
24 one.
25

L. Guarini - 71

1 whatever, "You need to look the part. You can't
2 just look like a pauper", type of thing.

3 So, a lot of that was pushed on by Dixit.
4 He wanted everybody to know that he was the owner
5 and the CEO, and "I'm in charge of this. Vice-
6 president of development", what have you. And Chris
7 spent money, where he liked to spend money, "Let's
8 all go out to dinner. I'm buying." Where was the
9 favourite place...The Keg. A lot of...The Keg, the
10 programmers, the girls that were working there,
11 support, he took everybody. We would go to The Keg
12 and he would pay for everybody to eat and things
13 like that. That's where Chris started to spend.

14 Later on, yes, he got a ring. And then Raj
15 and him, we were told, because I was up doing a big
16 presentation in Ireland that Raj and Chris had gone
17 to go buy Rolex watches. That's when, slowly but
18 surely, Chris started to enjoy the finer things, we
19 will say.

20 269. Q. Okay, so that was later on and it
21 was slowly but surely?

22 A. Yes.

23 270. Q. What else?

24 A. Oh, well, I don't know \$2,000 hotel
25 rooms. You know, penthouses and booze, parties.

L. Guarini - 73

1 275. Q. How is it that you know that?

2 A. Raj told me. So, that, I can tell
3 you I know. They...you know, they spent money. But
4 Chris wasn't the kind of guy to spend money on the
5 baubles and everything else. You know, Raj, "Yes,
6 come on, man, we deserve it. Let's go get Rolexes"
7 or whatever. Chris wasn't like that.

8 But, only from what I have been told and
9 read, I guess he liked to buy properties. So I had
10 no idea about that until I read about that.

11 276. Q. And where did you read about that?

12 A. Online where somebody sent me the
13 Spergel report.

14 277. Q. Okay.

15 A. And wow, when I read that.

16 278. Q. Did Chris or Raj or Josun ever tell
17 you about any of Chris' properties or investments?

18 A. No.

19 279. Q. And did anyone...

20 A. I knew about the Stellar Point
21 building, nothing else.

22 280. Q. The Stellar Point building in
23 Whitby?

24 A. In Whitby.

25 281. Q. Right.

L. Guarini - 74

1 A. I knew that they had bought that
2 property there.

3 282. Q. And apart from what you read on the
4 Internet, did you hear anything else about...or read
5 anything else about investments that Chris may have
6 had around the world?

7 A. No.

8 283. Q. In Canada or outside of Canada?

9 A. I knew nothing.

10 284. Q. Okay.

11 A. Like, when I read in that report
12 about some building here in Toronto, I knew nothing.

13 285. Q. All right.

14 A. But obviously, that is where Chris
15 liked to spend his money.

16 286. Q. And let's just go through the three
17 of them, when was the last time that you had any
18 contact with Josun?

19 A. Oh, God. I am going to say
20 Portugal.

21 287. Q. And Smith?

22 A. Smith? I can't give the date. I
23 saw him last year sometime.

24 288. Q. And by "contact", I mean see him or
25 speak to him on the phone or e-mail him.

L. Guarini - 76

1 A. It was around the fall, right after
2 the Niagara Falls...

3 296. Q. ...2013, does that sound right?

4 A. Yes.

5 297. Q. September of 2013?

6 A. Yes.

7 298. Q. Okay.

8 A. So, I will say, yes, just after the
9 Niagara Falls event, whatever date that was, that
10 was basically the end for me.

11 299. Q. Okay, so tell us everything about
12 how...what led up to the end and how it ended.

13 A. Well, again, I was travelling and my
14 job...and my son was my assistant at the time. So
15 my job was to go out there, do the presentations for
16 people that didn't know the business and then also
17 be a support person for all these people, for people
18 that had any issues or concerns or whatever. And so
19 I had gone to Ireland...and I can't give you the
20 date, but there started to be a concern with me
21 because people were asking me about not being paid,
22 when and why weren't they being paid, and I needed
23 answers. Because that's my job, is to basically be
24 the brand ambassador and be a liaison to the people.
25 And so I would take these issues back to

L. Guarini - 75

1 A. No.

2 289. Q. And I know that you spoke with Dixit
3 more recently.

4 A. Yes.

5 290. Q. And so we will come there, but let's
6 go back to the narrative in terms of what you did
7 for Banners Broker, okay.

8 A. M'hmm.

9 291. Q. And we know that you were travelling
10 a lot to a lot of different countries.

11 A. Yes.

12 292. Q. I think we have heard all of them.

13 A. I forgot France, by the way.

14 293. Q. Okay, we will add that to the list.
15 But at some point, you had a fallout with Raj.

16 A. Oh, yes.

17 294. Q. Okay, so why don't you tell us what
18 happened leading up to the fallout that you had with
19 Raj, and then describe the fallout that you had with
20 Raj.

21 A. Okay, well, I call it "near the
22 end", because it was the end for me.

23 295. Q. What period of time are we talking
24 about, Lorenzo? I think that it was around the fall
25 of...

L. Guarini - 77

1 the company and I would talk to Chris and I would
2 talk to Raj. Because Raj now had done the Stellar
3 Point and had taken over all support from Banners
4 Broker onto himself to build his own little kingdom.

5 I started saying, "Why the separation
6 between BB and support? How can support be a
7 separate entity when it's BB?" If I'm working for
8 BB, how can you now, all of a sudden say, "Okay, I'm
9 working for Stellar Point and I'm going to be the
10 support for BB services"? "Well, they are hiring us
11 on." "Oh, okay, so it's some game you guys are
12 playing", whatever.

13 I never got involved in that stuff. But
14 when it comes down to the people not getting answers
15 and in Ireland, I mean, there was major concern.
16 And there were a lot of people that were getting
17 angry. And so I went there to basically talk to
18 these people and find out exactly what all the
19 issues were, after I did the presentations and
20 everything else.

21 And my concern was that I wasn't getting...
22 these people weren't getting the answers. I needed
23 answers for these people and I wasn't getting the
24 answers. What I was given was, at the time I
25 thought was an answer, and a viable answer. But,

L. Guarini - 78

1 now I don't know if you understand Banners Broker,
2 the workings of Banners Broker.

3 But apparently, what had happened, from
4 what I was told from Chris and Raj, is when people
5 would purchase traffic packs and purchase panels,
6 what would happen was, if you had \$1,000 in your
7 eWallet to purchase panels or traffic packs product,
8 what would happen was people were able to purchase
9 \$5,000 worth of product even if there was only
10 \$1,000 in their account.

11 I said, "Well, how is that?" He said,
12 "Well, we screwed up." I said, "What do you mean
13 you screwed up?" This is what I found out
14 afterwards. What had happened was people were
15 buying \$5,000 worth of products for less than \$1,000
16 in their account. And what would happen is their
17 account would go minus-\$4,000. Now, these panels,
18 that brought traffic to these panels, the traffic,
19 they would get paid almost three times or four times
20 the amount of money that they had there. So, as an
21 example, "Hey, I'll go \$4,000 in debt if it's
22 bringing me back \$16,000." I don't have a problem
23 with that. And they shouldn't have been allowed to
24 do that.

25 Well, from, especially the two countries

L. Guarini - 80

1 the issues...my son would write down and take
2 everybody's issues down for me, and then I would
3 take them back. And I took them back to the Stellar
4 Point office, like I was telling you before, and
5 went to support and said, "This person here, do you
6 have them in there?" And they would search and they
7 would say, "Yes." "What answer did you give them?"
8 And they said, "Well, we didn't give them any
9 answer." And I would tell them, "Why didn't you
10 give them an answer?" One of the other support
11 people went and called Raj.

12 Raj came out and made a scene in front of
13 everybody saying, "This is none of your business.
14 Support is none of your business." And I said, "In
15 your office now." Because I worked for BB, I don't
16 work for Stellar Point and nobody talked to me like
17 that. Nobody.

18 So, when I went into his office and I said,
19 "I need answers. Don't you tell me it's none of my
20 business. I've got people who have concerns and I
21 need to give them answers. I want to know why
22 payments haven't gone out. I want to know why
23 people aren't getting paid." This is where our
24 fallout started.

25 300. Q. Okay, that conversation, tell us

L. Guarini - 79

1 that were the culprits. We will just say the worst
2 culprits were the U.K. and Ireland. And so they
3 told their brother, their sister and everybody else,
4 which kept buying all these panels even though their
5 accounts were going in the hole.

6 Chris says something to me, and I don't
7 know how many days after or weeks, and it could have
8 been a couple of months after, but this is what I
9 have been told by Chris and Raj now, is that the
10 company now just went \$39 million in the hole.
11 Because all these people purchased panels without
12 any income coming into the company. And so they are
13 \$39 million in the hole. This is what I was told.

14 So when I went to Ireland, I explained this
15 to the folks in Ireland of, "This is what's
16 happened. And Chris is going to right the ship, put
17 it back on course." Like I said to you, I mean, I
18 can only go with what I am told. And I had no
19 reason to believe that Chris wasn't going to right
20 the ship. Because Chris was always...to be honest,
21 he was always good to me. And he always seemed
22 forthright to me. I was happy for him that
23 everything was going good up until this point.

24 And when I went to him, near the end and
25 said, "I need answers." When I went back to take

L. Guarini - 81

1 everything that you remember about it exactly as it
2 was said, in his office.

3 A. It was almost pretty well what I was
4 telling you just now. "I want answers." And he
5 said, "It's none of your business, Zo. Your job is
6 to be the brand ambassador." I said, "My job is to
7 go out and show people what a great business this
8 is. I'm not seeing this as a great business right
9 now. I'm seeing a lot of concerns and it's
10 concerning me. I don't like what I'm seeing. So,
11 the hell with you. One of these to you. I'm going
12 to Chris." And he said, "You are going above my
13 head?" "What do you mean above your head, who the
14 hell are you? Who are you? What, do you think you
15 are my boss?"

16 Okay, he owns this company. I'm here
17 because I'm having fun. Otherwise, Chris don't even
18 tell me what to do. "I'm just here to do
19 presentations, be good to people. As long as
20 everybody is making money and everybody is happy,
21 I'm happy. But I'm not going to do presentations if
22 you guys are screwing up. And with what I'm seeing
23 with the waste of money that you are doing." "What
24 do you mean waste of money? Why is that your
25 business?" "It's my business, because I'm seeing

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1 you are spending money like it's water. I don't
2 like what I'm seeing."

3 So that was it, end of conversation. I
4 called Chris and I told Chris, "Look, buddy, you
5 need to really, really bear down and I need answers,
6 Chris." I told him the situation of what happened
7 in the Stellar Point office. And he said, "I know,
8 Zo. Listen, just calm down", because I can get
9 testy. Basically, I didn't like that answer either.

10 And I said, "Listen, if I don't get
11 answers, I want to know why people aren't getting
12 paid, Chris." "Now, what happened before, you are
13 going to right the ship and everything else. What's
14 going on right now, I need to know why people aren't
15 getting paid. At the very, very least, give me
16 something credible, because I can't believe this
17 anymore. Not with the expenditures and what I'm
18 seeing going on with this little Hitler and what
19 he's doing with monies. What the hell, Chris? And
20 who's giving him all this money? So I have to
21 question him now. So I have got to question you.
22 If the people aren't getting paid but he's spending
23 money like it's no tomorrow, how can the people not
24 get paid?"

25 This is where I got upset. And he says,

L. Guarini - 84

1 A. No.

2 303. Q. Okay.

3 A. And they phased me out. So, even as
4 the brand ambassador, I could still go in, and you
5 could call me from anywhere in the company. People
6 could call me directly if they wanted. And I had
7 access where I could go in and say, "Something was
8 missing from your account" or "you need a new
9 password or a reset or something". I had access, I
10 could fix people up in a snap, no problem. And then
11 I can't log in. No access. They slowly but surely
12 cut me right out.

13 304. Q. Did they replace you with someone?

14 A. I'm sure they did.

15 305. Q. Do you know who?

16 A. Well, he called himself Ron

17 Anderson.

18 306. Q. Did he have another name?

19 A. Yes, I'm sorry, guys, I can't
20 remember.

21 307. Q. Rob Pirie?

22 A. Yes, Rob. Yes, that's it. It's
23 just sometimes I just need a...

24 308. Q. So do I. After the call with Chris,
25 over what period of time were you phased out,

L. Guarini - 83

1 "Zo, calm down. Things are going to get fixed up,
2 it's just because of the situation." I said, "You
3 know what, Chris, I can't be party to this, man. I
4 won't be." And from there on in...I spoke to Chris
5 after that, but that was basically for me, that was
6 the end. Something wasn't right and I started
7 getting scared. And when I questioned them on this
8 blind network, I even looked up "blind network", and
9 it's real.

10 Like when I asked them, "Is this blind
11 network for real?" They looked at me, like,
12 disgusted. How dare I even question it. And so I
13 kind of felt bad, right. But a blind network, "What
14 the hell's a blind network?" I mean, if I am
15 advertising for crying out loud and I can't see my
16 advertisements. But apparently there really is
17 blind network. But it just...

18 301. Q. So the conversation that you had
19 with Chris, that was on the phone?

20 A. Yes. I was really upset, so I had
21 to try and calm myself down, because I cared about
22 the people.

23 302. Q. Did you do customer service or brand
24 ambassador work for the company after that call with
25 Chris?

L. Guarini - 85

1 Lorenzo?

2 A. Oh, it wasn't long. It wasn't long
3 after that Niagara Falls...

4 309. Q. Days? Weeks?

5 A. Say weeks. But I hadn't been online
6 and didn't really use it that much anyway, because I
7 was really withdrawn, I wanted...

8 310. Q. Did you go to work after that?

9 A. No.

10 311. Q. And you didn't so any other
11 conventions or meetings?

12 A. No. That was my final...Niagara
13 Falls was my final.

14 312. Q. And Niagara Falls, just so I am
15 clear, was that before your conversation with Chris
16 that you described on the phone?

17 A. I can't remember.

18 313. Q. Okay, and what about Dixit, did you
19 have any further discussions with Dixit?

20 A. After that?

21 314. Q. Or his lawyers, after the falling
22 out with him at the office...in his office?

23 A. Yes, because...I had my monies in
24 that joint account. And he had stolen my money.
25 And that's another thing. It gets wonderful. So,

L. Guarini - 86

him and the English wonder there, Hooker, another... oh, God, just...anyways, between him and Hooker, they had more bright ideas. Because, you see, what Dixit wanted to do was start all kinds of different businesses. And so I had come back...and I can't tell you which trip it was, it could have been Trinidad.

Everybody in the office...and I got to tell you this. It's not to brag or anything. When I came into that office, either one, Toronto or Stellar Point, people went, "Ahhhh...", and you see it. Because, you know, it was fun. You just treat people with respect and have fun and people relaxed. But they were always tensed up around this guy.

So, I come back, people, everybody in there would tell me if things were going on, good or bad. Everybody always wanted to come talk to me and share the beef, we'll just say. So, I come back and I find out that that him and Halchern (phon.) are going to start a gentlemen's club.

315. Q. Dixit and Halchern?

A. Dixit and Halchern. Wonderful idea. Now, I know Oshawa, I have lived there all my life. And to boot, beside the gentlemen's club, they are going to open up a gym. They rented this great big

L. Guarini - 88

put aside. I never spent my money. I never spent my pay. So that's where...

316. Q. Okay, and did the gym get off the ground? Did it go anywhere? Was it set up?

A. Yes. That's what Glenroy can tell you more.

317. Q. Yes, and was that Funkional Fitness.

A. Yes, see how they spelled "Funkional", so...

318. Q. Yes, that's right, with "K". And what about the gentlemen's club beside it, was that ever set up?

A. Never. It never got set up. Never got off the ground.

319. Q. And the money that went into...that you believe that Dixit put into Funkional Fitness, do you know where that money came from?

A. It's from that joint account that I told you.

320. Q. Okay.

A. And that's what I am going to try and get you guys, to see if I can get the access. And the reason why I didn't get rid of it, is because...he sent me a letter from his lawyer, okay, and I just thought, "Either this lawyer has got to

L. Guarini - 87

place on Thornton Road, Thornton Road and King Street. And it was behind the building, which you can't see. Boy, it's going to be real popular. And they are going to start this gym and he's going to become...this guy is the most stupidest businessman I have ever seen in my life.

So, right up the road about 600 yards is the Civic Auditorium in Oshawa with a track, two olympic-sized swimming pools, weight rooms, that you could pay \$30 a month for. But he's going to charge \$100 a month.

So I went to see this place. And he had to put \$50,000 down on the building for rent. And to top it off, I went in there and he says, "I said, well, what's going to distinguish you from the Civic Auditorium?" "Well, I've got MMA and I got a boxing ring." I said, "But this is tiny, man, it's a tiny place. And no vents. Can I ask you a question? Where are people going to get changed?" There was a bathroom there that was one stall. It was like going to the bathroom in here. "You are talking a gym here and you want to charge \$100 a month? Are you serious? What a waste of time and money."

And it goes without saying, because a lot of that money that went into that gym was my money I

L. Guarini - 89

be the stupidest man on Earth to actually be party to that letter."

"...I agree to give you your money so long as you and your wife and your son don't talk bad about me..."

And you think I'm going to sign that?

321. Q. Okay.

A. "You took my money and you want me to basically sign a piece of paper with conditions and then you will give me my money back. Well, I don't think so. It's not going to happen."

So this is why, not long ago, I went to see him. "Are you going to give me my money or not? Because right now, I'm almost to the point of bankruptcy."

322. Q. What does he owe you?

A. Over a hundred grand.

323. Q. Lorenzo, we will get to that in a minute.

A. Sorry, I didn't mean to be rough.

324. Q. No, no.

A. Oh, there is more.

325. Q. Go ahead.

A. There's more. It's not only that he started the gym, okay, but 2008, around that time,

L. Guarini - 90

1 we were looking at starting something together.
 2 326. Q. Sorry, did you say 2008?
 3 A. I will say 2008.
 4 327. Q. 2008, seven years ago?
 5 A. I would say around then, okay. I am
 6 not 100 percent sure.
 7 328. Q. Right.
 8 A. But just to give you an idea, we
 9 were going to start something. And it was an online
 10 business also. He ended up starting another
 11 business called RevStar Global and that's online
 12 today.
 13 Now, I know, after seeing all these
 14 corporations and his mother and sister and the dog
 15 is the vice-president and all this other stuff, I
 16 know that he has got money. And it's in my best
 17 interest to try and chase this guy down. So he's
 18 saying he's got no money. He's also saying he
 19 doesn't own RevStar Global, it's Paul Redmayne.
 20 Paul Redmayne is the guy that seemed to own RevStar
 21 Global. He owns RevStar Global. He has removed his
 22 name. And I will do my damndest to find out
 23 exactly, but I know that I know, because he told me.
 24 He got raided by the police and they took all his
 25 computers and RevStar, he doesn't know how he's

L. Guarini - 92

1 334. Q. And so you went to his house?
 2 A. Yes, but a long time ago, he had
 3 rented my cousin's house to live in, before he went
 4 to Coyston. And he rented my cousin's house in
 5 Whitby, Frederick Street. I think it's Frederick
 6 Street. And he left behind pictures of his kids and
 7 stuff like that. So when it had to get re-rented,
 8 we had to get everything out of there, so my cousin
 9 gave them to me and then I went and brought him back
 10 his pictures to give me the excuse to try and dig to
 11 see if I could find anything more about where he has
 12 got money.
 13 335. Q. Right. So what else did he tell you
 14 during that meeting? Like, what else do you recall
 15 in terms of the discussion?
 16 A. The discussion was, "Well, I don't
 17 know why they are trying to come after me. Chris is
 18 the one with all the money." I didn't say anything
 19 without laughing. Because it wasn't just Chris, it
 20 was him too. He talked to me about them raiding his
 21 house early in the morning, taking his computers and
 22 some other stuff. They didn't touch anything else,
 23 he has still got all that furniture, he's still got
 24 that pool table, he's got the big screen TVs, you
 25 name it, he's still got all that. I know he does.

L. Guarini - 91

1 going to make payments to the people. So he does
 2 have an interest in RevStar Global.
 3 329. Q. Rajiv Dixit told you that he owns
 4 RevStar Global?
 5 A. I knew he owned it.
 6 330. Q. And he set it up in Paul Redmayne's
 7 name?
 8 A. Yes, because they also...a part of
 9 RevStar Global was Surf4Wealth and that was mine.
 10 So I would go and just take a look and see this
 11 RevStar Global, I would click in online. All of a
 12 sudden I see Surf4Wealth. I mean, I have even got
 13 the little pad, the mouse pad. I have got
 14 Surf4Wealth sitting right in my house, which was
 15 years and years ago. And it never took off and so I
 16 know for a fact, I'm not stupid, I know he's got
 17 money. I just don't know where he's got it.
 18 331. Q. When did you have this last
 19 conversation with Dixit?
 20 A. Three, three-and-a-half weeks ago.
 21 It's not long ago.
 22 332. Q. And where did you speak with him?
 23 A. At his house. There was...
 24 333. Q. His house on Coyston?
 25 A. On Coyston.

L. Guarini - 93

1 I didn't go into his house, but, I could see
 2 everything still there that was intact.
 3 336. Q. So you just spoke to him on the
 4 porch, then?
 5 A. Yes.
 6 337. Q. Okay.
 7 A. And then on the porch and then we
 8 wanted a smoke so we went onto the sidewalk there,
 9 in front of his house.
 10 338. Q. Anything else about RevStar Global
 11 or Paul Redmayne in that discussion?
 12 A. Well, I am trying to find out, to
 13 see exactly what was going on with him. He said,
 14 "No, because they want to know about RevStar and
 15 everything else, right?" So I am not even on title.
 16 339. Q. Sorry, who's "they"?
 17 A. I think...I don't know if it was
 18 RCMP or Toronto Police.
 19 340. Q. Okay.
 20 A. I am not a hundred percent sure.
 21 But basically, the law.
 22 341. Q. And you asked him for your money
 23 back?
 24 A. Yes.
 25 342. Q. And what did he...

L. Guarini - 94

1 A. He said, "I don't have it. If I had
2 it, I would give it to you." And that's why I tried
3 to keep it cool, because, with the situation that
4 I'm in, I mean, it's just crazy and ridiculous. And
5 this is why I said to you, this has been nothing but
6 a nightmare for me and my family.

7 343. Q. Lorenzo, how did that meeting with
8 Dixit end, the one on his porch?

9 A. Basically, he said, "Well, you take
10 care." And I said, "Well, look, Raj, let me know
11 how things make out with the law", this thing he's
12 got to go to court or whatever. "Let me know how
13 you make out." I didn't want to leave on a super
14 bad end, because I was going to try and see what my
15 wife and I could do to go to the registry, I want to
16 see if, in fact, he has taken out more loans to pay
17 his lawyers. And if he didn't, then I want to take
18 him to court and...it's monies I never received.

19 344. Q. Okay. I want to show you a document
20 in that brief, now, which ties into what we have
21 been talking about.

22 A. Okay.

23 345. Q. And you will see it at tab 27.

24 A. Okay.

25 346. Q. And then we are also going to go off

L. Guarini - 95

1 the record and take a break for about 10 minutes.

2 A. Okay.

3 347. MR. WARD: And then we will come back
4 and we will deal with that. So, you are
5 welcome to take a minute and read it now or
6 when we come back.

7 --- A BRIEF RECESS

8
9
10 LORENZO GUARINI, resumed

11 CONTINUED EXAMINATION BY MR. WARD:

12 348. Q. Lorenzo, just before we get into the
13 document at tab 27, the Cyprus account, the bank
14 account, I want to understand how it came to be set
15 up, like, whose idea was it, who put the money in
16 it. Just tell me...like, tell me everything about
17 the Cyprus Bank account.

18 A. Well, he had started a Cyprus Bank
19 account.

20 349. Q. This is Dixit?

21 A. Dixit. And so when I asked him
22 about it, he was explaining to me how he would have
23 the money offshore but they pay good interest rates
24 on the money.

25 350. Q. Right.

L. Guarini - 96

1 A. So, I said, "Okay, I would like one
2 too." And so he had set it up that we had a joint
3 account. Now, I have got at home, I'm sure of it,
4 I have got at home the package. When this came out,
5 he had asked me to sign off to close that account.

6 351. Q. And when you say "this", you are
7 pointing to the document at tab 27.

8 A. Tab 27, yes.

9 352. Q. It's tab 27, that's right, okay.
10 So, sorry, continue.

11 A. And I said, "No." Because it showed
12 in there where he was spending money and everything
13 else. So, what I didn't want to do is close
14 it...sign off and close it and then me not have any
15 type of proof that my money was there.

16 353. Q. Right.

17 A. So, I needed to know. And that's
18 why I said, "No, I refuse to sign this ridiculous
19 thing", because all he would have to do is say,
20 "This guy said that you've been talking bad about
21 me", and then they screw me for my money.

22 354. Q. So, in terms of how the Cyprus
23 account was opened up, did he arrange for that?

24 A. Yes.

25 355. Q. Did you go to Cyprus?

L. Guarini - 97

1 A. No, no.

2 356. Q. Just tell me, how was it opened up?

3 A. He opened it up.

4 357. Q. And then he brought documents to you
5 to sign?

6 A. Yes.

7 358. Q. And do you have copies of those
8 documents?

9 A. No.

10 359. Q. No, why not?

11 A. Because I am unorganized.

12 360. Q. Okay, but you mention you have some
13 documents in relation to the Cyprus account, that
14 you may be able to go in online and access it.

15 A. Yes, when you wanted to access your
16 account, there is this electronic thing where you
17 have got to put in a code. So you go online and
18 then you ask for a code, it gives you the code, then
19 you have got to go on this electronic thing. And
20 you punch in the code and then it allows you to
21 actually access your office. So, I'm hoping
22 everything's good and I can bring that to you and
23 show you through the entire...

24 361. Q. Now, have you tried to do that
25 recently?

L. Guarini - 98

- 1 A. No.
 2 362. Q. When was the last time you tried to
 3 do that?
 4 A. It's been a long time. But, it just
 5 hit me today.
 6 363. Q. This year? Did you try to do it
 7 this year?
 8 A. No, not...
 9 364. Q. Last year?
 10 A. Yes. I would say last year.
 11 365. Q. So the account was set up by Dixit
 12 for you?
 13 A. Yes.
 14 366. Q. Why was it set up as a joint
 15 account?
 16 A. He just said, "We might as well do
 17 joint account, because it's going to cost twice the
 18 money."
 19 367. Q. Okay.
 20 A. There are costs associated with
 21 having the bank over there...to save on costs, I
 22 guess.
 23 368. Q. Okay.
 24 A. I had no problem with that. I had
 25 no reason to believe he would steal my money.

L. Guarini - 99

- 1 369. Q. Right. And then how much money was
 2 put into the account when it was...at the beginning,
 3 when it was opened? Do you know?
 4 A. I am lying if I even answer that. I
 5 don't know.
 6 370. Q. Did you ever personally put any
 7 money in the account?
 8 A. No.
 9 371. Q. Did your wife or any companies that
 10 she owns or you own put any money in that account?
 11 A. No.
 12 372. Q. So did anybody put any money in the
 13 account?
 14 A. Dixit put money in the account.
 15 373. Q. Okay.
 16 A. And I would assume that Banners
 17 Broker put money in the account for me.
 18 374. Q. And how do you know that Dixit put
 19 money in the account?
 20 A. Well, when I checked the account, it
 21 shows monies were put there.
 22 375. Q. And I suppose I should ask you, as
 23 well, do you recall when the account was set up?
 24 And just...I mean, keep in mind the Portugal
 25 convention was July of 2013. You had your fallout

L. Guarini - 100

- 1 in September of 2014.
 2 A. Really?
 3 376. Q. Yes.
 4 A. Was Portugal 2013?
 5 377. Q. 2012, I'm sorry. It was 2012.
 6 A. Okay.
 7 378. Q. And you had your fallout in
 8 September of 2013. So you have got a 14-month
 9 window.
 10 A. M'hmm.
 11 379. Q. Was it towards...around the time of
 12 Portugal or was it around the time of your fallout
 13 or in the middle?
 14 A. I'm going to guess, but I'm going to
 15 say the middle.
 16 380. Q. Okay. And so Dixit, he told you
 17 that he put money in the account and then you went
 18 online and saw the money, is that what happened?
 19 A. Yes. He put money in the account.
 20 381. Q. The joint account?
 21 A. Yes.
 22 382. Q. And did he say that money in the
 23 joint account was yours or his or both of yours?
 24 A. Well, I mean, when you went into the
 25 account there was two tabs. So one was his, the

L. Guarini - 101

- 1 other one was mine.
 2 383. Q. I see, okay.
 3 A. But, I don't think he realized
 4 that when I logged into the account, I could see
 5 everything he was doing in his. So, there's all
 6 kinds...well, I'm just hoping. Because if we
 7 can get that you are going to be able to see
 8 expenditures, what came in from Banners Broker and
 9 whatever...I don't know what the heck they called
 10 it, whether it's Parrot Marketing or these other
 11 corporations or whatever.
 12 384. Q. So for his side of the account...I
 13 mean, how frequently did you look at it?
 14 A. Not a lot. Because I figured it's
 15 just business, whatever they're doing.
 16 385. Q. Right. And what were the
 17 amounts that you saw going through that account,
 18 approximately?
 19 A. Some transactions, I think, were
 20 \$100,000, \$200,000, \$300,000. So, you know, it's
 21 hard for me to...unless, I actually look at it. And
 22 you guys will be able to see for yourself.
 23 386. Q. All right, and the account balances
 24 on his side, would they be high balances, low
 25 balances, to the extent that you recall?

L. Guarini - 102

1 A. There would be a lot of money sent.
2 It would be, like, a high balance and then, all of a
3 sudden, a low balance because monies would go back
4 out.

5 387. Q. What about your side of the account,
6 what did it look like?

7 A. Minuscule. But it wasn't huge, in
8 any way. It's been so long, I just...I don't
9 remember numbers, but it was very minuscule.

10 388. Q. Right. Okay, so tens of thousands
11 of dollars?

12 A. Yes. Tens of thousands, not...

13 389. Q. Okay, did it ever get over \$100,000?

14 A. Well, it was supposed to be, yes.
15 It did get over \$100,000.

16 390. Q. How high did it get?

17 A. As far as I'm concerned, it was
18 supposed to be, altogether, about \$130,000. And my
19 monies, like I said, I didn't spend it. That was
20 going to be my retirement, where I'll pay off my
21 mortgage and pay everything off. And so, if I'm
22 getting interest, hey, I'm making money on interest.
23 So, I figured, okay, just leave it there, let it
24 build.

25 391. Q. Yes.

L. Guarini - 103

1 A. Okay, as I am earning. Just let it
2 go there. And here is what he is trying to say,
3 telling you all this other stuff.

4 392. Q. And do we know the name of the bank,
5 the bank in Cyprus?

6 A. Yes. I'm really sorry.

7 393. MR. WARD: Okay, let's just go off the
8 record for a sec.

9 --- DISCUSSION OFF THE RECORD

10 BY MR. WARD:

11 394. Q. Now, at some point, I understand
12 that you logged on to the bank account in Cyprus and
13 you saw something was not right?

14 A. M'hmm.

15 395. Q. So, tell me about that incident.

16 A. Well...

17 396. Q. When did it happen, what did you
18 see, what did you do?

19 A. Like I said, I really apologize,
20 guys. I am not good on dates. I can't give you a
21 specific date. But noticed that when I had logged
22 in and basically, that account was drawing down to
23 empty. And so my concern was, "Whatever you guys

L. Guarini - 104

1 were doing up there is one thing. Where's my
2 money?" And so I approached them and told them,
3 "Where is my money?" "What are you talking about?"
4 "My money is gone."

5 397. Q. Dixit?

6 A. Yes. "I want my money. I don't
7 want to fight with you, I want my money put back in
8 my account." And he said, "Well, no...Zo, I didn't
9 realize." "Look, Raj. Okay, we have got a joint
10 account. When did you figure there was an extra 130
11 grand, okay? Does that happen to you. There's only
12 you and me. When did you figure, if that's gone..."
13 "Well, I didn't know, I thought our accounts were
14 separate. And I didn't know that that was your
15 money." So, when I saw these \$50,000...that's where
16 my money went, into that gym. He took my money.

17 398. Q. Okay.

18 A. And I just wanted my money back.

19 399. Q. So you believe that he withdrew
20 \$50,000 amounts and put it into the gym that you
21 described earlier? The Funkional Fitness?

22 A. Yes.

23 400. Q. What's the basis for that belief?

24 A. Because it was the last monies, I
25 believe, that was taken out.

L. Guarini - 105

1 401. Q. From the bank account? But why do
2 you think that the monies went into the gym, as
3 opposed to somewhere else?

4 A. The \$50,000 amounts?

5 402. Q. Right.

6 A. Because I knew that he had paid
7 \$50,000 for the rent on that gym. And it wasn't
8 just \$50,000, it was probably \$200,000, \$300,000
9 that was wasted.

10 403. Q. On the gym?

11 A. Yes.

12 404. Q. Okay, and so you noticed this and
13 you went to see Raj. Did you go see him or did you
14 call him up? What did you do?

15 A. I went to see him.

16 405. Q. Where?

17 A. At his house. We went into the
18 basement. And I told him...that's where I saw the
19 gadget for the watches. The whatever-you-call-it
20 there, and told him. "I don't want to fight. I
21 don't want to argue. I just want my money. Put my
22 money back in my account." And he said he would.
23 "I just don't have it right now", is what he said.
24 "It's coming," because he's getting it from Chris.

25 406. Q. Did he tell you what happened to the

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1 money?
 2 A. No.
 3 407. Q. He didn't say, "I took it and put it
 4 in the gym"?
 5 A. He said it was by accident, "I
 6 didn't realize."
 7 408. Q. Right, but did he say what he did
 8 with it?
 9 A. No. He didn't say that he put it in
 10 the gym, no. He didn't say what he did with it.
 11 409. Q. And you told him you wanted it back,
 12 and what did he say?
 13 A. He said he didn't have it. Then, at
 14 the time, it would take him about three or four
 15 weeks, but he was going to get the money from Chris.
 16 So, whatever monies were transferred from Chris to
 17 this Stellar Point, he was going to put my money
 18 back.
 19 410. Q. Okay.
 20 A. And I was okay with that. I wasn't
 21 happy, but I was okay, because my money was going to
 22 be put back. That's money that I earned.
 23 411. Q. And so your understanding, after
 24 that meeting with Chris, was that he would put the
 25 money back in your bank account in Cyprus?

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1 A. Yes.
 2 412. Q. Did he ever do that?
 3 A. No, that's when this came up.
 4 413. Q. So let's to go tab 27 of the
 5 document brief.
 6 A. Okay, yes.
 7 414. Q. And what we have here, for the
 8 record, is an e-mail from Mr. Dixit to yourself.
 9 A. Yes.
 10 415. Q. And it's dated September the 18th,
 11 2013. And attached to the e-mail is a four-page
 12 document called "Settlement Agreement".
 13 A. M'hmm.
 14 416. Q. Which is not signed. And take a
 15 minute to just read this and refresh on what's being
 16 said. And then my first question for you is why was
 17 Dixit e-mailing you on September 18th and sending a
 18 copy of a settlement agreement?
 19 A. I guess I had told some people that
 20 he had stolen my money. And so that upset him,
 21 because that embarrassed him.
 22 417. Q. Okay.
 23 A. And so, when I received this, he got
 24 it done through his lawyer.
 25 418. Q. Had you discussed a settlement with

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1 him prior to receiving this e-mail?
 2 A. Yes.
 3 419. Q. But had you discussed a settlement
 4 agreement with him?
 5 A. No.
 6 420. Q. You just said you wanted your money
 7 back?
 8 A. Yes, and he said he would pay it.
 9 He said that he would pay it when...three weeks go
 10 by and I wasn't getting paid. And then not long
 11 after...because I was upset and some people knew,
 12 from me, that he had taken my money. I told people
 13 in Stellar Point office. And I guess it got back to
 14 him, and then it wasn't long after, I got this
 15 letter from him.
 16 421. Q. Okay, so you weren't expecting this
 17 e-mail?
 18 A. No.
 19 422. Q. So, let's just go through it and see
 20 what he's saying. He's saying:
 21 "...Chris has sent me the money to pay you
 22 and I'm willing to do that. The breakdown
 23 is as follows: \$100,000 bonus to you,
 24 \$30,000, three months' pay to you, \$18,000
 25 Nick's payout, total, \$148,000..."

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1 So just stopping there.
 2 A. Yes.
 3 423. Q. What is Dixit referring to when he
 4 says that there's a "\$100,000 bonus to you"?
 5 A. Yes, well, the \$100,000 bonus is him
 6 basically saying that I was getting a bonus of
 7 \$100,000 and I wasn't. That was my pay for quite a
 8 while of work. Now, they had given me a raise, I
 9 don't know the exact amount but they had given me a
 10 raise and I was going to be making \$100,000 a year.
 11 That was, I don't know, a couple months before I
 12 quit.
 13 424. Q. And prior to that time, how much
 14 were you making? Because I know you were making
 15 \$200 a week at one point. When did that change?
 16 A. That changed when I started going to
 17 Ottawa and Florida and Vancouver. And so when I
 18 started travelling and becoming a brand ambassador,
 19 whatever, that changed and he started paying me more
 20 money.
 21 425. Q. And what did it change to, how much
 22 per month?
 23 A. It was gradual. So, I'll just say
 24 \$500 a week, depending on what I was doing. It
 25 wasn't a standard thing, okay. And then as my

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travelling and everything else started getting grander on that scale, then he started covering, "Zo, I'll pay for your expenses, the hotel expenses. You need to take leaders out", so they would put money on a card. And say, "Okay, just take the money off the card if you need to take some of the leaders out, dinners and whatever, just cover your expenses."

426. Q. A credit card?

A. Yes. So when it comes to that, my son had...he was also distributor. Not distributor, what's the other word?

427. Q. Affiliate?

A. Affiliate. He was also an affiliate before he became my assistant. So they made him give up his account. He never received a dime of that money.

428. Q. So is that the \$18,000 amount that's described as "Nick's payout"?

A. Yes.

429. Q. But I just...I need to understand how your salary changed. And I know \$200 a week, then up to \$500 a week, plus your expenses?

A. Yes.

430. Q. Then what did it change to after

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not mistaken, so they were...I was getting the raise. So I was going to start getting \$10,000 a month. At that time, this "\$30,000 three months' pay" was for, if I'm not mistaken, August, September and October. Because I had left, if I'm not mistaken, in August.

435. Q. Okay.

A. So, this "\$30,000 three months' pay to you" is monies that he is saying...because I had got the raise. I was supposed to start...

436. Q. Like a severance payment. You had stopped, had the fallout in his office, right?

A. Right, and so I was supposed to get paid from there on in, \$10,000 a month.

437. Q. Got it, okay, I understand.

A. Yes.

438. Q. And up until...well, at any point, did you ever have a written employment agreement with Chris or Dixit or any of their companies?

A. Not to my knowledge, no.

439. Q. And so was everything just negotiated orally. Like, requests for raises and things like that?

A. Yes.

440. Q. Okay. So going through the e-mail,

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that?

A. At one point I was making \$5,000 a month. At no time did it ever get, really, that much higher. \$7,500 right near the end. They were going to be starting to pay me \$10,000 a month.

431. Q. So this \$100,000 bonus that's referred to in tab 27, is that part of that compensation or is it a bonus to...

A. No, it's part of that compensation.

432. Q. Okay.

A. It's not a bonus to anything. From the work that I did, from the beginning and starting small and then...I was travelling all over the place. And I was helping build this company. So, they started to compensate me more and more, when I would bring it up. Because I deserved it.

433. Q. Right.

A. And I felt I was grossly, grossly underpaid for what I was doing for this company at that time.

434. Q. And then the next line in this e-mail says:

"...\$30,000 three months' pay to you..."

What is your understanding of what he meant there?

A. Well, when he sent me this...if I'm

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then, the next thing that Dixit says in the September 18th, 2013 e-mail is:

"...The total of the amounts we discussed is \$148,000..."

And then he says:

"...Minus \$32,000 I already sent to you..."

Do you see that?

A. M'hmm.

441. Q. And do you know what he's referring to there?

A. No. I don't remember...that, I don't remember.

442. Q. And he says:

"...Minus \$20,000 I transferred to Kelly's numbered company for TVs that never showed up..."

A. M'hmm.

443. Q. Do you know what he is referring to there?

A. Yes.

444. Q. Okay, tell me about that.

A. Okay, my wife and I...there was a guy that had done our kitchen. And his friend was dealing in clothing like this and televisions and all kinds of stuff, and they could get all these TVs

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1 for pennies on the dollar type-thing, so no problem,
2 it was a good idea if they could deliver type-thing,
3 okay? Well, they had us convinced and so we were
4 supposed get...buy a bunch of TVs, get them all
5 done, get them delivered and then we could sell them
6 at a profit.

7 445. Q. You and who, you and Kelly?

8 A. Well, yes. Kelly was going to do,
9 what do you call it? Buying and selling. So these
10 were supposed to be in the States, the televisions.
11 The other things like this and the iPhone covers,
12 there was all kinds of stuff like that was supposed
13 to be from China. So this guy had been a trader in
14 China in Guangzhou.

15 So Kelly had told Raj this. I told Raj
16 that Kelly was talking to this guy and he's going to
17 go to China and buy a bunch of things. Whereas
18 Kelly had talked to this very same guy and said,
19 "Why don't I go to China with you?" So they were
20 supposed to go to China together, because he had
21 been doing this for a long, long time. And so when
22 I told Raj about this, Raj gets the businessman idea
23 thing and wants to get involved. And so what had
24 happened was he now wanted to talk to Kelly and says
25 to Kelly, "Look, you know what, I'll send you to

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1 tell you about, basically, what that's about.

2 449. Q. Okay. So, apart from Kelly and
3 Dixit, who else was involved in this venture to
4 China, was it just Kelly and Dixit?

5 A. Yes.

6 450. Q. Okay.

7 A. No other parties, until Chris. Now,
8 Chris could be an outside third party. I will
9 explain to you.

10 451. Q. Yes, well, explain that now. Is it
11 possible that Chris was involved?

12 A. Chris did buy the rest of the Dr.
13 Dre. When Kelly went there, she had ordered these
14 Dre. They got delivered, some were stopped in the
15 States. And I wish we would have saved the
16 paperwork, because they wanted that we pay some kind
17 of fine or whatever and they would release the goods
18 or something like that. I don't understand any of
19 that stuff, never got involved. But it was
20 something like that, to that tune.

21 Now, when these Dre Beats go there,
22 they went to the Stellar Point...inside the
23 building. In the back and they were stacked and
24 all that other stuff. And so he's saying that they
25 were counterfeit. Well, how do we know they are

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1 China. I'll get you set up here. I'll set you up a
2 corporation." They called it Bazinga. And he sent
3 her to China, which I didn't like, because she was
4 by herself. She went to China and set met up with
5 the one guy that she knows, one of his guys.

6 446. Q. In Guangzhou?

7 A. In Guangzhou. She went to Hong Kong
8 and then went to Guangzhou. So, she went there to
9 search for what he wanted, and that was the Dr. Dre
10 Beats.

11 447. Q. Right, headsets.

12 A. Headsets and...there was other
13 things, there was cell phones...

14 448. Q. Right.

15 A. ...that you could use, you could put
16 two different chips or whatever, one chip for one
17 number, one chip for another. It was a state-of-
18 the-art thing. There was a bunch of other stuff.

19 And Kelly used that money and did what she
20 was told to do, bring it back here so...because they
21 wanted to start...being a businessman again, a penny
22 auction site. So, their grand scheme of things was
23 to get TVs, get the headphones, get all kinds of
24 stuff from China in order for them to use it to sell
25 on their penny auction site. So, that's what I can

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1 counterfeit. We don't know. Kelly didn't know. I
2 mean...you know, you are sending my wife to China,
3 for crying out loud. She has never done anything
4 like that before and so whether they were real or
5 whether they were counterfeit he took them anyway.

6 452. Q. Yes.

7 A. Now, they tried to do their set up
8 with their penny auction thing and whatever and made
9 sales and did whatever they did. Then that didn't
10 roll over too well. Whatever was left, Chris, if
11 I'm not mistaken, Chris bought the rest of it. What
12 he did, I don't know.

13 453. Q. Okay. So, just going back to the
14 Dixit e-mail to yourself...

15 A. Yes.

16 454. Q. ...about the settlement agreement.

17 A. Yes.

18 455. Q. It looks like he's proposing to back
19 a total of 20 and then another 25, call it \$45,000
20 out of the \$148,000?

21 A. Yes.

22 456. Q. Is that what he was proposing to do?

23 A. Basically, yes.

24 457. Q. And then he says:

25 "...Total payable to you is \$71,000, which

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1 is ready and will be sent to you as per the
2 attached agreement..."

3 A. Yes.

4 458. Q. So what was your reaction to that
5 proposal?

6 A. Absolutely not. My reaction,
7 honest...and I know I'm being recorded, my reaction
8 was to be the typical, any human being would do, go
9 over there and try and break his leg, okay, because
10 he stole my money. And now he's trying to make a
11 deal with me on my money and make me make some type
12 of agreement on my money. And the Dre, the other
13 things, had nothing to do with me.

14 459. Q. Right.

15 A. They had nothing to do with me. My
16 son's money had nothing to do with me, but he was
17 dangling all that, as a carrot. And my son didn't
18 do anything to anybody.

19 460. Q. So is that what he's saying in the
20 next paragraph when he says, "You sat in my basement
21 and told me you didn't want to fight, that you just
22 wanted your money"?

23 A. Yes.

24 461. Q. So you went to his house and you had
25 this conversation in his basement?

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1 did that and I know why he cc'd Chris Smith.

2 467. Q. Why?

3 A. He did that, and he cc'd Chris Smith
4 to make Chris Smith see this and make Chris Smith
5 think that I'm talking bad about Chris Smith also,
6 to get me, basically, removed. Well, it didn't
7 matter, I didn't care.

8 468. Q. Okay.

9 A. The monies that I earned were monies
10 that I earned. I didn't deserve that, period.

11 469. Q. So that's September the 18th.

12 A. Yes.

13 470. Q. And when was the next contact that
14 you had with Dixit after September the 18th?

15 A. I don't know. There was...I'm sure
16 we spoke after that, because I...

17 471. Q. I know that you bumped into him
18 about three weeks ago, right?

19 A. Yes. I went to return...

20 472. Q. The pictures?

21 A. Yes.

22 473. Q. Okay, so between that time and the
23 time in his basement, what was the nature of your
24 contact with Dixit?

25 A. Between the time that we were in the

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1 A. Yes, I did. And told him, "Look, I
2 don't want to argue. I don't want to fight. I just
3 want my money and I want to be done with this,
4 period."

5 462. Q. And what did he say?

6 A. He said, "Yes, no problem, it's not
7 going to happen overnight, but, yes, no problem. I
8 will give you your money but you have got to give me
9 some time."

10 463. Q. So you never signed the settlement
11 agreement?

12 A. Absolutely not.

13 464. Q. And you told him you would never
14 sign it?

15 A. I told him afterwards, "I'm not
16 signing. I won't sign it", because I knew I was
17 being set up.

18 465. Q. And did he ever pay you any of the
19 \$148,000 that we see on the first page? No?

20 A. No.

21 466. Q. No, okay. Anything more that we
22 should discuss about this e-mail? He says something
23 about the RCMP on the second page.

24 A. You know what, he's full of crap,
25 because he can say what he wants. And I know why he

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1 basement and...

2 474. Q. So it's like a year-and-a-half,
3 right?

4 A. Yes. I didn't have a lot of
5 contact.

6 475. Q. Okay, and you weren't working at all
7 for Banners Broker or Stellar Point during this
8 period.

9 A. No, I was done.

10 476. Q. Okay, and did you follow up with him
11 from time to time to find about your \$148,000?

12 A. I don't recall. I know that the
13 bitterness...I had a lot of bitterness. I tried to
14 stay away so I wouldn't lose my temper and cool.
15 But I was more concerned that if I tried to go after
16 my money, then some people said, "Well, you're
17 probably going to have to go offshore and take him
18 to court offshore, because the account is offshore."
19 So that kind of dejected me a little bit.

20 477. Q. Right.

21 A. Because I can't afford a lawyer.
22 It's just...and I am trying to move on with my life.

23 478. Q. Okay, now, you had mentioned earlier
24 this afternoon that you met with the police about
25 Banners Broker?

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- 1 A. Oh, yes.
 2 479. Q. So, when was that?
 3 A. Let's...it was last year. I don't
 4 know if it was May, June...April, May, June.
 5 480. Q. Okay, but you gave an interview?
 6 A. Oh, yes.
 7 481. Q. And have you met with them since?
 8 A. No, but I spent a good time with
 9 them.
 10 482. Q. I just want to talk a bit more about
 11 Banners Broker's business.
 12 A. Okay.
 13 483. Q. Did you...I mean, at some point
 14 earlier on, you had an understanding of what
 15 was...or did you have an understanding of what was
 16 being sold? Like, how would you describe Banners
 17 Broker to myself, for instance, if I am an affiliate
 18 in Ireland or Canada and I am thinking of putting
 19 some money into Banners Broker?
 20 A. Well, it's been so long. But,
 21 Banners Broker was like an advertising exchange,
 22 where you could go and purchase advertising. It
 23 showed you your advertising in the form of a panel
 24 and how much advertising was being done on that
 25 panel. When that panel was finished you earned an

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- 1 Pay, Payza...I think it was something different. I
 2 think it was called something different back then,
 3 at the time. I'm not sure if you could do bank
 4 wire...I think you could do bank wire. That's to
 5 join. To withdraw, I think you could also do bank
 6 wire, if I am not mistaken.
 7 486. Q. But was this all automated or were
 8 approvals required of Chris Smith or somebody?
 9 A. For withdrawals?
 10 487. Q. For payouts, withdrawals,
 11 whatever...
 12 A. Payouts. No, I think it would have
 13 to be approved. Chris went through all the
 14 approvals.
 15 488. Q. I see.
 16 A. Most of the work he did was to do
 17 approvals and payouts.
 18 489. Q. Okay, and do people know that? Was
 19 that...in the presentations that were made around
 20 the world, was this explained to people, that Chris
 21 Smith would have to authorize payouts?
 22 A. I don't think so. But, you know,
 23 Chris did go to some places, but he didn't go
 24 everywhere. And so it really wasn't known that
 25 much.

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- 1 amount of money, dependent on the colour of the
 2 panel.
 3 The yellow was 10, and...I can't remember
 4 all the numbers, the purple was 20, we'll just say,
 5 and then there was blue and green and what have you.
 6 But basically, what you could do was advertise your
 7 business, any business. If you were part of another
 8 network marketing company, it didn't matter. And
 9 you could advertise or have a piece of advertisement
 10 on there, is how I understood it. And you could
 11 earn income from advertisement that was shown there,
 12 although it was on a blind network. The company,
 13 for all the advertising, would get paid from these
 14 advertisers and then share the revenue with the
 15 folks there.
 16 484. Q. So, people would register and set up
 17 an account, presumably, that was the first part of
 18 it?
 19 A. Yes.
 20 485. Q. Then when they wanted to make a
 21 withdrawal from their account, how would that
 22 happen?
 23 A. Well, there was different ways that
 24 you could withdraw. If you had a SolidTrust Pay
 25 account, a Payza account...what else? SolidTrust

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- 1 490. Q. How much did people earn? Do you
 2 have some sense from the work that you did for
 3 Banners in terms of how much people could earn, the
 4 really successful guys?
 5 A. Geez, man.
 6 491. Q. And who were the real successful
 7 guys? You must have met some of them, right? Can
 8 you give us their names? Because this is of
 9 interest to the Receiver. The top guys, the guys
 10 that...
 11 A. You mean, Ian Driscoll?
 12 492. Q. ...really made a killing. Maybe he
 13 is an example, but I need, like, the top 10, if you
 14 could...
 15 A. Ian Driscoll, Simon Stepsys...
 16 493. Q. Maybe just give me the name and the
 17 country, or the name and the city.
 18 A. City, I...Simon Stepsys, U.K., I
 19 don't know the city.
 20 494. Q. Okay, that's fine.
 21 A. You know, I just have to think. But
 22 I know Ian Driscoll was massive. Ian Driscoll was
 23 massive. He was also U.K. A lot of the big money
 24 came out of the U.K. Oh, God, I'm just trying to
 25 think. There was a couple out of Ireland, they made

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1 a lot of money, a husband and wife team. Oh, God,
2 it would come to me.

3 495. Q. Okay, but did they...and these
4 people that made the most money, were they the ICs
5 or country leaders? What was their...how were they
6 described within your organization?

7 A. No. Simon wasn't an IC. The couple
8 out of Ireland weren't ICs. Some of the ICs, yes,
9 were, you know, like Ian. I mean, he was getting
10 paid as an IC, and he's \$50,000 a month.

11 496. Q. In commissions?

12 A. No, that's not commission.

13 497. Q. In what?

14 A. That's not included in commissions.

15 That \$50,000 a month was to open up an office, get
16 some support staff, run the U.K.

17 498. Q. But that changed when Stellar Point
18 took over the worldwide free selling, didn't it?

19 A. Yes, but that wasn't until near the
20 end.

21 499. Q. Okay.

22 A. But some of the ICs, some of the
23 ICs, not all of them.

24 500. Q. Can you think of any of the other
25 really successful affiliates? Paul McCarthy, is

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1 that...

2 A. Yes, but he was an IC.

3 501. Q. Okay.

4 A. He was successful. Paul McCarthy
5 was successful.

6 502. Q. And did you deal primarily...did you
7 deal with the higher up guys or primarily the new
8 entrants, affiliates, like lower down the chain?

9 A. I dealt with everybody.

10 503. Q. Okay.

11 A. That's just me. That's the way I
12 was. I never put myself above anybody nor did I put
13 myself below anybody.

14 504. Q. Okay.

15 A. So I was never above anybody to talk
16 to them or help them in any way. That's me.

17 505. Q. There was a term that you used this
18 morning, I think, called "downlines".

19 A. Yes.

20 506. Q. Can you just explain for us what
21 that means?

22 A. Well, dependent on, you know, what
23 company it is. I mean, downlines are basically
24 people that are sponsored by you or sponsored by
25 people that you sponsor. So, your line would be

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1 basically, you're here, it's like a tier.

2 507. Q. Right.

3 A. And so you sponsor me, I've
4 sponsored her, and she sponsors her and that's...

5 508. Q. But I thought Banners Broker was
6 selling mostly product, right, they were banners and
7 stuff that were being brokered.

8 A. Yes.

9 509. Q. So where's the sponsorship aspect to
10 it?

11 A. Well, the sponsorship aspect,
12 basically...if I showed you the business, okay, I
13 would gain from it by the more you made, I would
14 make from that.

15 510. Q. In terms of a commission?

16 A. Yes.

17 511. Q. And the commission, was it virtual
18 money in an account or was it actually...

19 A. No, virtual.

20 512. Q. It was virtual, okay. And for the
21 work that you did, did you accrue commissions at
22 all? You did?

23 A. Right at the very beginning. I put
24 in \$6,500 and basically, you know, I talked to a
25 couple people in Ottawa, got started, and I made

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1 \$360 in commissions and that was it, something like
2 that, around 360 bucks.

3 513. Q. You had mentioned that at the
4 beginning.

5 A. Yes.

6 514. Q. That's right.

7 A. But, yes, there were downlines,
8 basically organizations. And massive for Ian
9 Driscoll, massive.

10 515. Q. And when you say "massive", what do
11 you mean? Just give us an idea of the magnitude.

12 A. Oh, tens of thousands of people
13 underneath him. And like I said, he got \$50,000 a
14 month when they started this IC thing, whatever it
15 was. And then on top of it...that's not including
16 the amounts of money he was making in his account,
17 from going and doing presentations and meetings and
18 everything else.

19 516. Q. And when you travelled, just going
20 back to the payouts, and you met with affiliates
21 who, perhaps, had complaints about getting their
22 money out. Did that happen from time to time?

23 A. Yes, from time to time. But for the
24 most part, during the time, it was okay. It wasn't
25 something that could be fixed. You know, like if I

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1 took their issue back to the company. I could go
2 and say, "Hey, this guy was not paid. There's a
3 screw up."

4 517. Q. And then would they get paid? Like
5 you would go to Chris?

6 A. Yes.

7 518. Q. Would you go to Chris or Dixit to
8 have them paid?

9 A. No, Chris.

10 519. Q. Chris, okay. And I suppose in a lot
11 of cases they just left the virtual money in their
12 accounts and it just grew, they didn't want to make
13 withdrawals, is that fair?

14 A. A lot of people took their money
15 out, but, I mean, yes, people would grow their
16 virtual accounts and make even more money, yes.

17 520. Q. Do you know anything about...or did
18 you, at the time when you were working, about where
19 Banners Broker or Stellar Point did their banking?

20 A. No. And that's where, I kind of
21 wish I did, but no. I don't know where they did
22 their banking. I know, later on, I know that, I
23 kept hearing Belize. I don't know if they did
24 banking in Belize. I really don't know.

25 521. Q. And did you have any dealings with

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1 A. My credit card.

2 528. Q. Okay, your personal credit card?

3 A. Yes.

4 529. Q. And so Smith would occasionally put
5 money on that?

6 A. Yes.

7 530. Q. Now, your brother, Frank...

8 A. Yes?

9 531. Q. ...was he involved with Banners
10 Broker as well?

11 A. Not really, no. He worked
12 for...sorry, Hiller (phon.). You know, I know he
13 needed work, so they gave him work and he worked for
14 them, hourly wage.

15 532. Q. Okay, and was it full-time, was it
16 part-time, was it...

17 A. No, full-time. Yes, full-time.

18 533. Q. And he was working at the Whitby
19 premises?

20 A. Yes.

21 534. Q. Okay, and what was he doing there?
22 What was the nature of his job?

23 A. At first he started...he became
24 one of the support and it was before the Whitby
25 premises. There was a place, and I can't remember

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1 payment processors that the company used?

2 A. No.

3 522. Q. No?

4 A. No, like I never did...I know Stella
5 at SolidTrust Pay, but I never did any...like, I
6 said, I had no power, no dealings, no...like, I
7 didn't set nothing up or have any dealings with
8 banks.

9 523. Q. Okay, you didn't have any signing
10 authority?

11 A. Oh, no.

12 524. Q. Did you have an expense account? Or
13 just...how did you pay your expenses when you
14 travelled?

15 A. Well, you know, sometimes he would
16 put money on my card. Sometimes he would put money
17 on another card, which was...

18 525. Q. Was it a Vector card?

19 A. Yes, thank you.

20 526. Q. Okay.

21 A. And he would just put money on the
22 card and say, "Zo, just pay your expenses."

23 527. Q. So there was a Vector card. You
24 mentioned there was another card, too. What was
25 that card?

L. Guarini - 133

1 the street it was. It was in Oshawa. It was a
2 shack of a shack. I can't remember the name of the
3 street, but it was a little office in Oshawa. And
4 then that's where they did the support from. Then
5 they moved to this place in Whitby, right. And then
6 they moved to the Stellar Point in Whitby.

7 535. Q. And did you brother leave around the
8 same time you did, or before, or after?

9 A. No, he left after I did.

10 536. Q. Okay, now, a couple other things. I
11 will just throw out some names. Michael Kraemer and
12 World eWallet? Are you familiar with either of
13 those names?

14 A. I had nothing to do with them.

15 537. Q. You don't recall ever meeting or
16 hearing of a Michael Kraemer?

17 A. No, he came after me.

18 538. Q. What about GQ Media?

19 A. GQ Media, I know now.

20 539. Q. Right.

21 A. It was Chris Smith's cousin-in-
22 law...

23 540. Q. Yes.

24 A. ...or something like that.

25 541. Q. Peter Williams?

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- 1 A. Peter, yes. Nice guy.
 2 542. Q. So you met Peter?
 3 A. Yes.
 4 543. Q. Did you meet him here or in the
 5 States?
 6 A. Both.
 7 544. Q. And now was Peter Williams the guy
 8 that you met back when you went to Florida?
 9 A. Yes.
 10 545. Q. And what was the purposes of the
 11 Florida visit?
 12 A. There wasn't anything talked about
 13 or...I mean, he just came because he was coming to
 14 see the presentation.
 15 546. Q. All right.
 16 A. And was supposed to...if I am not
 17 mistaken, was going to be in charge of taking over
 18 the Florida meetings or presentations or whatever,
 19 from what I knew back then.
 20 547. Q. So you met him in Florida.
 21 A. Yes.
 22 548. Q. Did you meet him in Canada, as well?
 23 A. Yes, here in Toronto.
 24 549. Q. What was the context there?
 25 A. Well, he was coming up to visit

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- 1 today you had mentioned...you had hinted that
 2 perhaps there was a story about Ian Driscoll that
 3 you could share with us in terms of something that
 4 he did or...
 5 A. Well, the \$50,000 a month was to
 6 let you know that he was probably the highest paid
 7 IC, not only the \$50,000 a month in which he was
 8 spending probably less than \$3,000 a month and
 9 pocketing the \$47,000. I also found that out from
 10 other people in the U.K.
 11 559. Q. Okay.
 12 A. Secondly, him and Lyndon Farrington,
 13 his so-called "best buddy"...remember, that people
 14 would always talk to me and tell me anything and
 15 everything that they know. So I would always try
 16 and keep my ears open. I know...and I am actually
 17 in contact with this guy once in a while, his name
 18 is Chris Cronin.
 19 560. Q. His last name with a "C" Cronin?
 20 A. Yes, Cronin, C-R-O-N-I-N.
 21 561. Q. Okay.
 22 A. Chris Cronin and his wife had bought
 23 black packages. I can't remember the exact amount
 24 of money, how much a black was. But him and his
 25 wife both bought a black package each. And what was

L. Guarini - 135

- 1 Chris, that's all.
 2 550. Q. Did you have an understanding of
 3 what GQ Media did in relation to the Banners Broker
 4 business?
 5 A. No.
 6 551. Q. Maxwell Morgan; have you ever heard
 7 of that name?
 8 A. That's a friend of Rajiv Dixit.
 9 552. Q. Okay, have you met Max Morgan?
 10 A. Once, yes.
 11 553. Q. Just tell me about that meeting.
 12 A. Just...
 13 554. Q. Was it in relation to Banners
 14 Broker?
 15 A. No. He was at the Christmas party
 16 that Raj had had and it was just, "Max, this is
 17 Lorenzo, Lorenzo, this is Max."
 18 555. Q. Okay.
 19 A. So not business-related.
 20 556. Q. Do you know what Max Morgan did for
 21 Banners Broker or Mr. Dixit?
 22 A. No.
 23 557. Q. No?
 24 A. I know that they were close friends.
 25 558. Q. Sorry, Erin reminds me that earlier

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- 1 happening with Mr. Farrington and his partner, was
 2 that Farrington would go and say, "Well, I'll take
 3 care of your accounts. I'll make the accounts grow
 4 for 10 percent or 15 percent of what you put in."
 5 So what they would do is, these people
 6 would go and pay them, Lyndon and Ian, the money.
 7 And then Ian would buy their positions and take 10
 8 percent of that money out, immediately, and put it
 9 in their pockets. Instead of growing the account,
 10 and then taking 10 percent, they took 10 percent
 11 right off the top, in cash.
 12 Chris Cronin was not the only people that
 13 this happened to. I brought this to the company's
 14 attention and said, "These guys needed to be out.
 15 They are taking cash", and it wasn't the only time.
 16 Now, what they were doing also was
 17 manipulating panels and...as an example, instead of
 18 you paying me, because my company is selling this
 19 food, okay. You now have access to panels, to
 20 everything in the back office. They would go and
 21 give people panels and sell them for cash. They
 22 made quite a lot of money, and there's a lot of
 23 people right now...that's why I kind of chuckled
 24 when I saw this report, the Spergel, that the very
 25 guy who's trying to take BB to court was one of the

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1 biggest culprits of all.

2 And I was, like, "Really?", if only they
3 knew this guy. Same with Kul. "Oh, yes, you know
4 what they bought me out with a car." "Yes, okay."
5 And the millions in cash. Now, if I could find
6 the bank, I promise you I would do everything in
7 my power. Because what these guys did, and
8 perpetrated, they deserve to go down.

9 562. Q. If you could find the Banners
10 Broker's bank, you mean?

11 A. Oh, any...man, I'd do anything.

12 563. Q. Okay, so just...I mean, going back
13 to something we discussed earlier today, do you have
14 any records or e-mails at home or in an account
15 somewhere that you might be able to find for us that
16 would relate to some of these issues?

17 A. Anything that I can find, I promise
18 you, you will have it.

19 564. Q. But what sorts of things might you
20 have that we could make a list and provide to you?

21 A. The one thing I'm praying that I
22 could still open that up, is the bank, the offshore
23 bank.

24 565. Q. Right.

25 A. If I can find anything...but I

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1 didn't...

2 566. Q. Do you still have a password for
3 that offshore bank or something that we would...I
4 mean, we could try it right now.

5 A. No, because it's an electronic. I
6 got to have it. It's an electronic thing, and so in
7 order for me to log on, if we were here, I could log
8 on, as an example, but the problem is I have got to
9 have the account number and then I have to try and
10 say, "Okay, I want to log in", and then I got to put
11 in my...certain numbers, okay, and then it will tell
12 me and then I fill in those numbers.

13 567. Q. But what is the "it", is it like a
14 password generator?

15 A. No, it's an electronic..

16 MR. HORKINS: It's a token, right?

17 MS. CRADDOCK: It's an RSA token?

18
19 BY MR. WARD:

20 568. Q. Is it like a little token or key fob
21 that generates passwords?

22 A. No, no, it's like a little
23 calculator.

24 569. Q. So it's an application on your
25 phone?

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1 A. It's not on the phone. It's a
2 little thing, I open it up and it's like a little
3 calculator.

4 570. MR. WARD: Just off the record.

5
6 --- A BRIEF RECESS

7
8 LORENZO GUARINI, resumed

9 CONTINUED EXAMINATION BY MR. WARD:

10 571. Q. Okay, so we are back on the record
11 and I think, during the break, we established that
12 there would be an RSA token that, presumably, you
13 have at home, Lorenzo?

14 A. I'm sure of it.

15 572. Q. Okay, so the Receiver is interested
16 in having a look, if possible, at the account. And
17 we would appreciate your undertaking to help us
18 access it.

19 A. Sure.

U/T

20 573. Q. Thank you for that. And we will
21 just be in contact with you and propose a convenient
22 way for that to happen.

23 A. Okay. I mean, I could come in and
24 bring it with me, and we just...

25 574. Q. I think that would be...

L. Guarini - 141

1 A. ...go online somewhere and you guys
2 can...

3 575. Q. Well, see if it works, terrific,
4 okay. Thank you for that undertaking.

5 A. No problem.

6 576. MR. WARD: So let's just take a break
7 again, for five minutes and then we are
8 going to wrap up.

9
10 --- A BRIEF RECESS

11
12 LORENZO GUARINI, resumed

13 CONTINUED EXAMINATION BY MR. WARD:

14 577. Q. I wanted to clarify or confirm that
15 the financial institution in Cyprus that you had the
16 joint bank account with Rajiv Dixit was called
17 1bank.

18 A. Yes, 1bank.

19 578. Q. Okay, thank you. So the Receiver
20 has had access to some financial records of, for
21 instance, Stellar Point.

22 A. Okay.

23 579. Q. And I am just passing to you a
24 summary of some transfers that I am wondering if you
25 might be able to comment on. And taking them from

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the top, it appears that there was...the Stellar Point general ledger indicates that on December 31, 2012, there was \$35,000 transferred to an account ending with "████", that's in the name of 8136645 Canada Limited. Now, I think...well, I know that 8136645 Canada Limited is a company that has Kelly Stinson as a director. And the information is in that book that you have in front of you.

A. M'hmm.

580. Q. I won't...let me just finish the question, I won't take you there unless we need to go there, but this 8136645 Canada Limited, and we will just call it "813" from here on in.

A. Okay.

581. Q. 813 was incorporated on March the 8th, 2012. And so my question for you, if you have any information on it is, do you know why Stellar Point, Rajiv's company, would have paid \$35,000 to a company in which your wife is the sole director on December 31, 2012?

A. No.

582. Q. So, have a look...what I have just given you, set that down for a second, Lorenzo, and have a look, as well, at tab 9 of the binder.

A. Okay.

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587. Q. I mean, we know he's involved in other companies, but this looks like...that the sole director was Kelly Stinson.

A. Okay. If that's her corporation number, then that would be her corporation not Rajiv's corporation with her on title.

588. Q. Okay, so if you could just maybe keep your finger at tab 9...

A. Yes.

589. Q. ...and flip forward to tab 12 of the same binder.

A. Okay, yes.

590. Q. It looks like two pages into the production.

A. Okay.

591. Q. I don't think you are at tab 12 yet. It's the next one.

A. Oh, I'm sorry.

592. Q. So, flip that page.

A. Yes, okay.

593. Q. This is a share certificate.

A. Yes.

594. Q. Which says that 813 Company is the registered holder of 150 shares of Stellar Point Inc., which is Dixit's company.

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583. Q. Tab 9 is a copy of some Industry Canada Corporation Profile Report for the 813 Company.

A. M'hmm.

584. Q. And at the bottom of the page, on the left, it says that Kelly Stinson, 637 Merlin Court, Oshawa, Ontario, is the director. 637 Merlin Court, is that your wife's address?

A. Yes.

585. Q. Have you heard of this company before? I mean, there are documents in this book that she signed as well, that Kelly signed.

A. Yes, honestly, guys, you know what? This guy, from what I know, had...this is probably one of, who knows, 20, 30, 50, I don't know, corporations that he had and there's from Kelly to his mother to his dog to whoever are all...always a director or whatever. I don't know if that's a requirement. I don't know. I know he had corporations, I just don't know which corporation this one is and why Kelly is a director.

586. Q. Well, there is no indication...we haven't found any indication that Rajiv is involved in this particular company.

A. M'hmm.

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A. Yes.

595. Q. So, did this suggest to the Receiver that Kelly was a shareholder through her company in Stellar Point?

A. Yes.

596. Q. Were you aware of that?

A. Yes. He was giving her shares in the company, apparently, but we never really did anything with it, took part in it, I guess, because he was going to help her form this Bazinga company that she was going to set up. But these shares were nothing really.

597. Q. Well, whose idea was it that Kelly set up an 813 Company and receive shares in Rajiv's company?

A. She set up the company to set up Bazinga, so she could do this buying stuff from China and all that other stuff. That's what I know.

598. Q. Okay.

A. We didn't even know of these shares, to be honest with you, not...

599. Q. And can I have you, as well, next, to look at tab 16 of the binder?

A. Okay, yes.

600. Q. I will just pass it across, because

L. Guarini - 146

1 it's in there and it may be difficult to see.

2 A. Okay.

3 601. Q. This is a resolution of the
4 shareholders of Rajiv Dixit's company.

5 A. Yes.

6 602. Q. I think maybe you have that. You
7 do. And do you recognize that signature on the
8 right as your wife's signature?

9 A. Yes, I do.

10 603. Q. And that's a resolution with respect
11 to a name change of a numbered company to Banners
12 Broker Limited. Do you have any explanation as to
13 why she would have signed that document?

14 A. You know what? Honestly, Raj would
15 tell us, "Yes, you know what, you need to come in
16 here and sign this, sign that. I need a director, I
17 need somebody to sign." And he would constantly...
18 that's what I'm telling you, like, I don't know from
19 one thing to the next, I really don't. I don't even
20 know what a resolution to a shareholder thing is.
21 You know, we kind of trusted that he's doing the
22 right things out there and doing whatever.

23 604. Q. But you say Raj would do that.
24 Presumably, I mean, Raj didn't contact Kelly
25 directly, did he? Would he deal with her directly?

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1 A. Oh, yes. She went into the office
2 one day and his lawyers were sitting there. It
3 wasn't long after he wasn't so happy and basically
4 said to her...I don't know, he insulted her one way
5 or another. And basically said, "Look, you know
6 what? You are not a business person. So I'm just
7 going to take over Bazinga and if there's any monies
8 that are made, I will give you a little bit of
9 profit." Basically, "Just sign it over." His
10 lawyer was there, whatever. She didn't care, she
11 just signed it over. If he asked her to do
12 something, she did it. Just us being...I'm going to
13 claim ignorance in not understanding, that's all.

14 605. Q. Okay, so then have a look back at
15 the loose sheet that I passed across the table,
16 Lorenzo, on your left.

17 A. Yes.

18 606. Q. So the top three bullet points,
19 they show \$35,000 in December of 2012, \$4,000 in
20 November of 2012 and another \$3,600 also in November
21 of 2012...

22 A. M'hmm.

23 607. Q. ...being paid to, in the first case,
24 the 813 Company. And in the second two cases, Kelly
25 personally. These are what the bank records show.

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1 So, I can put these questions to Kelly, but I want
2 to know if you have any information or explanation
3 as to those payments.

4 A. I really don't. I mean, you know, I
5 don't...I can't explain them because I don't
6 remember. I don't know. I can't answer because I
7 really don't...you know, so much has happened and
8 it's been quite a while. You know, what I do
9 remember, I remember. I'm here to tell you what I
10 know and what I don't know, I don't know.

11 608. Q. And then to finish off with the same
12 sheet, the Stellar Point general ledger for the
13 following year, as at December 31, 2013, indicates
14 that a Kelly S. was paid \$42,000 for subcontracted
15 services on January 31, 2013. Do you see that?

16 A. Yes.

17 609. Q. Do you have any information or
18 explanation as to why a Stellar Point general ledger
19 would indicate that?

20 A. I don't know if that was to
21 purchase...I'm wondering if that was to purchase the
22 TVs and...I can't tell you. I'm not 100 percent
23 sure.

24 610. Q. Okay, and then the next bullet, the
25 last bullet item on the same page is the \$75,000

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1 shareholder loan that's recorded in the Stellar
2 Point general ledger as of December 31, 2013 for
3 Lorenzo.

4 A. Yes, and where did that go to?

5 611. Q. Did you receive a \$75,000 loan or
6 payment from Stellar Point?

7 A. No. No, I'm just even surprised to
8 even see that.

9 612. Q. So how were you paid? I mean, I
10 know we talked about what you were paid, right, and
11 I know it wasn't documented in the employment
12 agreement. But how were you paid?

13 A. My monies were to be going in that
14 offshore account. So my pay was supposed to go into
15 the offshore account. A lot of it went to the card,
16 that was to cover my expenses, plus some of my pay
17 on the Vector card.

18 613. Q. Right, but the money in the offshore
19 account you never got, because he took it back,
20 right?

21 A. Yes.

22 614. Q. So you must have been paid something
23 apart from your expenses, when you were working.

24 A. Well, some of my pay would go on the
25 Vector card. My expenses were also on there.

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1 615. Q. Okay.
 2 A. But my pay would also go on there.
 3 616. Q. Did some of your pay go to Kelly or
 4 813 Company as these records indicate?
 5 A. I don't think so, no. I don't think
 6 so. I don't believe so, no.
 7 617. MR. WARD: Okay, so let's mark this
 8 as..."this" being the loose single page
 9 document entitled "Documents from Mary
 10 Febbrini" as Exhibit 1 on the examination.
 11
 12 --- EXHIBIT NO. 1: Loose single-page document entitled
 13 "Documents from Mary Febbrini"
 14
 15 THE DEPONENT: I'm interested in that
 16 \$75,000 shareholder loan. I'm curious.
 17 618. MR. WARD: Just off the record for a
 18 sec.
 19
 20 --- DISCUSSION OFF THE RECORD
 21
 22 619. MR. WARD: And we will mark the special
 23 resolution of the shareholders of 7250037
 24 Canada Inc. as Exhibit 2 on the
 25 examination.

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1 --- EXHIBIT NO. 2: Special Resolution of the
 2 shareholders of 7250037 Canada
 3 Inc.
 4
 5 620. MR. WARD: And just one more, so that
 6 we have it referenced. And the Industry
 7 Canada Corporation Profile Report for
 8 8136645 Company is Exhibit 3 on the
 9 examination.
 10
 11 --- EXHIBIT NO. 3: Industry Canada Corporation Profile
 12 Report for 8136645 Company
 13
 14 BY MR. WARD:
 15 621. Q. And then, Lorenzo, I think there was
 16 just one more thing before we close out.
 17 A. Sure, okay.
 18 622. Q. So, I have just passed across the
 19 table an e-mail that has some transaction details in
 20 respect of what I understand are monies that were
 21 wired from Via Bank in St. Lucia.
 22 A. In St. Lucia?
 23 623. Q. Yes. Via Bank is based in the
 24 Caribbean, in St. Lucia.
 25 A. Okay, yes.

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1 624. Q. And so the first one across the top
 2 is dated November 12th, 2013.
 3 A. Yes.
 4 625. Q. It's an outgoing wire transfer to
 5 AngelFire Ventures Limited?
 6 A. Yes.
 7 626. Q. Do you know anything about that
 8 company?
 9 A. Yes, that's one of the companies
 10 that I...it's not a company, it's basically the
 11 offshore account that I put myself. And that wire
 12 went into my account, that \$10,000, that was...
 13 627. Q. The joint account?
 14 A. No, that's not the joint account.
 15 Because that joint account, he stole all my money.
 16 So at that time, I got that money sent into that
 17 account, into AngelFire. I started another account.
 18 628. Q. Where?
 19 A. The same place, the same bank.
 20 629. Q. 1bank.
 21 A. Yes.
 22 630. Q. In...
 23 A. Cyprus.
 24 631. Q. ...Cyprus. And did you have any
 25 other accounts at the 1bank in Cyprus?

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1 A. No.
 2 632. Q. So you just had the joint account
 3 with Dixit?
 4 A. Yes.
 5 633. Q. And then...
 6 A. And AngelFire.
 7 634. Q. It says "AngelFire Ventures
 8 Limited".
 9 A. Yes.
 10 635. Q. So that sounds to me like a company
 11 name. Did somebody set up a company for you?
 12 A. Yes. You know, I guess you are
 13 supposed to do it in a company.
 14 636. Q. Okay, who arranged for that to
 15 happen?
 16 A. Dixit...if I can find it, I will
 17 give you the guy's name, if he's in here.
 18 637. Q. Okay.
 19 A. If not, I will find his name and I
 20 will make sure you guys get it also.
 21 638. Q. Okay. Just take your time.
 22 A. Thank you. George. His name is
 23 George, I don't know his last name, guys. I can
 24 give you his phone numbers.
 25 639. Q. And is he in...

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- 1 A. He's here, yes.
 2 640. Q. Okay, and you don't know his last
 3 name?
 4 A. No.
 5 641. Q. No. How were you introduced? How
 6 did you come to know George?
 7 A. Rajiv Dixit.
 8 642. Q. Sure, if you have got his phone
 9 number, we will take it.
 10 A. Of course.
 11 643. Q. What is it?
 12 A. Ready?
 13 644. Q. Yes.
 14 A. Okay, mobile 1-416-897-0400, and the
 15 next phone number is 1-416-479-4437.
 16 645. Q. Okay, any other phone numbers or
 17 contact information?
 18 A. No, that's all I have.
 19 646. Q. So just let's talk about AngelFire
 20 Ventures for a minute then.
 21 A. Yes.
 22 647. Q. Why did George and Dixit and
 23 yourself set up an AngelFire Ventures account at the
 24 1bank?
 25 A. So I could have my own, separate

L. Guarini - 155

- 1 from Dixit.
 2 648. Q. Okay, and does that...your own
 3 account for the purposes of presumably being paid by
 4 Mr. Dixit and his company?
 5 A. Well, no, I wasn't being paid by
 6 Dixit, I was being paid by Chris.
 7 649. Q. By Chris?
 8 A. Yes.
 9 650. Q. Right, okay. So how much money went
 10 into that account?
 11 A. I can't tell you until I check.
 12 651. Q. Okay, so you still have that
 13 account?
 14 A. Yes. It's pretty well dead now,
 15 there's no money left in it, but I can still find
 16 out.
 17 652. Q. Okay. And how much money went
 18 through that account?
 19 A. Through AngelFire?
 20 653. Q. Yes.
 21 A. I can't tell you until I look.
 22 654. Q. Okay, but the AngelFire was related
 23 to your work at Banners Broker?
 24 A. Yes.
 25 655. Q. The establishment of that account

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- 1 related to the work that you did for Banners Broker?
 2 A. For the most part, yes.
 3 656. Q. Okay, so then could we, for Erin's
 4 list of undertakings, get an undertaking to get
 5 account statements in respect of AngelFire Ventures
 6 Limited is account at 1bank?
 7 A. Sure. U/T
 8 657. Q. Thank you. And if we needed to
 9 contact 1bank directly to ask for copies of
 10 statements or the joint statements in respect to the
 11 account that you had with Dixit, could we get your
 12 authorization and consent as well?
 13 A. Absolutely. U/T
 14 658. Q. Okay, thanks. And so then there
 15 were just three more transactions that I want to ask
 16 you about.
 17 A. Okay.
 18 659. Q. The next one is dated December 6th,
 19 2013. And it's a \$29,658.15 transfer from Via Bank
 20 to the 813 Company. So same question, do you have
 21 any explanation or information as to why Banners
 22 Broker is account at Via Bank would transfer that
 23 money to 813 Company?
 24 A. That, I'm not sure. I am not sure.
 25 660. Q. And then the next one is April the

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- 1 22nd, 2014. It's a transfer from Via Bank to Kelly
 2 Stinson Guarini of \$24,422.94. Do you have any
 3 information or explanation as to why that money
 4 appears to have been transferred to your wife?
 5 A. I don't know, I am going to have to
 6 guess. Possibly, to...because she wasn't allowed to
 7 keep her account anymore and to pay her out as an
 8 affiliate. I am just guessing, okay?
 9 661. Q. Okay, well, don't...I mean, don't
 10 guess.
 11 A. And then I can't answer it,
 12 because...between the televisions, the China
 13 deal...the televisions and everything were in the
 14 States.
 15 662. Q. Right.
 16 A. In Pennsylvania. So there were
 17 funds that were sent to Kelly to do these deals,
 18 okay. It's been a nightmare, okay, where we have
 19 lost the money on the television. And we even have
 20 the...if we get the chance, we will find them. But
 21 we even have the list of all the televisions we were
 22 supposed to get and everything else, the...what do
 23 you call it...itinerary or...
 24 663. Q. Okay, if you could send that, that
 25 would be...we would accept that as well.

L. Guarini - 158

- 1 A. Yes, if you could write that down
2 also. U/T
3 664. Q. All right.
4 A. You know, I can't give you the
5 exact, but there was so...so much happening at the
6 time between China and the televisions and
7 everything for her.
8 665. Q. Okay.
9 A. But I don't know what's what, do you
10 know what I mean?
11 666. Q. Okay, well, then let's...one more
12 question then I have a suggestion on how we can
13 approach this.
14 A. Okay.
15 667. Q. The next transaction that we have
16 some details for is June 24, 2014.
17 A. Yes.
18 668. Q. It's an outgoing wire transfer from
19 Via Bank to the 813 Company for \$73,061.06, okay?
20 A. M'hmm.
21 669. Q. And so again, 813 Company is Kelly's
22 company?
23 A. Yes.
24 670. Q. Do you have any information or
25 explanation with respect to that transaction?

L. Guarini - 159

- 1 A. No, but I think that was for all the
2 rest of the...Dr. Dre and material or whatever, was
3 left from the China deal that he had bought the rest
4 of them.
5 671. Q. Okay.
6 A. From what I gather.
7 672. Q. Okay, so here's what I would like to
8 do then, with respect to Exhibit 1 and this...well,
9 Exhibit 1 we have over here and with respect to the
10 four transactions on this note, Erin will send you
11 an e-mail with the details of the transactions. And
12 then could you undertake to think about it, check
13 your records and provide us with your best
14 accounting as to...
15 A. I'm brutal. I will try.
16 673. Q. Let me just finish for the purposes
17 of the record...your best accounting or your wife's
18 best accounting or a combination of the two of you,
19 your best accounting jointly, as to, first of all,
20 why these monies were sent.
21 A. Okay. U/T
22 674. Q. And, secondly, what they were used
23 for.
24 A. Okay.
25 675. Q. Okay, great. Thanks for that. And

L. Guarini - 160

- 1 then let me just check my notes. I think that we
2 are done. Lorenzo, were you compensated in any ways
3 that we haven't discussed so far today by Chris
4 Smith or Rajiv Dixit or Banners Broker or anyone
5 connected with Banners Broker in terms of...we have
6 talked about your expenses and your income.
7 A. Yes.
8 676. Q. But, for instance, were you given
9 any gifts, any automobiles, anything like that?
10 A. No. I was given one of the BB
11 rings.
12 677. Q. Okay.
13 A. I have a BB ring, which I couldn't
14 care less for right now.
15 678. Q. Right. Were you given a Lexus SUV?
16 A. No.
17 679. Q. No, okay.
18 A. No. No way.
19 680. Q. Were you ever paid in cash?
20 A. Sometimes, yes. Yes, we will say
21 paid in cash. But, I mean, yes, they gave me cash
22 sometimes.
23 681. Q. And who's "they"?
24 A. Well, Chris.
25 682. Q. Did Dixit ever give you cash?

L. Guarini - 161

- 1 A. I think he did give me cash. I
2 think he gave me \$1,000 cash. I can't give you the
3 date.
4 683. Q. Okay, maybe once Dixit?
5 A. Yes.
6 684. Q. Right. And then Chris, how
7 frequently would Chris pay you in cash?
8 A. Infrequently. But I'd say on more
9 than...five to ten occasions.
10 685. Q. And what sort of amounts are we
11 talking about?
12 A. Anywhere between \$500 and \$5,000.
13 686. Q. And why was he paying you that much
14 in cash?
15 A. He had the cash on him. I just told
16 him to just put it on my card.
17 687. Q. Right.
18 A. And he said, "Here, I'll just give
19 you the cash." He gave me the cash.
20 688. Q. Was this payment for services or was
21 it reimbursement of expenses? What was it?
22 A. Both. Sometimes he would say,
23 "Listen, you are going to Poland. Make sure you
24 take those guys out", because they had just opened
25 up the office or whatever. And he would say, "Here,

L. Guarini - 162

just take the cash and buy Polish money", or whatever it's called. And I'd be doing there to take these people out.

689. Q. And were there any other reasons, any other explanations for being paid in cash or having money come through these companies that you can think of?

A. Not really.

690. Q. And we will give you an opportunity to speak to the specific transactions with respect to the companies.

A. Sure, Yes.

691. MR. WARD: So, let's break there. We are going to go off the record again. We will adjourn for today.

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L. Guarini

REPORTER'S NOTE:

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I hereby certify the foregoing to be a true and accurate transcription of the above-noted proceedings held before me 21ST DAY OF APRIL, 2015, and taken to the best of my skill, ability and understanding.

Certified Correct:

Ardita Balilaj
Verbatim Reporter

Court File No.: CV-14-10663-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

AB/lm

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1992, c.27, s.2, AS AMENDED
AND IN THE MATTER OF CERTAIN PROCEEDINGS TAKEN IN
THE ISLE OF MAN WITH RESPECT TO BANNERS BROKER
INTERNATIONAL LIMITED
APPLICATION OF MILES ANDREW BENHAM AND PAUL ROBERT
APPLETON, IN THEIR CAPACITY AS JOINT LIQUIDATORS OF
BANNERS BROKER INTERNATIONAL LIMITED, UNDER PART
XIII OF THE BANKRUPTCY AND INSOLVENCY ACT (CROSS-
BORDER INSOLVENCIES)**

This is the Examination of KELLY STINSON, pursuant
to Section 163 of the Bankruptcy and Insolvency Act, taken
at the offices of CASSELS BROCK & BLACKWELL LLP, Suite
2100, Scotia Plaza, 40 King Street West, Toronto, Ontario,
on the 21st day of April, 2015.

A P P E A R A N C E S:

DAVID S. WARD } -- for the Receiver
ERIN CRADDOCK }
CHRISTOPHER HORKINS }

ALSO PRESENT:

**Gillian Goldblatt
Philip H. Gennis**

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K. Stinson - 4

1 first time you ever heard the name Banners Broker.

2 A. Okay.

3 7. Q. And then take us up to the present
4 time.

5 A. Okay, so, the first time I heard
6 that would be Raj brought it to Lorenzo, in my
7 recollection, okay. An online business, you know
8 and they were just starting. So I have been in
9 networking since I was 15, with Amway, with my
10 parents. So it's not adverse to us to do network
11 marketing. And you wouldn't set me loose on the
12 network marketing.

13 So I knew Raj before that, though. That
14 was the time when Lorenzo put the bond on the house,
15 when the Banners started to come in. And I never
16 trusted Raj. I'm not a fan of Raj's. So probably
17 what I am going to tell you about him is my boldest
18 with no sugar-coating on this guy, because I really
19 feel he's a pathological liar and I have caught him
20 in many lies. I am going to...can I jump a bit?

21 8. Q. Yes, by all means.

22 A. Okay, I guess that first Christmas
23 we went over there. I was never a fan of his, I
24 always felt distant, but for some reason Lorenzo
25 felt sorry for him. Lorenzo has got a big heart and

K. Stinson - 3

1 KELLY STINSON, affirmed
2 EXAMINATION BY MR. WARD:
3 1. Q. Kelly, as a follow-up to Lorenzo's
4 examination, we have some questions relating not
5 just to Banners Broker, but to a company called
6 Stellar Point.
7 A. Yes.
8 2. Q. And to a company called Dixit
9 Holdings Inc. that you may have heard of.
10 A. M'hmm.
11 3. Q. And finally to a company that we
12 believe that you were involved in, a numbered
13 company, by the name of 8136645 Canada...
14 A. Yes, that's mine.
15 4. Q. Okay, and we will just call that
16 "813 Company" when we get to it.
17 A. Yes.
18 5. Q. But first of all and very generally,
19 I just...I want to give you an opportunity to
20 describe for us your involvement, if any, with
21 Mr. Dixit, Mr. Smith, Mr. Josun and the Banners
22 Broker business...
23 A. Okay.
24 6. Q. ...just by way of overview, okay.
25 And maybe start at the beginning, in terms of the

K. Stinson - 5

1 we are not here to talk about Lorenzo but I have his
2 back. And I was in the background watching a lot of
3 this happen. So I am only going to give you my eyes
4 to what is happening. We were over at his house and
5 he said...this is when he was really getting into it
6 with Chris Smith and really bonding, I think he
7 started seeing money coming in.

8 Anyhow, he said something like this, "Well,
9 you know, I'm the boss, I can hire and fire anybody,
10 including Lorenzo." And Lorenzo didn't hear that.
11 And I was like, he was still bonded with Lorenzo,
12 with that house.

13 9. Q. Yes.

14 A. Poor Lorenzo, and our family
15 suffered with this guy. Lorenzo had to go
16 everywhere with him. He went to anger management
17 classes, Lorenzo had to take him. Or Lorenzo had to
18 watch his kids. He was hooked with him. And then
19 when he got a little bit friendly with Glenroy...you
20 know Glenroy?

21 10. Q. Yes.

22 A. You have got that name, okay. He
23 was living with us.

24 11. Q. Glenroy was or...

25 A. No, Raj was, when he was under basic

K. Stinson - 6

- 1 house arrest, right?
- 2 12. Q. Right.
- 3 A. For his charges of child assault.
- 4 13. Q. Right.
- 5 A. And we finally got him...Glenroy
- 6 went on it, but our house was up on the block. I
- 7 went behind Lorenzo with it and I said, "Okay, I
- 8 wasn't happy with it." I never trusted the guy.
- 9 Anyhow, then I met Chris Smith and lovely guy,
- 10 wonderful guy, I have absolutely nothing personally
- 11 to say wrong about the guy. Never did me any harm,
- 12 my family harm, as far as personal. Nice guy.
- 13 His business dealings, that's a whole
- 14 different world. So my assessment of Chris
- 15 Smith...first of all, my assessment of Raj,
- 16 pathological liar. He will throw his mother under
- 17 the bus, he will throw everybody under the bus. You
- 18 can't believe a word this guy says. He makes all
- 19 kinds of deals with the devil. And I never trusted
- 20 the guy. So I don't know if I am making it very
- 21 clear, I don't like the guy.
- 22 Chris, I can't say that. Very charismatic,
- 23 very nice guy. Had a great idea, this is how I see
- 24 it starting forward. Great idea, everybody is on
- 25 board. Kul, we'll go to Kul for a second. Met him

K. Stinson - 8

- 1 A. In the beginning, when it all
- 2 started, Lorenzo was an affiliate, I was an
- 3 affiliate, my dad, you know, the family. Just like
- 4 you would sponsor into Amway and all the networking,
- 5 that's how we started.
- 6 22. Q. Okay, and how did you do as an
- 7 affiliate?
- 8 A. I did pretty good. Not the
- 9 greatest, but I would see my account here and there
- 10 and I would see some money in the account and then I
- 11 would see it disappear. There was Lorenzo giving
- 12 money to some affiliates who needed help. Remember,
- 13 Lorenzo, he travelled the world. We were okay,
- 14 financially. So when you go into these other worlds
- 15 and I'm looking at my account and I go, "Where did
- 16 that money go?" "I helped a few people over here
- 17 and there." And if you want a list of the people he
- 18 helped, he can more than give it to you.
- 19 I don't know who. I will tell you when we
- 20 were in Portugal, there was a couple, Lorenzo can
- 21 give you the name if you want to take that note, and
- 22 he was just pulling money out of his account to help
- 23 them. These people went there...
- 24 23. Q. Who, Lorenzo was?
- 25 A. Yes.

K. Stinson - 7

- 1 a few times. One at the old office they had on
- 2 Nelson Road in Oshawa. Charming guy. That's all I
- 3 have on him.
- 4 14. Q. Okay.
- 5 A. Never had any, really, dealings with
- 6 any of them.
- 7 15. Q. Okay, well, what about Banners
- 8 Broker, starting from the top, did you personally
- 9 ever work for Chris Smith?
- 10 A. No.
- 11 16. Q. Or Rajiv Dixit?
- 12 A. No.
- 13 17. Q. Or Banners Broker?
- 14 A. No.
- 15 18. Q. Or Stellar Point?
- 16 A. None. Not in any capacity.
- 17 19. Q. Did you ever have an investment
- 18 account? Were you ever an affiliate?
- 19 A. No. Oh, yes, I was an affiliate
- 20 with Banners Broker.
- 21 20. Q. Okay.
- 22 A. But I didn't work for them.
- 23 21. Q. Okay, tell me about that. Tell me
- 24 about when you became an affiliate and when you
- 25 ceased to be an affiliate?

K. Stinson - 9

- 1 24. Q. But when you say "his account" we
- 2 are talking about your account, right?
- 3 A. Well, yes, but he didn't have an
- 4 account after that. It was mine. He would transfer
- 5 my panels, which is kind of money and give it to
- 6 them.
- 7 25. Q. Because Lorenzo, he had to give
- 8 up...
- 9 A. Yes, he did.
- 10 26. Q. ...his panel trading account, when
- 11 he became the global brand ambassador?
- 12 A. Yes, but he still had access to
- 13 mine.
- 14 27. Q. I see.
- 15 A. We live together, we are married,
- 16 right? So it wasn't that I was taking any money,
- 17 per se, out, a couple thousand here and there,
- 18 nothing...
- 19 28. Q. And whose name was your account in?
- 20 A. Mine.
- 21 29. Q. Your name personally?
- 22 A. Yes.
- 23 30. Q. Kelly Stinson?
- 24 A. Yes.
- 25 31. Q. And was that account open until the

K. Stinson - 10

1 end, until Banners Broker shut down?

2 A. Yes, but I think because when
3 Chris...when something happened with the system, my
4 account went into the negative, so I didn't even
5 have any money. If you didn't do something at the
6 time...I can't remember the exact...if you weren't
7 buying your panels or doing whatever, you owed
8 Banners. So what happened is a lot of these
9 accounts went into the negative.

10 And my son had an account, then he had to
11 give that up because he went with Lorenzo on the
12 road.

13 32. Q. Right, but just your account, when
14 did you wind that up? When did it end?

15 A. It's probably still open. I didn't
16 even...when it went into the negative, I didn't even
17 bother, how's that? Is that...

18 33. Q. No, that's helpful.

19 A. Okay.

20 34. Q. And then when it was in the
21 positive, just give me some general idea as to the
22 balances in your account. How big would it get?
23 Virtual dollars, presumably, we are talking about,
24 right?

25 A. That I received out of there or...

K. Stinson - 11

1 35. Q. No, just that were registered.

2 A. That were registered, about \$30,000.

3 36. Q. And the second part that you
4 received out of there, do you recall?

5 A. I couldn't recall. You could
6 probably check if you wanted, STP over three years,
7 I would say, let's go \$12,000.

8 37. Q. Okay, but STP was the payment
9 processor that you used for withdrawals?

10 A. Yes.

11 38. Q. Okay, and also in terms of...I am
12 just trying to understand all of your...

13 A. Dealings.

14 39. Q. ...points of contact with Banners.
15 Did you travel with Lorenzo sometimes?

16 A. Yes.

17 40. Q. And just tell me about those
18 travels. Where did you go and for what purpose?

19 A. We went to...that was their big
20 opening in Portugal, the family went. So there was
21 Jessica, my daughter, myself and Lorenzo.

22 41. Q. Okay.

23 A. And then we went to...I went to
24 England.

25 42. Q. Right.

K. Stinson - 12

1 A. That was at Christmastime. And I
2 think that was a bait to get him to go, because they
3 were all on holidays. There is no way I would have
4 let him, no way.

5 43. Q. Right, okay.

6 A. But I turned that into, "All right,
7 all right, at least we get time together." And one
8 other time I went with him was, he was representing
9 Banners at Claudia's wedding in Portugal. So that's
10 three.

11 44. Q. So to Portugal twice?

12 A. Twice.

13 45. Q. And who is Claudia?

14 A. Claudia was an IC in Portugal.

15 46. Q. So it was basically three trips in
16 total?

17 A. Yes.

18 47. Q. Okay, so apart from your account...

19 A. M'hmm.

20 48. Q. ...and the three trips, did you have
21 any other points of contact with Banners Broker?
22 Like, did you do anything for them? Any consulting
23 services or anything like that?

24 A. No.

25 49. Q. Now, there was...we know a bit about

K. Stinson - 13

1 Bazinga...

2 A. Yes.

3 50. Q. ...and a trip to China that you had.

4 A. Yes, do you want me to explain that
5 one?

6 51. Q. I think so.

7 A. Okay.

8 52. Q. You went to China, was it just once?

9 A. Yes.

10 53. Q. So tell me everything about that
11 story.

12 A. Do you want me to keep it kind of
13 brief?

14 54. Q. No, why don't you tell us...you
15 might as well tell us the detailed version.

16 A. Okay, I was still working full-time
17 at Lear.

18 55. Q. At Lear...

19 A. Ajax. We make the seats for the
20 Chrysler cars.

21 56. Q. Okay, right.

22 A. I quit there two years ago, prior to
23 that. This guy that was making our kitchen, that is
24 still not done, anyhow, he had contacts. And we
25 knew his father. And his son was in China. And he

K. Stinson - 14

1 had done this import/export for four to six years.
2 I thought, "I'd like to do that." So I got in
3 contact. He was back home. He said, "Okay, we can
4 make a trip to China." I told Raj about it. Raj
5 says, "Okay. I'll pay for you to go and this is the
6 kind of stuff I want." So, I said, "Okay, we'll go
7 there."

8 I went on my own, which was, I think
9 looking back, a little crazy at that point. And I
10 was supposed to meet up with the one guy, he was a
11 week late, so I ended up staying there longer than I
12 should have. Landed in Hong Kong. And had to wait
13 for this guy. So I was in Hong Kong for about five,
14 six days until this guy showed up. And then we went
15 over to Guangzhou, that's when we started doing the
16 buying, meeting different suppliers and whatnot.

17 So, I did that. I ordered everything. And
18 then it was to be shipped back. That was...and I
19 think I was there, I would like to say 15 days.

20 57. Q. Now, did you do this on your own
21 behalf...

22 A. No.

23 58. Q. ...or for Mr. Dixit?

24 A. Mr. Dixit. He paid for everything.

25 It was my Bazinga Company and he wanted a piece of

K. Stinson - 16

1 were there?

2 A. I would say at least \$30,000.

3 66. Q. Okay, and how did you pay for what
4 you bought?

5 A. Wired money.

6 67. Q. From where to where?

7 A. From...okay, first of all, when I
8 was there, I was just looking. Then he wanted me to
9 buy. So then Lorenzo wired money to China for me.
10 I had to pick it up at Western Union.

11 68. Q. Okay, and do you know where Lorenzo
12 got the money that he wired to China?

13 A. From Raj.

14 69. Q. Okay.

15 A. That was just a partial shipment.
16 You know, like to bring it home and show him. And
17 that was in the Christmastime. And it took a little
18 extra longer. And then he wanted a big supply of
19 it. Am I going too fast?

20 70. Q. No, this is fine.

21 A. And then he wanted another shipment.

22 So I ordered the other shipment, which was another
23 big shipment.

24 71. Q. How big? Give me a sense of how big
25 the second shipment was, dollars spent.

K. Stinson - 15

1 my Bazinga. So he was willing to...as long as I do
2 the work, he wants half. Well, that is not how it
3 turns out.

4 59. Q. Bazinga, is that an actual company?

5 A. That was me, yes. That's my
6 numbered company.

7 60. Q. So 813 is Bazinga?

8 A. Bazinga. That is how it started.

9 61. Q. Did you register Bazinga as a
10 business name for 813?

11 A. No, no.

12 62. Q. Okay.

13 A. He registered my company name. He
14 did it online for me, right, when we first started.
15 And then we needed a name for the company, I came up
16 with "Bazinga". So when I came back and all the
17 stuff was shipped and all that, I...

18 63. Q. How much did you spend? What did
19 you buy?

20 A. Dr. Dre's, short, shirts, some
21 phones, Samsung phones. Stuff for...because he was
22 going to start his penny option.

23 64. Q. Dixit was?

24 A. Yes, so...

25 65. Q. And how much did you spend when you

K. Stinson - 17

1 A. Another \$35,000.

2 72. Q. Okay.

3 A. Okay, and that was shipped to the
4 office in Whitby.

5 73. Q. Stellar Point's office?

6 A. Yes.

7 74. Q. Okay.

8 A. And that was for his penny site. I
9 was no longer, at that point, involved. He told me
10 I can't really do too much business as long as I
11 just order. He'll take care of it and pay me.

12 75. Q. Pay you some of the profits from
13 the penny auction, okay. But the actual product
14 that you purchased, two shipments from China,
15 approximately \$35,000 each?

16 A. The first one was...let me think...
17 in around there, yes. The first one was a little
18 smaller amount. It was about \$15,000, the second
19 one, I think, was \$30,000.

20 76. Q. Was there any more than \$45,000
21 spent?

22 A. No, not on that, no.

23 77. Q. Now, was there any more money spent
24 on other 813 Company things?

25 A. Yes. Okay, then we had a line on

K. Stinson - 18

1 TVs and that's where the rest of it was. Now, we
2 are still chasing that one down, but that's in The
3 States. That was in...there were also wire
4 transfers to The States for these TVs, right? And
5 apparently, we have to make a trip down there to see
6 if they are real again.

7 78. Q. "We" being?

8 A. Lorenzo and I. I take him with me.
9 The China thing, going on my own, that was just too
10 courageous. So, yes, it was too stupid. Anyhow, so
11 apparently it may be still in...the guy that I deal
12 with down there, first of all, he ended up in jail
13 because it was one of those...yes, all the trucks
14 are there...by the truckload. And that was, again,
15 for the penny stocks and TVs were supposed to come.

16 79. Q. When was this?

17 A. That was...I would have to give you
18 an exact date. I do have the paper on the TVs. If
19 you want, I can call that into you. U/T

20 80. Q. Yes, we would. We will take that,
21 please. Erin, maybe that as an undertaking. Kelly
22 will give us documents relating to the 813
23 Company's, purchase of the TVs.

24 A. Yes.

25 81. Q. And this was supposed to be done

K. Stinson - 20

1 for. He was the one I gave \$30,000 to start with
2 the TVs that were in Pennsylvania. And that was
3 wrote to Robert...not Schappell. That was out of my
4 81 account, so that's all there. I can't think of
5 his last name right now, but when I have my phone,
6 if you want to take that down, I will give you the
7 last name of that one. We are still chasing him for
8 that money.

9 86. Q. That's another \$30,000?

10 A. Yes, oh, yes. All total for the TVs
11 was about 80 grand, that we are out.

12 87. Q. And that was money that Chris
13 Smith...you believe Chris Smith gave it to Raj who
14 gave it to you, who gave it to the TV guys in The
15 States?

16 A. Yes.

17 88. Q. And you never got the TVs?

18 A. I would say not yet. He is still
19 says they are there, and it's been how long? Now, I
20 talked to him, he got out of jail. Isn't this
21 lovely people that we deal with. You think we are
22 just...I'm listening to myself talk and I'm
23 thinking, I must live on the streets or something.
24 Anyhow, he just got out of jail, when was it?
25 Because he...

K. Stinson - 19

1 with Raj's money?

2 A. Yes, this is...exactly. Raj but
3 it's not really Raj's money, because Chris actually
4 gave it to Raj to give to me to get the TVs.
5 Somehow they were, I believe, doing the penny
6 auction, Raj and Chris. So these were trailer
7 loads, there was supposed to be 500 TVs for \$80,000
8 and I'm still waiting on them.

9 82. Q. Where in The States did you see the
10 TVs? Like you went there for a visit, right?

11 A. Yes, we did.

12 83. Q. Where did you go?

13 A. We went to Erie, Pennsylvania. They
14 met us there, the guy that I was dealing with,
15 Robert...if I had my phone, I could give you his
16 last name...Schappell. Robert Schappell, he ended
17 up in jail.

18 84. Q. Okay, so did you...

19 A. No, didn't see a thing.

20 85. Q. No, but how much was Robert
21 Schappell paid?

22 A. Okay, prior to Robert Schappell...
23 let's go back to my kitchen. My kitchen guy who I
24 went to China with, his associate, he knew this
25 other guy who I got the cabinets from the kitchen

K. Stinson - 21

1 89. Q. What is your understanding of where
2 there TVs are now?

3 A. My understanding is they are there.

4 90. Q. In Erie, Pennsylvania?

5 A. Yes. And it's funny, because
6 Lorenzo said to me, "We need to take a trip down to
7 Erie." And in all honesty, we do have to go down
8 for closure. Are they there? Now, we talked to the
9 police down there, too, when we were there.

10 91. Q. Okay.

11 A. When we heard things were going
12 sideways, Lorenzo and I made another trip down
13 there. We went to this guy's home, the cops had
14 already raided his home. I don't know what he was
15 into. We went to the police station, probably have
16 our names there. When we were trying to...

17 92. Q. I'm sorry, when was this again, when
18 you went to see the police?

19 A. This was in the winter. This was...
20 that's the following year, that would be November,
21 December.

22 93. Q. Of what year?

23 A. Let me look at my paperwork, the
24 year...

25 94. Q. 2013?

K. Stinson - 22

- 1 A. Yes.
- 2 95. Q. So it wasn't this past winter, it
- 3 was the winter before?
- 4 A. No.
- 5 96. Q. All right, sorry, go ahead.
- 6 A. Now, there are TVs, there's a whole
- 7 litany of stuff, but there's a Canadian guy I was
- 8 dealing with that...these TVs were supposed to come
- 9 in for Raj and Chris. So now we are a whole year
- 10 that they haven't even been here. But, like I just
- 11 said, I have to go down...because they say they are
- 12 still there. The things that we ordered from them
- 13 and I have to see if they are.
- 14 If they are not then I have to follow-
- 15 through and try and sue them for whatever. And I
- 16 don't think they have got anything. But I have to
- 17 do what is right.
- 18 97. Q. Did Bazinga do anything...or the 813
- 19 Company, which is Bazinga, they are same company...
- 20 A. Yes.
- 21 98. Q. ...did they do any other business
- 22 ventures with Mr. Dixit?
- 23 A. No.
- 24 99. Q. Did they do any other business
- 25 ventures with anybody else?

K. Stinson - 23

- 1 A. My 813, I did \$5,000 with Sublime,
- 2 that's a cosmetic facelift, and that's it.
- 3 100. Q. Okay.
- 4 A. Pretty much after that, with Raj,
- 5 now Raj told me that, you know what, he'd take over
- 6 everything, which is what Raj did. And after China
- 7 and the way he acted and that, I didn't want to deal
- 8 with the guy.
- 9 101. Q. When you say "take over everything",
- 10 he gave...how did he take over everything?
- 11 A. Bazinga.
- 12 102. Q. And how did he take over Bazinga?
- 13 A. I had a Bazinga website also. And
- 14 then he kind of shooed that aside and everything was
- 15 going to his penny stock. It was going to start
- 16 with the Bazinga site, with the Dr. Dre's and that.
- 17 He pushed that aside and everything went there.
- 18 I was in his office, I think, three times,
- 19 that building in Whitby. Once was to sign paperwork
- 20 and his lawyer was there. So if you want to get
- 21 into that...
- 22 103. Q. Yes, I have some of the paperwork.
- 23 But when were the other two times?
- 24 A. I stopped in to see Lorenzo twice.
- 25 104. Q. Do you remember the lawyer's name

K. Stinson - 24

- 1 when you stopped in to see the paperwork at Raj's
- 2 office?
- 3 A. Was it Gray?
- 4 MR. HORKINS: David Gray?
- 5 THE DEPONENT: Yes.
- 6
- 7 BY MR. WARD:
- 8 105. Q. David Gray, okay.
- 9 A. That's it. Thank you.
- 10 106. Q. So let's look at just a little bit
- 11 of the paperwork.
- 12 A. Sure.
- 13 107. Q. This is Exhibit 3 from Lorenzo's
- 14 examination and it's just an Industry Canada
- 15 Corporation profile report for the 813 Company. And
- 16 just tell me again whose initiative was that set up?
- 17 A. Raj.
- 18 108. Q. Raj, okay, and it...
- 19 A. I didn't even to it online, Raj did.
- 20 109. Q. And did he...
- 21 A. This is mine, right, the 645?
- 22 110. Q. Can I see that for a sec?
- 23 A. Yes, that's...I believe that's mine.
- 24 111. Q. Well, that's the corporation...
- 25 A. Yes.

K. Stinson - 25

- 1 112. Q. ...number, but the corporate name is
- 2 8136645.
- 3 A. Yes.
- 4 113. Q. So that is the name?
- 5 A. Yes.
- 6 114. Q. Okay. But whose...I know Raj set it
- 7 up, but whose idea was it that he set up a numbered
- 8 company?
- 9 A. Raj. I had never set up a numbered
- 10 company.
- 11 115. Q. Why would Raj reach out to you to do
- 12 that and not Lorenzo, because he was dealing with
- 13 Lorenzo on the Banners Broker side?
- 14 A. Well, you are going to ask me what's
- 15 in his head? Raj, in my opinion, because...now this
- 16 is when I was talking to these guys about China,
- 17 okay, so we are going way back. None of that
- 18 happened right away, right? When he probably seen
- 19 that there was something good and he wanted a piece
- 20 of it. That's all I can say about Raj. He's not a
- 21 kind person.
- 22 So setting that up, like anything, he would
- 23 take over everything. That's hindsight saying that,
- 24 not foresight. Does that answer that?
- 25 116. Q. It does, yes.

K. Stinson - 26

- 1 A. Okay.
- 2 117. Q. Now, you have...I am just going
- 3 to show you another document, which is a share
- 4 certificate in Stellar Point.
- 5 A. Yes.
- 6 118. Q. And it shows...it seems to indicate
- 7 that the 813 Company was a shareholder of Stellar
- 8 Point. And how many shares...I have highlighted it
- 9 for you, how many shares is it, 150?
- 10 A. One-hundred-and-fifty.
- 11 119. Q. So why was your company taking 150
- 12 shares in Stellar Point?
- 13 A. You want the answer?
- 14 120. Q. Yes.
- 15 A. I have no idea.
- 16 121. Q. All right.
- 17 A. Does that help you?
- 18 122. Q. Well, it may.
- 19 A. Okay.
- 20 123. Q. Let me show you one other document.
- 21 This is Exhibit 2 from Lorenzo's examination.
- 22 A. Yes.
- 23 124. Q. And it's a shareholders' resolution
- 24 for Stellar Point.
- 25 A. Yes.

K. Stinson - 27

- 1 125. Q. And so is that your signature on the
- 2 lower right?
- 3 A. Yes, that is.
- 4 126. Q. Okay, so how was it that you came to
- 5 sign a Stellar Point shareholders' resolution?
- 6 A. Okay, and what does that even mean?
- 7 127. Q. Well, it has to do with a name
- 8 change.
- 9 A. Okay.
- 10 128. Q. So Stellar Point changed its name
- 11 to Banners Broker and you are signing that and
- 12 approving it.
- 13 A. Okay, so these documents were
- 14 probably...
- 15 129. Q. Or Banners Broker changed its name
- 16 to Stellar Point, rather.
- 17 A. Was this signed the same day? When
- 18 I went into the office, that time, to go and see
- 19 him...no, they weren't signed the same day.
- 20 130. Q. Let's have a look and we will just
- 21 clarify that for the record.
- 22 A. Yes, because we are going to go back
- 23 to when David Gray was there.
- 24 131. Q. Okay, so they are different dates.
- 25 I mean...

K. Stinson - 28

- 1 A. Okay.
- 2 132. Q. ...it looks like 725 Canada Inc.
- 3 changed its name to Banners Broker Limited with your
- 4 approval in February of 2012, okay, and that's this
- 5 document, Exhibit 2 from Lorenzo's examination. And
- 6 it's a shareholders' resolution.
- 7 A. Okay.
- 8 133. Q. So just starting with that one...
- 9 A. Okay.
- 10 134. Q. ...what do you recall about how you
- 11 came to sign that legal document?
- 12 A. So, if I can ask you, I don't...we
- 13 will go back to that. Does that mean his company
- 14 changed to my company, or my company has shares?
- 15 135. Q. Well, your company is an owner of
- 16 Raj's company, according to that document.
- 17 A. Under his company, right?
- 18 136. Q. No, above his company.
- 19 A. Oh, I did not know that.
- 20 137. Q. Okay.
- 21 A. Okay, so when I went into the office
- 22 and David Gray is there...so maybe this is going to
- 23 clear things up. I was handed a bunch of papers to
- 24 sign. Not two, there was a bunch. And they were
- 25 put in front of me and I signed them. David Gray

K. Stinson - 29

- 1 said nothing to me. What I was signing, what I was
- 2 doing. But I did see, and I don't know if you guys
- 3 have it, there was a piece of paper with "Raj Dixit
- 4 Holdings" at the top, and then it had all kinds of
- 5 corporations under him.
- 6 So the only explanation, if I can remember,
- 7 at the time, Raj saying to me is, "Don't worry about
- 8 Bazinga, don't worry about that, it will all be
- 9 taken care of." And that was brush out. His lawyer
- 10 was there too. This was in their boardroom. And
- 11 that is my fault for not knowing what I was signing.
- 12 But at that time, I didn't care if he
- 13 wanted Bazinga or any of that. I didn't want
- 14 nothing to do with the guy, so I didn't pay total
- 15 attention. Does that makes sense?
- 16 138. Q. Okay, well, it's...I certainly
- 17 understand what you are saying.
- 18 A. If that is...
- 19 139. Q. Let's deal with this document.
- 20 A. Okay.
- 21 140. Q. Now, this is...and just pass the
- 22 one back to me. So I am passing you the share
- 23 certificate and this indicates that your company
- 24 owns 150 shares in Raj's company.
- 25 A. Okay.

K. Stinson - 30

- 1 141. Q. So have you seen that before today?
 2 A. No, no.
 3 142. Q. Did you know that your company, 813,
 4 owns 150 shares of Stellar Point?
 5 A. No, no. All's I can tell you on
 6 this one, I never seen this. But when I was in that
 7 room...I think I was talking to you on the phone.
 8 David Gray had a whole bunch of corporate books.
 9 And I was in there, signed, and I can't remember who
 10 else came behind me signing. There was...he was
 11 setting up his big conglomerate. No explanation.
 12 143. Q. Okay, so apart from that one
 13 instance when you went to the Whitby office and you
 14 signed documents with David Gray and Rajiv Dixit, do
 15 you recall ever signing any other legal papers in
 16 relation to Stellar Point or 813?
 17 A. No, no.
 18 144. Q. And do you know where the books and
 19 records of the 813 Company are?
 20 A. 813, that's my company, right?
 21 145. Q. Yes.
 22 A. Well, that would be me.
 23 146. Q. Right, but where would be the
 24 corporate records for that?
 25 A. I don't have a book. The only one

K. Stinson - 31

- 1 that I could possibly say, David Gray, he walked in
 2 with all of them.
 3 147. Q. Okay, so let's...pass that back to
 4 me.
 5 A. Does that help?
 6 148. MR. WARD: Thanks for that. I'm going
 7 to mark this as Exhibit 1 on Kelly
 8 Stinson's examination, and it's the Stellar
 9 Point Share Certificate certifying that 813
 10 Company owns 150 shares.
 11 --- EXHIBIT NO. 1: Stellar Point Share Certificate
 12 certifying that 813 Company owns 150
 13 shares
 14
 15 THE DEPONENT: Shouldn't I have minutes
 16 on that and seen the financials and all
 17 that kind of stuff?
 18
 19 BY MR. WARD:
 20 149. Q. I think so.
 21 A. That never happened.
 22 150. Q. I want to show you, next, a couple
 23 of documents having to do with money transfers.
 24 A. Sure.
 25

K. Stinson - 32

- 1 151. Q. One of them was marked as an exhibit
 2 on Lorenzo's examination, and it's Exhibit 1.
 3 A. Okay.
 4 152. Q. And there are five bullet points,
 5 starting from the top, indication of a \$35,000
 6 transfer in December 31 of 2012, to your company.
 7 Do you know...can you tell us anything about the
 8 reason for that transfer?
 9 A. That's China.
 10 153. Q. Okay, and when you say, "That's
 11 China", that was in relation to the purchases of the
 12 Dr. Dre's and the clothes that you made when you
 13 were in China?
 14 A. Yes, now there is \$4,000...
 15 154. Q. Sorry, just for the purposes of the
 16 record. And then a month earlier, two months
 17 earlier, there is a \$4,068.31 payment to...the
 18 Stellar Point general ledger and it says that it's
 19 to yourself personally. Do you know anything about
 20 that?
 21 A. You know when I was at the police
 22 station and he asked me about that...and it went to
 23 me personally, right?
 24 155. Q. Yes.
 25 A. The only monies that Raj ever gave

K. Stinson - 33

- 1 me was pertaining to the import/export. So when...I
 2 think it was Paul Kelly who was the police guy
 3 that...
 4 156. Q. In Toronto?
 5 A. Well, he came out to Oshawa, he had
 6 a whole bunch of people he interviewed, right?
 7 157. Q. Okay.
 8 A. So he said to me, "Well, that could
 9 look like he gave you money so that you didn't have
 10 to pay tax on it." And I said, "No. They usually
 11 write on that cheque what that's for. That's
 12 not...no payroll, no shares, no, none of that."
 13 Well, I swear to God.
 14 158. Q. Okay, so what about the next one,
 15 November...same date, \$3,600.27 consulting fees, do
 16 you know what that relates to?
 17 A. No. Because that's...no, it's got
 18 to do with the import. Even though I didn't go
 19 until October...I went to China in October. So
 20 that's all import/export.
 21 159. Q. And once the money...like, let's
 22 look at the top one again, just go back.
 23 A. Yes.
 24 160. Q. \$35,000 transferred to 813 Company.
 25 A. Yes.

K. Stinson - 34

- 1 161. Q. So once it's...it's transferred to a
2 bank account in the name of 813 Company?
3 A. Yes, that's me.
4 162. Q. So where did 813 Company do its
5 banking?
6 A. In Oshawa.
7 163. Q. At which branch?
8 A. Oh, CIBC at Laval Drive.
9 164. Q. Okay, and did you have signing
10 authority for that account?
11 A. Yes.
12 165. Q. Did anybody else?
13 A. It's mine. No, no. That's my
14 account.
15 166. Q. Right. And that account was
16 established in relation to the dealings that you had
17 with Rajiv Dixit in Banners Broker?
18 A. No, that was established under the
19 guise of Bazinga.
20 167. Q. But that was established at Rajiv
21 Dixit's suggestion?
22 A. Yes.
23 168. Q. And you named the company?
24 A. Yes.
25 169. Q. But he told you to set it up?

K. Stinson - 35

- 1 A. Yes. He set it up, I didn't do it
2 online, he did.
3 170. Q. And is that account still open?
4 A. Yes.
5 171. Q. Great and so could we see the bank
6 statements for that?
7 A. If you would like. Do you want the
8 recent one?
9 172. Q. We will let you know what we want.
10 A. Okay, sure.
11 173. Q. We will put it in writing and let
12 you know.
13 A. Sure.
14 174. Q. We will try to make it easy for you,
15 maybe we will go directly to the bank and get it.
16 A. I don't have a problem.
17 175. Q. Okay, thank you. And so there are
18 just two more on this sheet, at the bottom. We are
19 in 2013 now, a January 31 payment that is indicated
20 as having been made for \$42,000 to Kelly S. for
21 subcontracted services.
22 A. Yes.
23 176. Q. What's that?
24 A. TVs.
25 177. Q. TVs?

K. Stinson - 36

- 1 A. Yes, right.
2 178. Q. And by "TVs", you mean the attempted
3 purchase of the TVs in Pennsylvania?
4 A. Yes.
5 179. Q. And then lastly, \$75,000 shareholder
6 loan is recorded for Lorenzo in August of 2013?
7 A. Into my account?
8 180. Q. No, it seems like it was a loan, but
9 I don't know that we know where it went. It's just
10 an accounting entry so we don't know. Do you have
11 any information or any understanding?
12 A. No, there's no shareholder loan, I
13 can tell you that right now. I think that's an
14 absolute debunk. August 31st of 2013?
15 181. Q. Yes.
16 A. No.
17 182. Q. Okay, so pass that back to me.
18 A. Okay.
19 183. Q. Thank you. And then I am going to
20 give you this one.
21 A. Sure.
22 184. Q. These are some transaction details
23 that also relate to yourself and your company. The
24 first one is dated November 12th, 2013.
25 A. M'hmm.

K. Stinson - 37

- 1 185. Q. It's an outgoing wire transfer in
2 the amount of \$10,000 to a company called AngelFire
3 Ventures Limited.
4 A. Yes.
5 186. Q. Have you ever heard of AngelFire
6 Ventures Limited?
7 A. Yes, that's Lorenzo.
8 187. Q. And that's the overseas account?
9 A. Yes, that's Lorenzo and Raj. Did
10 you want me to get into details of that?
11 188. Q. Just tell us what you know about it.
12 A. Raj set that up. I know that it's
13 in Cyprus.
14 189. Q. Okay, and do you know anything else
15 about it?
16 A. Well, I do know that when Cyprus was
17 going crazy, Raj said that any money that was in
18 that account was lost because Cyprus took half that
19 money at the time, in Cyprus. And I said to
20 Lorenzo, "Well, you wouldn't have much money in that
21 anyhow." So there was a debate on that. He goes,
22 "Oh, don't worry about it, Raj will take care of it.
23 You know, he has got the shares." We ended up
24 seeing...I wasn't really, I just kind of locked onto
25 the AngelFire.

K. Stinson - 38

- 1 190. Q. Right.
 2 A. Did you want me to stop?
 3 191. Q. No, it's fine.
 4 A. Okay. That wasn't my...I'm only
 5 giving you...
 6 192. Q. Sorry...
 7 A. Go ahead.
 8 193. Q. ...did you say that Cyprus took half
 9 the money in the Cyprus account?
 10 A. Well, that was...no, they took it
 11 and gave me shares. And Raj said that Lorenzo lost
 12 all his money because Cyprus took half of over
 13 \$100,000. Do you remember that time?
 14 194. Q. Was it a financial crisis?
 15 A. Yes, but it was another lie.
 16 Although it was true, Cyprus did do that. And they
 17 did do that to their account, but they didn't do it
 18 according to how Raj said, meaning Lorenzo was wiped
 19 out.
 20 195. Q. Raj told you that Lorenzo was wiped
 21 out?
 22 A. Raj told Lorenzo that, that he only
 23 had shares in there, there's nothing there. And I
 24 said, "That's crap." But Lorenzo does have the
 25 online machine thing that he can check.

K. Stinson - 39

- 1 196. Q. Okay, great and we discussed that
 2 with Lorenzo. So the next item, December 6, 2013,
 3 outgoing wire transfer to your company, 813
 4 Canada...
 5 A. M'hmm.
 6 197. Q. ...for \$29,658.15. Do you know what
 7 that relates to?
 8 A. Well, that's...is that? That's
 9 around the time...no, that's the Christmastime,
 10 okay. And that looks like an amount...is that the
 11 same amount as the earlier page?
 12 198. Q. No, it's a different amount.
 13 A. Okay. It's the import...but we are
 14 going to have to go back and look at my account.
 15 199. Q. Okay.
 16 A. I mean, I have no problems with
 17 that.
 18 200. Q. So I will get an undertaking from
 19 you at the end.
 20 A. Okay.
 21 201. Q. The next one...just two more. April
 22 22nd, 2014, and we are in last spring, \$24,422.94
 23 payment to Kelly Stinson.
 24 A. From my account?
 25 202. Q. This is an accounting...this is an

K. Stinson - 40

- 1 outgoing wire transfer from a bank in St. Lucia
 2 called Via Bank. The transaction details is that it
 3 was to your credit.
 4 A. That's St. Lucia, that would be
 5 Chris.
 6 203. Q. That was Chris' bank account,
 7 correct.
 8 A. Yes.
 9 204. Q. So, but he is crediting you with a
 10 payment of almost \$25,000?
 11 A. Yes, that's the TV. That's the TV.
 12 There was about \$80,000 in different payments up to
 13 about \$8,000. That's why you had to jog my...when
 14 you said "St. Lucia", I remembered that's where it
 15 was sent from, okay.
 16 205. Q. And the next one, June 24th, 2014,
 17 outgoing wire transfer from the bank in St. Lucia...
 18 A. Yes.
 19 206. Q. ...to 813 Company.
 20 A. Yes.
 21 207. Q. This one is a little over \$73,000.
 22 A. Yes.
 23 208. Q. What would that relate to?
 24 A. The same thing, all import/export,
 25 but...

K. Stinson - 41

- 1 209. Q. Cause we are over...
 2 A. Oh, we are well over.
 3 210. Q. We are way over the \$80,000 for the
 4 TVs.
 5 A. Just for the TVs.
 6 211. Q. Right.
 7 A. And then there was...gosh, well,
 8 that \$30,000...I can't remember offhand, right now.
 9 We can pull up my bank account.
 10 212. Q. We will get the bank statements for
 11 813's bank account at...
 12 MR. HORKINS: Where is the bank account?
 13 THE DEPONENT: CIBC.
 14 213. MR. WARD: CIBC.
 15 THE DEPONENT: Yes.
 16
 17 BY MR. WARD:
 18 214. Q. And did 813 Company have any other
 19 bank accounts?
 20 A. No.
 21 215. Q. It never had any other bank accounts
 22 other than that one CIBC bank account?
 23 A. Yes, I had Royal Bank, but I never
 24 did any daily business there.
 25 216. Q. Okay.

K. Stinson - 42

- 1 A. None, I always used CIBC.
 2 217. Q. Royal Bank, which branch?
 3 A. Taunton Road and Harmony Road in
 4 Oshawa.
 5 218. Q. So why was that one set up, the
 6 Royal Bank of Canada?
 7 A. I set that one up. I liked Royal,
 8 Raj insisted on CIBC. That's it, but I never did
 9 anything with Royal.
 10 219. Q. And is that account still open?
 11 A. It's dormant.
 12 220. Q. Okay, so please give us anything
 13 that you have in relation to that bank account, as
 14 well?
 15 A. Okay, yes. U/T
 16 221. Q. Okay.
 17 A. I didn't do any business out of that
 18 one, but I can give it to you. That's no problem.
 19 222. Q. Okay. I'll take that back,
 20 actually.
 21 A. Okay.
 22 223. MR. WARD: Why don't we just take a
 23 break right now. I am going to check my
 24 notes. That may be all that we have for
 25 you, Kelly. Okay, so off the record.

K. Stinson - 44

- 1 A. Raj, to drop my passport at David
 2 Gray's office.
 3 230. Q. And David Gray's office is where?
 4 A. Whitby.
 5 231. Q. Okay.
 6 A. Okay. But so did Jenn, his first
 7 wife and, I think, Lorenzo. No explanation. None
 8 of this stuff gets explained. So, fine. Then
 9 summoned to the office in Whitby to meet up with the
 10 lawyer to sign papers. And that's what you see. No
 11 explanation, just papers on a big table, a bunch of
 12 burgundy books. I assume they were corporate books.
 13 And I did see one paper that stated, you know,
 14 "Dixit Holdings". I was a little nosy and seen his
 15 whole, how would you say, set-up, with all...now,
 16 Bazinga was there, but he said, "Don't worry about
 17 it", he's taking over all that.
 18 So when I came back from China, shortly
 19 after that, I had had enough of him. His demeanour
 20 and demoralizing, I didn't want to do business with
 21 this guy. And that's why I am a little fuzzy with
 22 these numbers in the account.
 23 232. Q. Okay, so I think the way we are
 24 going to handle that is the same undertaking that we
 25 asked for and received from Lorenzo.

K. Stinson - 43

- 1 --- DISCUSSION OFF THE RECORD
 2
 3 BY MR. WARD:
 4 224. Q. The question is, Ms. Stinson, can
 5 you just describe for us again the circumstances in
 6 which David Gray presented you with a bunch of
 7 corporate documents to sign in relation to the 813
 8 Company?
 9 A. So, I was told to come down to the
 10 office and sign some papers. And that jogs my
 11 memory too that I had to drop my passport off at his
 12 office.
 13 225. Q. This is who?
 14 A. David Gray.
 15 226. Q. And which office were you told to
 16 come down to?
 17 A. Whitby.
 18 227. Q. So Dixit's office?
 19 A. Yes.
 20 228. Q. Okay.
 21 A. No, the lawyer's office. My
 22 passport, David Gray. Are we on the same page here
 23 or did I just flip one?
 24 229. Q. No, I think I got lost at some
 25 point. But you were asked by who to go where?

K. Stinson - 45

- 1 A. Okay.
 2 233. Q. Is we will send you a note with a
 3 summary of these transactions...
 4 A. Okay.
 5 234. Q. ...and there's only a dozen of them.
 6 A. Yes.
 7 235. Q. And if you could check your records
 8 and speak to Lorenzo...
 9 A. And put...
 10 236. Q. ...and give us your best information
 11 as to the reason why those monies appear to have
 12 been sent to either yourself, your company or
 13 AngelFire and then what happened to the monies?
 14 A. Yes.
 15 237. Q. And any supporting paperwork related
 16 to that, that would be appreciated.
 17 A. Okay.
 18 238. Q. So, thanks for that.
 19 A. I have no problem. And that will
 20 probably jog my memory seeing all this together,
 21 okay. U/T
 22 239. Q. And then a couple of other things.
 23 A. Okay.
 24 240. Q. And we are switching gears now.
 25 A. Sure.

K. Stinson - 46

- 1 241. Q. We are talking about Rajiv Dixit and
2 his fiancé, now wife, Stephanie Schlacht. Have you
3 met Stephanie before?
4 A. Yes.
5 242. Q. Do you know anything about a ring
6 that...
7 A. A ring?
8 243. Q. A ring that...
9 A. Oh, that's just one thing.
10 244. Q. Let's start with the ring. Tell me
11 what you know about the...
12 A. Do you want the list of jewellery?
13 245. Q. Well, what do you know about...
14 A. From which wife?
15 246. Q. Why don't you just start from the
16 beginning and tell me what you know about the
17 jewellery.
18 A. This is where I can just be so
19 nasty. All right, \$1,800 Gucci...
20 247. Q. Who are we talking about now?
21 A. Raj.
22 248. Q. Raj, okay.
23 A. His purchasing.
24 249. Q. Purchasing?
25 A. Yes.

K. Stinson - 47

- 1 250. Q. For who?
2 A. Himself. And do you want me to
3 start with the first wife?
4 251. Q. Sure.
5 A. Okay, that was a \$30,000 engagement
6 ring, that was one. I believe that's Oshawa
7 Jewellers. Prior to that one, I think he spent
8 \$8,000 on a new ring set prior, before he got her
9 the \$30,000 one.
10 252. Q. And just give me the name of his
11 first wife, so we can be certain who we are talking
12 about.
13 A. Jenn.
14 253. Q. Jenn, okay. How do you know this,
15 in terms of the \$30,000 and \$8,000 purchases?
16 A. Women can't keep their mouths shut.
17 254. Q. Okay.
18 A. That's the best I can tell you.
19 255. Q. So did...
20 A. Raj told me that was \$30,000.
21 256. Q. Raj told you that?
22 A. M'hmm. That one.
23 257. Q. Which one?
24 A. The first one.
25 258. Q. Yes.

K. Stinson - 48

- 1 A. The \$30,000, okay. I heard the
2 \$65,000 ring, through the office. Now, I am not
3 sure if it was my brother-in-law, Frank, when he
4 worked there as a maintenance guy. Because she was
5 flashing it around Stephanie.
6 259. Q. Okay, so now we are talking, just to
7 be clear for the record, about a second ring.
8 A. Oh, yes.
9 260. Q. For Stephanie Dixit?
10 A. Yes.
11 261. Q. And you believe that Raj bought that
12 ring for her?
13 A. Yes.
14 262. Q. And what else do you know about
15 that?
16 A. About the ring?
17 263. Q. Yes.
18 A. Well, she was flashing it around and
19 told a few people in the office that it was \$65,000.
20 264. Q. But you didn't see the ring.
21 A. Oh, I've seen the ring.
22 265. Q. Describe for me how you came to see
23 the ring?
24 A. Okay, just online, because I had
25 nothing to do with that. So I seen it online. You

K. Stinson - 49

- 1 can go online and see it, if you want, on his
2 Facebook.
3 266. Q. Okay.
4 A. Nothing that he did was...when it
5 came to flash, was hidden. So, if you want the
6 list, I'll start. So, let's go back to the first
7 wife. So I can tell you with Jenn, there was...the
8 first set was \$8,000. The second ring, which was an
9 engagement ring, which they took the private jet to
10 the Bahamas, between Christmas and New Years, that
11 was \$30,000. I know that because he talked to me
12 about spending \$30,000 on a ring of a girl that is
13 just not with it.
14 He was abusive to her and the kids, so
15 whether this is on or off the record...and I said,
16 "Why are you going to marry her if she...you don't
17 get along?" So, there's that. There's...oh, my
18 goodness, there's necklaces and earrings, diamonds,
19 pearls. I did talk to Jenn. At one point, Jenn had
20 sold quite a few pieces of her jewellery. She had a
21 lot.
22 Raj has got about, I'll say, 12 different
23 sets of cufflinks that are diamond-studded. We are
24 not talking stuff that is \$400, and the reason why I
25 say that is he would say these things with such

K. Stinson - 50

1 glee.

2 Okay, so the private jet to the Bahamas and
3 that's where he gave her, the first wife, that. So
4 that was in between December and January, New Year's
5 Eve.

6 When we went to Portugal for Claudia's
7 wedding, we were summoned to go up and meet up with
8 the ICs and Raj in Spain. So we left there and went
9 up to Spain. And there was a meeting on the beach
10 with Fraser, who is with Raj right now in his new
11 business, RevStar, and Neil and Deb Pocock,
12 wonderful people, don't have a dime from all this.
13 He was an IC in Spain. Anyhow, so I will tell you a
14 few of the undertakings there.

15 He went to Louis Vuitton, there were all
16 kinds of things purchased at the Louis Vuitton shop
17 in Spain.

18 267. Q. Sorry, who went there?

19 A. This is when he was with Stephanie.

20 268. Q. Right.

21 A. Still with Jenn, and Stephanie was
22 his assistant, but they were together.

23 269. Q. And what happened at the Louis
24 Vuitton shop?

25 A. Well, I can tell you right now,

K. Stinson - 52

1 care less.

2 275. Q. Okay, so just finish the story then,
3 in terms of the...

4 A. Okay, oh, some of the purchases. If
5 you really want to know what Raj purchased, just go
6 to Oshawa Jewellers and get their accounting of all
7 his spending. You will see a lot of it there.

8 Now, I do know he come home with a lot of
9 Rolex watches, a Breitling...what's the other one?
10 Do you guys know watches? A \$30,000...not a
11 Breitling.

12 276. Q. It was a watch?

13 A. Oh, yeah. He's got about 10 of
14 them.

15 277. Q. What else, that you saw?

16 A. Oh, he's got rings. And cufflinks.
17 Probably about \$300,000 in watches. That's not my
18 words, those are his.

19 278. Q. And this jewellery was purchased
20 during the time that he was involved with Banners
21 Broker?

22 A. Yes. And this is where I stood back
23 and I was, like...when we were in Portugal for the
24 opening. So let's go back there for a second, he
25 brought down a bunch of Banners Broker rings that

K. Stinson - 51

1 there was an \$1,800 diaper bag purchased.

2 270. Q. Were you there?

3 A. I wasn't in the store. It was
4 brought back and shown to me.

5 271. Q. Okay, by who?

6 A. Raj. There was a purse that he
7 bought for her, and there was a wallet bought for
8 me. I still have it in the box. If you want it,
9 you can have it, because I want nothing to do with
10 it.

11 272. Q. Okay, so the purse that was
12 purchased at the conference in Spain, did someone
13 show that to you, as well?

14 A. Yes. Stephanie was showing it off.

15 273. Q. So you saw that?

16 A. Oh, yes. \$1,800 diaper bag.

17 274. Q. Okay.

18 A. Does that not just send you like,
19 sideways? So when I seen that, the following day we
20 were leaving to go home, and he brought up the Louis
21 Vuitton box. And it's a small, like, wallet, red
22 clutch. He said, "Here, I bought this for you", me.
23 Okay, I open it up and I look at it and say, "Okay."
24 I don't even know what it's worth. It's still in
25 the box. You guys can have it if you want, I could

K. Stinson - 53

1 were made for the people. So you will see that with
2 Oshawa Jeweller. You will see the BB rings made.

3 279. Q. Yes.

4 A. And his personal things made. We
5 went shopping and he bought...Jenn, at the time, was
6 with...Jenn and Steph were both there, but he did
7 his shopping sprees and his mom was there and did
8 all the shopping sprees, but I will tell you he
9 bought me, at the time, a \$200 GUESS watch. I was
10 just looking in the window and he paid for it.

11 He bought Lorenzo a pen, a Montblanc pen.
12 I think that was \$300, it's still in the box. If
13 you want that, you can have that, too. We are not
14 like that. I don't care about that stuff.

15 But the money was flowing there, that's
16 when I started to see it. What really took me back
17 was the private jet to the Bahamas. And I believe
18 there was a private jet to Israel. And there was
19 vacations everywhere. There was the house. All of
20 a sudden you go from...and this is just my personal
21 opinion, okay.

22 You go from nothing to living in my
23 basement under bond to, I believe he put \$125,000
24 down on his house. And then when you start to add
25 \$35,000 cognac bottles and he had his basement

K. Stinson - 54

1 redesigned, minimum twice, ripped out, done again,
2 ripped out. \$18,000 in interlocking brick on the
3 front of the house. \$2,800 to put up Christmas
4 lights. Why do I know this? Because he brags.

5 280. Q. Yes, that's what I was going to ask
6 you.

7 A. Okay, because I would...

8 281. Q. So Rajiv Dixit has told you what he
9 paid for these things?

10 A. What I am telling you is what I hear
11 from Raj.

12 282. Q. Okay, and you knew him before
13 Banners Broker?

14 A. Oh, yeah.

15 283. Q. How long had you known him prior to
16 Banners Broker?

17 A. Lorenzo and him...Lorenzo did
18 networking, again, as I said, our background.
19 Lorenzo felt sorry for him. Lorenzo ended up...so
20 let's go back at least five years prior to.

21 284. Q. Okay.

22 A. Lorenzo gave him a car to use, gave
23 him money. It's...I don't know what it was with
24 Lorenzo, he felt sorry for the guy.

25 285. Q. Okay. And so just...maybe you can

K. Stinson - 55

1 finish describing for me...

2 A. Okay.

3 286. Q. ...your observations as to how Rajiv
4 Dixit's life changed after Banners Broker?

5 A. Well, he got too big for his
6 britches, and I think when the company started out
7 with such a great concept and idea, I don't know
8 what...and this is a personal opinion, what he has
9 got on Chris Smith, because it seemed like Raj was
10 getting a lot of money from Chris Smith. It didn't
11 look like a normal corporate structure. How does
12 somebody...and I said to Lorenzo, "Where's he
13 getting all this money? This kind of lifestyle just
14 doesn't appear like this. You have to work for your
15 money."

16 So he started with his cars, then his
17 house, and his jewellery, and it just didn't end.
18 His vacations...when he would go on vacation there
19 was absolutely yacht cruises and, you know, all the
20 lavish stuff, we will say.

21 287. Q. And how do you know that?

22 A. Well, when we were in Portugal he
23 had booked...and that was for the opening...he had
24 booked a big boat,...and Lorenzo does this for him,
25 and invited us to go on it. We didn't go. But they

K. Stinson - 56

1 went. There are also pictures you may see on
2 Facebook of them renting jet skies when they were in
3 Israel with David Halchern (phon.). These are
4 things you hear and there are pictures.

5 So it was quite a lavish lifestyle. Yet he
6 said to me he only earned \$250,000 a year. Well,
7 when you say to me you earn \$250,000 a year, how do
8 you come up with all these trinkets? I will say
9 that I was with Lorenzo, Raj at Christmastime at the
10 suit store here, at the Eaton Centre, Holt Renfrew
11 is it?

12 288. Q. Harry Rosen?

13 A. Harry Rosen, thank you. And then
14 Lorenzo got fitted for a suit. And Lorenzo
15 has...and he did tell me outside...I think we have
16 that bill. I am going to really try and check it.
17 That was a \$35,000 bill.

18 289. Q. Of what...how would you have the
19 bill for that?

20 A. Because Lorenzo's suit didn't fit,
21 so he had to take it back. Raj gave him the bill.

22 290. Q. Oh, okay, great. So could you check
23 to see if you have it?

24 A. I have got to try and find that,
25 absolutely. Because, and I will tell you when I

K. Stinson - 57

1 started to see Raj back-stabbing Lorenzo, almost
2 from the get-go, but Lorenzo was not listening to
3 me. For some reason he felt sorry for this guy and
4 I said, "Watch what's going on here. I don't trust
5 Raj."

6 Chris, I never had an opinion on. So when
7 we ended up seeing...Lorenzo had seen Chris for
8 something. I came with him for the ride and I said
9 to Chris, "\$35,000 at Harry Rosen's." He goes, "No,
10 you mean \$3,500?" I go, "No, no, no, no, \$35,000."
11 And there's a list of whoever's suits. Like there's
12 a bunch of suits that were ordered, right? That was
13 only one trip. So you want to find out what was
14 spent, just go to Harry Rosen's.

15 But Rolex watches, Breitlings. There was
16 another one, it's a really expensive watch, \$30,000,
17 \$35,000. These were all bought abroad. They
18 weren't bought here. And why do I know? Because he
19 showed me. And it's like, "Oh, my God." I did buy
20 a...it's this type of watch. I bought a knock-off
21 for my son in China. I can't afford \$30,000 for a
22 watch. What did he do? He went and bought the real
23 one. I wish you guys could come up with a name. I
24 think it starts with a "B", it's not Breitling, but
25 it's high up there.

K. Stinson - 58

1 Well, I will give you one story. They were
2 in on a meeting and Raj goes, "Yeah, look at my
3 watch, Nick." Well, Nick's got the \$100 phony, you
4 know. They got mixed up. Nick ended up with his
5 real one. And he goes, "Come on, Nick, give me back
6 my watch." Nick had his. And Lorenzo goes, "Yeah,
7 Nick, just give..." you know. And Nick goes, "Raj,
8 I have got the real one." And they are all telling
9 him, "Nick, just be quiet." Like, you couldn't tell
10 the difference.

11 291. Q. Right, right.

12 A. But it's a \$100 watch and Raj went
13 out and got the real deal for \$30,000 or \$35,000.
14 He has got that watch thing that goes like this, you
15 know, so that it keeps all his watches ticking.

16 292. Q. Okay.

17 A. So if you make \$250,000 a year, as a
18 salary, why do you put \$125,000 down on a house, and
19 how do you buy a \$30,000 ring, a \$65,000 ring, all
20 the trinkets. And I can tell you, if you wanted to
21 know what he bought Jenn, there was so much
22 jewellery. I can't even tell you how much. I can
23 only tell you what I see. The Gucci watches to
24 Jenn, I do remember that.

25 293. Q. Did you know Jenn, then?

K. Stinson - 59

1 A. Yes.

2 294. Q. Is that how you saw them?

3 A. Yes. It started with the Gucci
4 watches and then it started to escalate to, like,
5 \$30,000 to \$35,000 watches, \$60,000, \$65,000 rings.
6 She had a \$5,000...you will get that from Oshawa
7 Jewellers...necklace for a Christmas present. And I
8 believe Jennet got one of those too.

9 295. Q. Jennet is? Who is Jennet?

10 A. Jennet was the manager of the
11 building. Jennet...what is her last name, do you
12 have that?

13 MR. HORKINS: Jennet Kennedy?

14 THE DEPONENT: Yes, thank you. So she's
15 seen a lot of purchases.

16
17 BY MR. WARD:

18 296. Q. Anything else in terms of changes to
19 Raj's lifestyle after the Banners Broker, in terms
20 of consumption and lifestyle?

21 A. Four-wheelers. Bought his sister a
22 Mercedes. Bought his dad a car. I think it started
23 with a Mercedes and then they sold that. Bought his
24 brother a van, Glenroy, a van. Trips for all of
25 them wherever. It was...again, I have to go back to

K. Stinson - 60

1 if you make \$250,000, which would, I guess, be fair
2 as the president of a corporation. I will give him
3 that. But the numbers on this side don't add up to
4 this side of the spending. And that's what worried
5 me.

6 297. Q. When was the last time that you had
7 any contact with Rajiv Dixit?

8 A. To see him?

9 298. Q. Or to speak to him on the phone or
10 by e-mail?

11 A. I did send him a text when Lorenzo
12 and him were fighting. I haven't talked to him
13 probably since I was in that office signing those
14 papers with David. That's my belief.

15 299. Q. Okay.

16 A. After that, no.

17 300. Q. Sorry, you said you sent him a text,
18 was that around the same time?

19 A. That was when Lorenzo quit and he
20 threatened Nick and Lorenzo. And I don't know if
21 Lorenzo got into that. He threatened my son.

22 301. Q. So why don't you just...you sent him
23 a text about that?

24 A. No, I just said...I still have the
25 text, I believe, something like, "You better make it

K. Stinson - 61

1 right with Lorenzo." Lorenzo is Italian. I have to
2 be honest, he has got great patience, obviously.
3 You see that...end up with that wingnut for so long,
4 that's why I didn't have much to do with Raj. Only
5 by association with Lorenzo if we were in the same
6 place. Does that make sense...

7 302. Q. I understand.

8 A. ...near the end?

9 303. Q. And so you sent him a text near the
10 end, "Make things right with Lorenzo"?

11 A. I will get my phone and see if I can
12 pull that up for you.

13 304. Q. We may ask you for that. We will
14 let you know if we need it.

15 A. Because I can give you the date on
16 that.

17 305. Q. Okay, great. And Chris Smith, when
18 was the last time you had any contact with Chris
19 Smith?

20 A. About a year ago. Now and then I go
21 into Toronto with Lorenzo. Pop in and see Chris now
22 and then.

23 306. Q. So it was about a year ago?

24 A. Yes.

25 307. Q. Okay.

K. Stinson - 62

1 A. Maybe longer. Not a lot of dealings
 2 with Chris.
 3 308. MR. WARD: Okay. Thanks for your time
 4 today.

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INDEX OF UNDERTAKINGS

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REPORTER'S NOTE:

Please be advised that any undertakings, objections, advisements and refusals are provided as a service to all c their guidance only, and do not purport to be legally bindi necessarily accurate and are not binding upon Victory Verba Reporting Services Inc.

I hereby certify the foregoing to be a true and accu transcription of the above-noted proceedings held before me 21ST DAY OF APRIL, 2015, and taken to the best of my skill, ability and understanding.

Certified Correct:

Ardita Balilaj
 Verbatim Reporter

Tab N

Toronto Police Service

News release



40 College Street • Toronto, ON • M5G 2J3

www.torontopolice.on.ca

Arrests in \$93M US pyramid scheme, Toronto and Vancouver men charged

Broadcast time: 10:39

Wednesday, December 9, 2015

Financial Crimes

416-808-7300

Case #: 2014-1863297

The Mass Marketing Section of the Toronto Police Service Financial Crimes Unit is a member of the Toronto Strategic Partnership against Cross-Border Fraud. The partnership represents a combined enforcement strategy, specializing in the investigation of mass marketing fraud in, or originating from within the province of, Ontario with cross-border implications.

In January 2013, the Financial Crimes Unit started an investigation into an alleged pyramid scheme. The Toronto Police Service was assisted by investigators from the RCMP, Competition Bureau of Canada, Ministry of Government and Consumer Services, Ministry of Finance, U.S. Federal Trade Commission, FINTRAC, and the Canada Revenue Agency.

It is alleged that:

- between October 2010 and March 2013, a pyramid scheme known as "Banners Broker" was operated out of a Church Street address in Toronto
- the scheme offered participants the opportunity to double their money by investing in an advertising company that had access to a "globally renowned network"
- participants were led to believe their investments were being applied towards a program that offered payment for the direction of web traffic via referral links
- the program's existence was entirely dependent upon the fee-based entry of new members and little or no real product or service was provided
- new investors were drawn into the scheme via a series of false or misleading representations
- by the end of 2012, over \$93 million US was obtained from thousands of participants, of which approximately \$45 million was paid back to participants in the scheme
- the remaining funds were funneled to a number of offshore accounts in Belize, St. Lucia, Cyprus, and others

On Wednesday, December 9, 2015, Christopher George Smith, 45, of Toronto, and Rajiv Dixit, 45, of Vancouver, were arrested. They are charged with:

- 1) Defraud the Public - Over (\$5000)
- 2) Possession of Proceeds of Crime
- 3) Launder Proceeds of Crime
- 4) Operate Scheme of Pyramid - Selling (Competition Act)
- 5) Make False or Misleading Representations (Competition Act)

The were scheduled to appear in court at Old City Hall on Wednesday, December 9, 2015,. The proceedings are subject to a publication ban.

Watch the news conference [here](#).

Please download the Toronto Police Service Mobile App for [iOS](#) or [Android](#).

For more news, visit [TPSnews.ca](#).

Constable Victor Kwong, Corporate Communications, for Detective Sergeant Ian Nichol,
Financial Crimes

Tab O



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7,325.00
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17,975.00
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11,400.00
-1,140.00

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M512L Gts Rolex Oys Per Dte
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5,550.00
-550.00

Managers Discount
awat-bbre-cbrg-394548
Gts 18k Rg Auto Breitling Bm Stp
Blk DI

17,290.00
-1,900.00
8,045.00
74,355.00

Managers Discount
Discount Total:
Grand Total: €

Paid By:

01/12/12 Card (€70,855.00)
01/12/12 EUR (€3,500.00)

Level One, Unit 38 Dundrum Town Centre
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customer order.



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Ireland

Date : 01/12/12
Sold By : Greg K.

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Lds Breitling Mop Dia DI Ss Qtz
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71007324-0001-7273

WEIR AND SONS DUNDRUM
UNIT 38
LEVEL 1, DUNDRUM TOWN
CTR
DUBLIN 14

MERCHANT ID : 913472364
7447
SHIPPED

MASTERCARD
EXPIRY DATE ~~MM/YY~~

SALE TOTAL

EUR1845.00

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TRANSACTION
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MERCHANT ID : 913472364
GOODS TOTAL
EUR11000.00

CANADIAN \$
EXCHANGE RATE 1.3419

1563
ICC

VISA APSN-01
AID = 'A0000000031010'
VISA
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START DATE 07/12

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UNIT 38
LEVEL 1, DUNDRUM TOWN
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MERCHANT ID : 913472364
1047
SHIPPED

MASTERCARD
EXPIRY DATE ~~MM/YY~~

SALE TOTAL

EUR1845.00

PLEASE DEBIT MY ACCOUNT WITH THE
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UNIT 38
 LEVEL 1, DUNDRUM TOWN
 CTR
 DUBLIN 14

MERCHANT ID : 913472364
GOODS TOTAL
EUR37700.00

CANADIAN \$
 EXCHANGE RATE 1.3419

2415
 ICC

Visa Credit APSN=02
 AID = 'A0000000031010'
 VISA
 EXPIRY DATE **/**/
 START DATE 09/12

SALE TOTAL
 TRANSACTION CURRENCY
CAD50589.63

RAJIV DIXIT

PIN VERIFIED

CARDHOLDER HAS CHOSEN TO PAY IN CAD. THIS
 TRANSACTION IS BASED ON REUTERS
 WHOLESALE INTERBANK EXCHANGE RATE PLUS
 3.5 PERCENT INTERNATIONAL CONVERSION
 MARGIN.

THIS IS NOT AN ADDITIONAL FEE AND
 REPLACES CURRENCY CONVERSION CHARGES
 NORMALLY APPLIED.

MY CHOICE IS FINAL. TRANSACTIONS CAN
 ALSO BE CONDUCTED IN EUR.

THE CURRENCY CONVERSION SERVICE IS
 PROVIDED TO THE MERCHANT BY FEXCO DCC IN
 ASSOCIATION WITH AIB BANK LTD.

PLEASE RETAIN THIS RECEIPT FOR YOUR
 RECORDS.

AUTH CODE = 015374 I01

**CARD SALE VOUCHER
CUSTOMER COPY**

01/12/12 15:14
TERMINAL-USER-TRAN
71007324-0001-7271

WEIR AND SONS DUNDRUM
UNIT 38
 LEVEL 1, DUNDRUM TOWN
 CTR
 DUBLIN 14

MERCHANT ID : 913472364
GOODS TOTAL
EUR14775.00

US DOLLAR
 EXCHANGE RATE 1.3517

1601
 ICC

ELECTRON VISA APSN=00
 AID = 'A0000000032010'
 VISA
 EXPIRY DATE **/**/
 START DATE 06/12

SALE TOTAL
 TRANSACTION CURRENCY
USD19971.37

RAJIV DIXIT

PIN VERIFIED

CARDHOLDER HAS CHOSEN TO PAY IN USD. THIS
 TRANSACTION IS BASED ON REUTERS
 WHOLESALE INTERBANK EXCHANGE RATE PLUS
 3.5 PERCENT INTERNATIONAL CONVERSION
 MARGIN.

THIS IS NOT AN ADDITIONAL FEE AND
 REPLACES CURRENCY CONVERSION CHARGES
 NORMALLY APPLIED.

MY CHOICE IS FINAL. TRANSACTIONS CAN
 ALSO BE CONDUCTED IN EUR.

THE CURRENCY CONVERSION SERVICE IS
 PROVIDED TO THE MERCHANT BY FEXCO DCC IN
 ASSOCIATION WITH AIB BANK LTD.

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 RECORDS.

AUTH CODE = 267836 I01

CARD SALE VOUCHER
CUSTOMER COPY

01/12/12 15:17
TERMINAL-USER-TRAN
71007324-0001-7272

WEIR AND SONS DUNDRUM
UNIT 38
LEVEL 1, DUNDRUM TOWN
CTR
DUBLIN 14

MERCHANT ID : 913472364
SHIPPED

MASTERCARD
EXPIRY DATE XX/XX

SALE TOTAL
EUR1845.00

RAJIV DIXIT

PLEASE DEBIT MY ACCOUNT WITH THE
TOTAL AMOUNT IN EUR SHOWN.

SIGNATURE VERIFIED

PLEASE RETAIN THIS RECEIPT FOR YOUR
RECORDS.

AUTH CODE = 686903 001

TRANSACTION
CANCELLED
CARD SALE
CUSTOMER COPY

01/12/12 15:27
TERMINAL-USER-TRAN
71007324-0001-0000

WEIR AND SONS DUNDRUM
UNIT 38
LEVEL 1, DUNDRUM TOWN
CTR
DUBLIN 14

MERCHANT ID : 913472364
ICC

VISA APSN-01
AID = 'A0000000031010'
VISA
EXPIRY DATE XX/XX
START DATE 07/12

SALE TOTAL
EUR10500.00

CHRISTOPHER SMITH

TRANSACTION
CANCELLED

PLEASE RETAIN THIS RECEIPT FOR YOUR
RECORDS.

CARD SALE VOUCHER
CUSTOMER COPY

01/12/12 15:22
TERMINAL-USER-TRAN
71007324-0001-7275

WEIR AND SONS DUNDRUM
UNIT 38
LEVEL 1, DUNDRUM TOWN
CTR
DUBLIN 14

MERCHANT ID : 913472364
SHIPPED

MASTERCARD
EXPIRY DATE XX/XX

SALE TOTAL
EUR1845.00

CHRISTOPHER G SMITH

PLEASE DEBIT MY ACCOUNT WITH THE
TOTAL AMOUNT IN EUR SHOWN.

SIGNATURE VERIFIED

PLEASE RETAIN THIS RECEIPT FOR YOUR
RECORDS.

AUTH CODE = 388647 001

CARD SALE VOUCHER
CUSTOMER COPY

01/12/12 15:23
TERMINAL-USER-TRAN
71007324-0001-7276

WEIR AND SONS DUNDRUM
UNIT 38
LEVEL 1, DUNDRUM TOWN
CTR
DUBLIN 14

MERCHANT ID : 913472364
SHIPPED

MASTERCARD
EXPIRY DATE XX/XX

SALE TOTAL
EUR1845.00

CHRIS SMITH

PLEASE DEBIT MY ACCOUNT WITH THE
TOTAL AMOUNT IN EUR SHOWN.

SIGNATURE VERIFIED

PLEASE RETAIN THIS RECEIPT FOR YOUR
RECORDS.

AUTH CODE = 188582 001



Prepared for: MR RAJIV DIXIT November 28 to December 27, 2012 Account number: [REDACTED]

704

Your new charges and credits (continued)

Trans date	Post date	Description	Spend Categories	Amount(\$)
Card number [REDACTED]				
Nov 29	Dec 03	VIT YMQ/Durham Travel MONTREAL QC	Transportation	122.00
Nov 29	Dec 04	LUFTHANSA 2202528225065WILLOWDALE ON	Transportation	7,836.25
Nov 29	Dec 04	LUFTHANSA 2202528225066WILLOWDALE ON	Transportation	7,836.25
Nov 29	Dec 04	LUFTHANSA 2202528225067WILLOWDALE ON	Transportation	7,836.25
Nov 29	Dec 04	LUFTHANSA 2202528225068WILLOWDALE ON	Transportation	7,836.25
Nov 29	Dec 04	LUFTHANSA 2202528225069WILLOWDALE ON	Transportation	7,836.25
Nov 29	Dec 04	LUFTHANSA 2202528225070WILLOWDALE ON	Transportation	7,836.25
Nov 29	Dec 04	LUFTHANSA 2202528225071WILLOWDALE ON	Transportation	7,836.25
Nov 29	Dec 11	LUFTHANSA 2202528225065WILLOWDALE ON	Transportation	-955.11
Nov 29	Dec 11	LUFTHANSA 2202528225066WILLOWDALE ON	Transportation	-955.11
Nov 29	Dec 11	LUFTHANSA 2202528225067WILLOWDALE ON	Transportation	-955.11
Nov 29	Dec 11	LUFTHANSA 2202528225068WILLOWDALE ON	Transportation	-955.11
Nov 29	Dec 11	LUFTHANSA 2202528225069WILLOWDALE ON	Transportation	-955.11
Nov 29	Dec 11	LUFTHANSA 2202528225070WILLOWDALE ON	Transportation	-955.11
Nov 29	Dec 11	LUFTHANSA 2202528225071WILLOWDALE ON	Transportation	-955.11
Nov 30	Dec 03	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	100.00
Nov 30	Dec 03	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	19.99
Nov 30	Dec 03	POITIN STILL RATHCOOLE DUB	Foreign Currency Transactions	1,239.02
		933.00 EUR @ 1.327995713**		
Nov 30	Dec 03	DURHAM FUELS BOWMANVILLE ON	Transportation	528.44
Nov 30	Dec 03	BROAD CONNECT TELECOM VAUGHAN ON	Personal and Household Expenses	226.00
Dec 01	Dec 03	CCHLP.COM 8008767427 NY	Foreign Currency Transactions	109.57
		107.40 USD @ 1.020204842**		
Dec 01	Dec 04	WEIR & SON DUNDRUM LTD DUNDRUM	Retail and Grocery	50,589.63
Dec 03	Dec 04	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	36.10
Dec 03	Dec 04	AIR CANADA 0142115034820WINNIPEG MB	Transportation	-6,125.94
Dec 03	Dec 04	AIR CANADA 0142115034821WINNIPEG MB	Transportation	-6,125.94
Dec 03	Dec 04	AIR CANADA 0142115034822WINNIPEG MB	Transportation	-6,125.94
Dec 03	Dec 04	AIR CANADA 0142115034823WINNIPEG MB	Transportation	-6,125.94
Dec 03	Dec 04	AIR CANADA 0142115034824WINNIPEG MB	Transportation	-6,125.94
Dec 03	Dec 04	AIR CANADA 0142115034825WINNIPEG MB	Transportation	-6,125.94
Dec 03	Dec 05	AIR CHARTER SERVICE 516-4325900 NY	Foreign Currency Transactions	49,749.62
		48,742.00 USD @ 1.020672521**		
Dec 03	Dec 05	AIR CANADA 0142115161694WINNIPEG MB	Transportation	150.00
Dec 03	Dec 05	AIR CANADA 0142115161694WINNIPEG MB	Transportation	664.00
Dec 04	Dec 05	DURHAM TRAVEL 905-5716210 ON	Transportation	200.00
Dec 04	Dec 05	OSHAWA JEWELLERY EXCHANGE OSHAWA ON	Retail and Grocery	8,846.19
Dec 04	Dec 05	SILVERIS TECHNOLOGIES COR905-6267299 ON	Personal and Household Expenses	11.29
Dec 04	Dec 06	REPUTATIONGUARD.CA 4163711031 ON	Professional and Financial Services	4,520.00
Dec 04	Dec 06	AIR CANADA 0142115200665WINNIPEG MB	Transportation	157.50
Dec 04	Dec 06	AIR CANADA 0142115200665WINNIPEG MB	Transportation	570.00
Dec 04	Dec 06	ECONOMICAL MUTUAL INS CO WATERLOO ON	Professional and Financial Services	304.00
Dec 05	Dec 06	HOSTGATOR 7135745287 TX	Professional and Financial Services	15.33
Dec 05	Dec 06	BESTBYTE WHITBY ON	Home and Office Improvement	10,963.94
Dec 05	Dec 06	BESTBYTE WHITBY ON	Home and Office Improvement	4,769.05
Dec 05	Dec 06	MILESTONE'S #5233 WHITBY ON	Restaurants	108.83

Tab P

SELFRIDGES

1 Exchange Square Manchester M3 1BD
Freephone 0800 123 400
(From overseas + 44 113 369 8040)
www.selfridges.com
V.A.T NO. GB 705 3259 52

705

Sales voucher

Customer copy

You were served by: Attila

987
DAVID MORRIS HV
1 @ £23000.00 £23,000.00
987
DAVID MORRIS HV
1 @ £3110.00 £3,110.00

Total VAT £26,110.00
£11200.00

£14910.00

Card : ELECTRON VISA
Number : *****2873 CHIP
PAN Seq : 00
AID : A0000000032010
Cryptogram : 40/069F00D969B5DEDE
Auth Code : 226614
Merchant ID: 98631622
Terminal ID: 24066294

CARD TOTAL : £11,200.00

Please debit my account

Cardholder PIN Verified

Card : Visa Credit
Number : *****4253 CHIP
PAN Seq : 01
AID : A0000000031010
Cryptogram : 40/849B38B14C700C21
Auth Code : 051738
Merchant ID: 98631622
Terminal ID: 24066296

CARD TOTAL : £14,910.00

Please debit my account

Cardholder PIN Verified

General Manager - Jane Sharrocks

Notified terms and conditions apply

For details visit selfridges.com/exchange

We have a passion for what we do and
want you to have an amazing experience
every time you come to Selfridges.

We'd really appreciate hearing what you
thought of shopping here today by
logging onto selfridges.com/spotlight
As a thank you, you will be entered into a
draw to win a £1000 gift card this month!

Shop online at www.selfridges.com

You are welcome to exchange or refund
your purchases by Tue 12 Mar 2013

Term 0749 Opr 9001813320 Trans 1480
Store 009001 Date 26/02/13 18:08



DM

LONDON

☐ MR. ☐ MRS. ☐ MS.

DATE: _____

FIRST NAME: Rajiv DixitLAST NAME: DixitADDRESS: 10 S Carlow CourtTOWN: WhitbyPOSTCODE: YN 9T7COUNTRY: CANADAPHONE: 289-316-0507EMAIL: info@stelarpoint.ca

DM LONDON LTD. CONFIRMS THAT YOUR DATA WILL NOT BE PASSED ON TO ANY THIRD PARTIES

☐ I DO NOT WISH TO RECEIVE ANY INVITATIONS OR INFORMATION FROM DM LONDON.☐ DM LONDON MAY CONTACT ME BY EMAIL.

	DESCRIPTION	*PRICE
STOCK NO. <u>38553</u>	<u>BATTLING SUPERCAMENT</u>	<u>£310.00</u>
MODEL NO. <u>A5238011 0428</u>		
SERIAL NO.		
STOCK NO. <u>235358</u>	<u>HUBLOT BIG BANG</u>	<u>£23.000</u>
MODEL NO. <u>301.PB.A31.2X</u>		
SERIAL NO.		
STOCK NO.	<u>TOTAL</u>	<u>£26,110</u>
MODEL NO.		
SERIAL NO.		

*ALL RETAIL VALUES INCLUDE VAT

DM LONDON LIMITED REGISTERED IN ENGLAND: 5209185 VAT NO: 844 0066 48
REGISTERED OFFICE: 1ST FLOOR, 16 DUFUR'S PLACE, LONDON. W1F 7SP



Prepared for: MR RAJIV DIXIT January 28 to February 27, 2013 Account number: [REDACTED]

Your new charges and credits (continued)

707

Trans date	Post date	Description	Spend Categories	Amount(\$)
Card number [REDACTED]				
Feb 15	Feb 19	EXPEDIA*TRAVEL 800-367-3476 ON	Transportation	81.00
Feb 15	Feb 19	MCGREGOR SOCKS NIAGARA FALLSON	Retail and Grocery	90.83
Feb 15	Feb 19	TOYS R US #3590 NIAGARA FALLSON	Retail and Grocery	57.85
Feb 15	Feb 19	TOYS R US #3590 NIAGARA FALLSON	Retail and Grocery	55.31
Feb 15	Feb 19	TOMMY HILFGER #3701 NIAGARA FALLSON	Retail and Grocery	438.52
Feb 15	Feb 19	FV INDOOR WATERPARK NIAGARA FALLSON	Hotel, Entertainment and Recreation	542.86
Feb 15	Feb 19	FV INDOOR WATERPARK NIAGARA FALLSON	Hotel, Entertainment and Recreation	18.37
Feb 15	Feb 19	FV INDOOR WATERPARK NIAGARA FALLSON	Hotel, Entertainment and Recreation	88.28
Feb 15	Feb 19	FV INDOOR WATERPARK NIAGARA FALLSON	Hotel, Entertainment and Recreation	-40.00
Feb 15	Feb 19	I.H.O.P. NIAGARA FALLSON	Restaurants	183.28
Feb 15	Feb 19	PRESTIGE HOTEL VERNON VERNON BC	Hotel, Entertainment and Recreation	100.00
Feb 15	Feb 19	BRITISHA 1253204719993QUEBEC QC	Transportation	2,364.09
Feb 16	Feb 19	APPLE ONLINE STORE 800-676-2775 ON	Home and Office Improvement	535.62
Feb 16	Feb 19	APPLE ONLINE STORE 800-676-2775 ON	Home and Office Improvement	12,348.64
Feb 16	Feb 19	WAL-MART SUPERCENTER#3160NIAGARA FALLSON	Retail and Grocery	160.74
Feb 17	Feb 19	HILTON NIAGARA FALLS F NIAGARA FALLSON	Hotel, Entertainment and Recreation	1,058.68
Feb 17	Feb 19	HILTON NIAGARA FALLS F NIAGARA FALLSON	Hotel, Entertainment and Recreation	807.60
Feb 17	Feb 19	HILTON NIAGARA FALLS F NIAGARA FALLSON	Hotel, Entertainment and Recreation	783.35
Feb 18	Feb 19	STANDARD PARKING OSHAWA ON	Professional and Financial Services	9.00
Feb 19	Feb 20	CORPORATN/IC 3834556 OTTAWA ON	Professional and Financial Services	200.00
Feb 19	Feb 22	WESTJET 0003204812877 CALGARY AB	Transportation	197.25
Feb 20	Feb 21	EXPEDIA*TRAVEL 800-367-3476 ON	Transportation	138.00
Feb 20	Feb 21	SITE5.COM WEB HOSTING 888-748-3526 CO 76.45 USD @ 1.044342708**	Foreign Currency Transactions	79.84
Feb 21	Feb 25	COAST VICTORIA HARBOURSIDVICTORIA BC	Hotel, Entertainment and Recreation	655.20
Feb 21	Feb 25	USAIR 0373204878580ENFIELD NS	Transportation	1,219.29
Feb 21	Feb 25	USAIR 0373204878581ENFIELD NS	Transportation	1,219.29
Feb 21	Feb 25	USAIR 0373204878582ENFIELD NS	Transportation	1,219.29
Feb 22	Feb 25	SITE5.COM WEB HOSTING 888-748-3526 CO 165.45 USD @ 1.051435479**	Foreign Currency Transactions	173.96
Feb 22	Feb 25	PRESTIGE HOTEL VERNON VERNON BC	Hotel, Entertainment and Recreation	179.16
Feb 24	Feb 25	THE CIRCLE CLUB M'STER M3 2 1,910.00 GBP @ 1.606586387**	Foreign Currency Transactions	3,068.58
Feb 25	Feb 26	BIN THERE DUMP THAT WHITBY ON	Home and Office Improvement	365.72
Feb 25	Feb 26	SCI VENDING CARTS MISSISSAUGA ON	Professional and Financial Services	4.00
Feb 25	Feb 26	SCI VENDING CARTS MISSISSAUGA ON	Professional and Financial Services	4.00
Feb 25	Feb 26	BROAD CONNECT TELECOM VAUGHAN ON	Personal and Household Expenses	135.60
Feb 26	Feb 27	THE PHILLIP JAMES MANCHESTER 6,916.00 GBP @ 1.599960960**	Foreign Currency Transactions	11,065.33
Feb 26	Feb 27	SELFRIDGES MANCHESTER MCHSTR EXCHAN 14,910.00 GBP @ 1.599960429**	Foreign Currency Transactions	23,855.41
Total for [REDACTED]				\$214,583.73
Card number [REDACTED]				
Feb 01	Feb 04	AFRIHOST.COM RIVONIA 399.00 ZAR @ 0.116791980**	Foreign Currency Transactions	46.60
Total for [REDACTED]				\$46.60

** Denotes transaction in foreign currency

Tab Q

SALES RECEIPT

Customer copy

World Duty Free
 VAT Reg No : GB974870960
 Heathrow Terminal 5 Main
 For Customer Support - call
 +44 (0)1784 475 509
 Flight Code: BA 0099
 Toronto

1003128351
 THE JOHN WALKER £2,500.00
 Total 1 Items £2,500.00
 Delta -£2,500.00
 You could have earned WorldPoints. Apply
 on-line at www.baaworldpoints.com

Card : Visa
 Number : *****0461 CHIP
 Pan Seq : 01
 AID A0000000031010
 07/03/13 31/03/16
 Cryptogram : 40/41AA32C4BB3C57F4
 Expiry Date : 03/16

Auth Code : 002820
 Merchant ID : *****48451
 Terminal ID : ****1343

GOODS TOTAL: £2,500.00

Please Debit my Account as shown

Cardholder PIN Verified

Please retain for your records



TRAVELLING TO A FINAL DESTINATION
 OUTSIDE THE EU?
 You may have to pay tax on purchases
 you bring back to the UK.

Follow us on Twitter @WorldDutyFree

On your return flight place all liquids
 over 100ml in your hold luggage

You were served by S.Parmar
 Store No 000150 Till No 0013 Trans No 4432
 Date 18/04/13 Time 13:58

SALES RECEIPT

Customer copy

World Duty Free
 VAT Reg No : GB974870960
 Heathrow Terminal 5 Main
 For Customer Support - call
 +44 (0)1784 475 509
 Flight Code: BA 0099
 Toronto

1003085115
 MACALLAN 1824 LTD £1,800.00
 Total 1 Items £1,800.00
 Visa CAD2,906.1
 Exchange rate: CAD1.6145/£ -£1,800.00
 You could have earned WorldPoints. Apply
 on-line at www.baaworldpoints.com

Card : Visa Credit
 Number : *****4253 CHIP
 Pan Seq : 01
 AID A0000000031010
 01/01/13 31/05/15
 Cryptogram : 40/36E1ABB2A0FD709B
 Expiry Date : 05/15

Auth Code : 007677
 Merchant ID : *****48451
 Terminal ID : ****1343
 Exchange Rate: CAD1.6145/£

GOODS TOTAL: £1,800.00

TRANSACTION CURRENCY: CAD2,906.10

Cardholder has chosen to pay in CAD. This
 transaction is based on REUTERS WHOLESale
 INTERBANK exchange rate plus 2.75%
 international conversion margin.

This is not an additional fee and replaces
 currency conversion charges normally
 applied.

I accept that I have been given a choice of
 currencies for payment. My choice is final.
 Transactions can also be conducted in GBP.

The currency conversion service is provided
 by Barclaycard Business.

Please Debit my Account as shown

Cardholder PIN Verified

Please retain for your records



TRAVELLING TO A FINAL DESTINATION
 OUTSIDE THE EU?
 You may have to pay tax on purchases
 you bring back to the UK.

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On your return flight place all liquids
 over 100ml in your hold luggage

You were served by S.Parmar
 Store No 000150 Till No 0013 Trans No 4433
 Date 18/04/13 Time 14:00

Your new charges and credits (continued)

Trans date	Post date	Description	Spend Categories	Amount(\$)
Card number [REDACTED]				
Apr 11	Apr 15	HILTON MANCHESTER 5,221.45 GBP @ 1.597408766**	Foreign Currency Transactions	8,340.79
Apr 12	Apr 12	CASH ADV/BT/CONV CHQ FEE	Professional and Financial Services	5.00
Apr 12	Apr 15	NETFLIX.COM 866-716-0414 ON	Professional and Financial Services	7.99
Apr 12	Apr 15	NMC*NAMECHEAP.COM 323-3752822 CA 21.74 USD @ 1.040018399**	Foreign Currency Transactions	22.61
Apr 12	Apr 15	TAJ VIVANTA -CASH BANGALORE	Hotel, Entertainment and Recreation	217.67
Apr 13	Apr 15	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	11.29
Apr 13	Apr 15	LAXMI GEMS AND CRAFT TRIVANDRUM	Retail and Grocery	233.13
Apr 13	Apr 15	STAR ARTS TRIVANDRUM 7,100.00 INR @ 0.019156338**	Foreign Currency Transactions	136.01
Apr 13	Apr 15	WWW.VENDOSUPPORT.COM +18777773758 102.86 USD @ 1.040248882**	Foreign Currency Transactions	107.00
Apr 13	Apr 15	WWW.VENDOSUPPORT.COM +18777773758 1.93 USD @ 1.041450777**	Foreign Currency Transactions	2.01
Apr 14	Apr 15	LAXMI GEMS & CRAFT TRIVANDRUM 24,300.00 INR @ 0.019155967**	Foreign Currency Transactions	465.49
Apr 14	Apr 15	ZRV*ZURVITA 713-4645002 TX 105.79 USD @ 1.040268456**	Foreign Currency Transactions	110.05
Apr 14	Apr 15	SCI VENDING CARTS MISSISSAUGA ON	Professional and Financial Services	4.00
Apr 15	Apr 16	TURTLE ON THE BEACH GP TRIVANDRUM 15,759.00 INR @ 0.019308966**	Foreign Currency Transactions	304.29
Apr 15	Apr 16	ILADRO BANGALORE 82,000.00 INR @ 0.019308902**	Foreign Currency Transactions	1,583.33
Apr 15	Apr 16	LOUIS VUITTON BANGALORE 232,500.00 INR @ 0.019308860**	Foreign Currency Transactions	4,489.31
Apr 15	Apr 16	TITAN INDUSTRIES LIMIT BANGALORE 434,373.00 INR @ 0.019308866**	Foreign Currency Transactions	8,387.25
Apr 15	Apr 17	TUMI BANGALORE 280,500.00 INR @ 0.019427380**	Foreign Currency Transactions	5,449.38
Apr 16	Apr 17	ANAND COMPUTERS BANGALORE 389,597.00 INR @ 0.019427383**	Foreign Currency Transactions	7,568.85
Apr 16	Apr 17	LOUIS VUITTON BANGALORE 183,000.00 INR @ 0.019427377**	Foreign Currency Transactions	3,555.21
Apr 16	Apr 17	WWW.VENDOSUPPORT.COM +18777773758 30.63 USD @ 1.050930460**	Foreign Currency Transactions	32.19
Apr 17	Apr 18	THE AMBIENCE BANGALORE 845,000.00 INR @ 0.019615172**	Foreign Currency Transactions	16,574.82
Apr 17	Apr 18	LIFE STYLE INTERNATION BANGALORE 11,686.00 INR @ 0.019614924**	Foreign Currency Transactions	229.22
Apr 17	Apr 19	T G I FRIDAYS BANGALORE 20,905.00 INR @ 0.019547477**	Foreign Currency Transactions	408.64
Apr 17	Apr 22	THE OBEROI-BANGALORE F BANGALORE	Hotel, Entertainment and Recreation	9,635.82
Apr 18	Apr 19	BIN THERE DUMP THAT WHITBY ON	Home and Office Improvement	318.49
Apr 18	Apr 19	WORLD DUTY FREE EUROPE HEATHROW	Retail and Grocery	2,906.10
Apr 18	Apr 22	NGIPL BANGALORE 21.00 USD @ 1.052857143**	Foreign Currency Transactions	22.11
Apr 18	Apr 22	THE OBEROI-BANGALORE F BANGALORE	Hotel, Entertainment and Recreation	49.59
Apr 19	Apr 22	51*FATHEAD.COM TORONTO ON	Professional and Financial Services	570.39
Apr 19	Apr 22	MERCEDES-BENZ DURHAM WHITBY ON	Transportation	-2,001.26
Apr 19	Apr 22	PRECISE PARKLINK INC TORONTO ON	Transportation	9.00
Apr 20	Apr 22	TARGET CANADA T3767 WHITBY ON	Retail and Grocery	91.48
Apr 20	Apr 22	FLIGHT CENTRE 43300 TORONTO ON	Transportation	3,859.76
Apr 20	Apr 22	EMPIRE THEATRES #47 WHITBY ON	Hotel, Entertainment and Recreation	35.50

Tab R



CHÂTEAU D'IVOIRE

Depuis 1978 • Since 1978

2020 rue de la Montagne, Montréal, Québec, Canada H3G 1Z7

Tél.: (514) 845-4651 Fax: (514) 281-9925

www.chateaudivoire.com

Nom Name

Date

ROVIN DIXIT

14/5/2013

Rue Street

1036 COYSDON CRT

Ville City

Code postale Postal Code

OSASAWA

ON

L1K 3C4

Courriel E-mail:

Tél.

289-316-0507

Qté Qty	Description	Montant Amount
1	WATER WINDEL 008-50235	3990 00
1	WATER WINDEL 008-50236	3990 00
1	MONTAGNE PIA 002-65215	3810 00
1	HUBLOT CLOCK	7305 94

<input type="checkbox"/> Comptant Cash	<input type="checkbox"/> Chèque
<input type="checkbox"/> Master Card	<input checked="" type="checkbox"/> Visa
<input type="checkbox"/> Amex	<input type="checkbox"/> Débit
<input type="checkbox"/> Autre Other	<input type="checkbox"/> Certificat cadeaux Gift Certificate
Identification	

Livraison-Assurance
Shipping-InsuranceSous-Total
Sub-Total
Taxe TPS/GST
103450441RT0001
Taxe TVQ/QST
1001287466TQ0005

Total

Dépôt
Deposit

Balance

19095 94
954 80
1904 82
21954 62.

Pas de remboursement - Échange seulement dans les dix jours avec cette facture.

No Refund - Exchange only within ten days with this bill.

Par - By Roxit	Signature du client - Customer's Signature Roxit
-------------------	---

B 66555 Facture Invoice

CHATEAU D'IVOIRE

2020 RUE

DE LA MONTAGNE

MONTREAL QC H3G 1Z7

5148454651

SALE

MID: 4171313

TID: 04171313

REF#: 00000005

Batch #: 046

SEQ: 046001001005

05/10/13

15:41:03

CVC: Y

APPR CODE: 031303

VISA

*****4253C

/

AMOUNT \$21,954.62

00 - APPROVED - 001

Visa Credit

AID: A0000000031010

TVR: 00 00 00 80 00

TS: F8 00

CUSTOMER COPY

Your new charges and credits (continued)

Trans date	Post date	Description	Spend Categories	Amount(\$)
Card number [REDACTED]				
May 06	May 07	BROAD CONNECT TELECOM VAUGHAN ON	Personal and Household Expenses	135.60
May 06	May 07	FUTURE SHOP #613 OSHAWA ON	Home and Office Improvement	440.62
May 06	May 07	CORPORATN/IC 3937436 OTTAWA ON	Professional and Financial Services	200.00
May 06	May 08	EVOLV HEALTH CANADA INC BRANDON MB	Retail and Grocery	1,505.14
May 06	May 08	METRO #106 WHITBY ON	Retail and Grocery	36.96
May 06	May 09	UNITED AIR 0163925842597CONTINENTAL NS	Transportation	462.91
May 07	May 08	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	2.28
May 08	May 09	BIN THERE DUMP THAT WHITBY ON	Home and Office Improvement	301.31
May 08	May 09	WHITBY CHAMBER OF COMMERC905-668-4506 ON	Personal and Household Expenses	35.01
May 08	May 09	WORLD VISION CANADA MISSISSAUGA ON	Personal and Household Expenses	1,000.00
May 08	May 09	ACC SOUVENIRS TORONTO ON	Hotel, Entertainment and Recreation	192.07
May 08	May 09	PINNACLE CATERERS LTD. TORONTO ON	Restaurants	2,527.67
May 08	May 10	HOLIDAY INN HAMILTON PLACCHATTANOOGA TN 144.22 USD @ 1.034461240**	Foreign Currency Transactions	149.19
May 08	May 10	NIAGARA AIRBUS NIAGARA FALLS ON	Transportation	89.00
May 08	May 23	NAUTILUS BOWFLEX CANADA WVANCOUVER WA	Hotel, Entertainment and Recreation	4,031.81
May 09	May 10	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	13.53
May 09	May 10	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	15.78
May 09	May 10	CENTRE BELL KIOSQUES MONTREAL QC	Retail and Grocery	1,650.00
May 09	May 10	CENTRE BELL KIOSQUES MONTREAL QC	Retail and Grocery	775.00
May 09	May 10	THE BUSINESS EXCHANGE MARKHAM ON	Professional and Financial Services	1,695.00
May 09	May 13	TORONTO RSD - PARKING TORONTO ON	Professional and Financial Services	32.00
May 09	May 13	SWAROVSKI MARKHAM ON	Retail and Grocery	130.00
May 09	May 13	DURHAM AVIATION SERVICES OSHAWA ON	Transportation	8,053.51
May 09	May 13	IL CAMPARI CENTRO MONTREAL QC	Restaurants	160.31
May 10	May 13	VAN BELLE FLOWERS WHITBY ON	Home and Office Improvement	200.00
May 10	May 13	CHATEAU D'IVOIRE MONTREAL QC	Retail and Grocery	21,954.62
May 10	May 13	VASCO MONTREAL QC	Retail and Grocery	885.31
May 10	May 13	SAQ23113 SIGNATURE-MON MONTREAL QC	Retail and Grocery	2,575.95
May 10	May 13	MTO RUS - SO FCHANNEL STONEY CREEK ON	Professional and Financial Services	82.00
May 10	May 13	MTO RUS - SO FCHANNEL STONEY CREEK ON	Professional and Financial Services	82.00
May 10	May 14	IL CAMPARI CENTRO MONTREAL QC	Restaurants	167.44
May 11	May 13	WHITBY AUDIO VIDEO WHITBY ON	Hotel, Entertainment and Recreation	4,647.31
May 11	May 13	BUILD A BEAR WORKSHOP 2050SHAWA ON	Retail and Grocery	153.12
May 11	May 13	FUTURE SHOP #613 OSHAWA ON	Home and Office Improvement	875.51
May 11	May 13	HOME OUTFITTERS #5134 OSHAWA ON	Retail and Grocery	322.03
May 11	May 13	LONG & MCQUADE OSHAWA ON	Retail and Grocery	2,632.31
May 11	May 13	BIN THERE DUMP THAT WHITBY ON	Home and Office Improvement	275.55
May 11	May 13	OSHAWA JEWELLERY EXCHANGE OSHAWA ON	Retail and Grocery	11,568.45
May 11	May 13	LE CRYSTAL DE LA MONTA MONTREAL QC	Hotel, Entertainment and Recreation	2,323.21
May 11	May 13	LE CRYSTAL DE LA MONTA MONTREAL QC	Hotel, Entertainment and Recreation	87.90
May 11	May 14	LE CRYSTAL DE LA MONTA MONTREAL QC	Hotel, Entertainment and Recreation	500.00
May 12	May 13	NETFLIX.COM 866-716-0414 ON	Professional and Financial Services	7.99
May 12	May 13	ECWID, INC 800-6577957 CA 35.00 USD @ 1.040285714**	Foreign Currency Transactions	36.41
May 14	May 15	ZRV*ZURVITA 713-4645002 TX 105.79 USD @ 1.044049532**	Foreign Currency Transactions	110.45
May 14	May 15	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	3.37
May 14	May 15	ADZERK 9196000742 NC 50.00 USD @ 1.044000000**	Foreign Currency Transactions	52.20
May 14	May 15	MACDONALD SAGER MANIS LLP TORONTO ON	Professional and Financial Services	5,889.72
May 14	May 15	HERO ARMY SURPLUS INC OSHAWA ON	Retail and Grocery	1,172.88

Tab S

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Bank of Cyprus

06/03/2013 3:21 AM

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Transaction History

Account Details

Account Number:	
Account Owner:	BANNERSBROKER LIMITED
Available Balance:	283961.15 USD
Current Balance:	295107.42 USD

Last Transactions:	
From Date:	06/03/2012
To Date:	06/03/2013

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113030501621 2231137	05/03/2013	05/03/2013	"AB" COMMISSION DIFFERENT CUST our ref FT1303053589OAAAB		6.52		295,107.42
113030501621 223211	05/03/2013	05/03/2013	Transfer FT1303053589OAAAB to DREAMSCAPE VENTURES a/c consulti ng services invoice number 0134 Card 4***1601 2013-03- 02 19000.00 CAD Auth 227440 Trace 1387560 VISA CA TORONTO Harry Rosen F007		100,000.00		295,113.94
113030401046 84 53459	04/03/2013	04/03/2013	CHARGES OUR our ref FT1303040018OACY		19,223.34		395,113.94
113030401621 22343	04/03/2013	04/03/2013			13.02		414,337.28

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113030401821 223193	04/03/2013	04/03/2013	TRANSFER COMMISSION our ref FT13030400180ACY		15.00		414,350.30
113030401621 223191	04/03/2013	04/03/2013	PROCESSING FEES our ref FT13030400180ACY		15.62		414,365.30
113030401621 22341	04/03/2013	04/03/2013	OUTWARD FT13030400180ACY to MR JAIME PEREIRA DE a/c		10,000.00		414,380.92
113030401046 84 39471	04/03/2013	04/03/2013	INVO ICED TO COVER OFFICE EXPENSE Card 4****1601 2013-02- 28 95.60 CAD Auth		96.67		424,380.92
113030401046 84 39465	04/03/2013	04/03/2013	275843 Trace 1267227 VISA CA WHITBY Lux Limo Card 4****1601 2013-02- 28 155.80 CAD Auth		157.54		424,477.59
113030401046 84 39459	04/03/2013	04/03/2013	277054 Trace 1267229 VISA CA WHITBY Lux Limo Card 4****1601 2013-02- 28 117.76 CAD Auth		119.07		424,635.13
113030401046 84 39453	04/03/2013	04/03/2013	275472 Trace 1267230 VISA CA WHITBY Lux Limo Card 4****1601 2013-02- 28 83.20 CAD Auth		84.12		424,754.20
113030401046 84 39447	04/03/2013	04/03/2013	276301 Trace 1267228 VISA CA WHITBY Lux Limo Card 4****1601 2013-02- 28 8000.00 GBP Auth		12,580.19		424,838.32
			256185 Trace 1267226 VISA GB T5 HEATHROW Tiffany & Co Ltd				

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113030101046 84 36613	01/03/2013	01/03/2013	Card 4***1601 2013-02-27 3056.73 GBP Auth 269430 Trace 1211791 VISA GB M/CSTR WH CTY Currys		4,838.40		437,418.51
113030101046 84 36607	01/03/2013	01/03/2013	Card 4***1601 2013-02-27 58.80 GBP Auth 235494 Trace 1212600 VISA GB MANCHESTER Aba Leisure Ltd		93.07		442,256.91
113030101046 84 36601	01/03/2013	01/03/2013	Card 4***1601 2013-02-27 551.80 GBP Auth 282685 Trace 1211790 VISA GB M/CSTR WH CTY Currys		873.42		442,349.98
113030101046 84 36595	01/03/2013	01/03/2013	Card 4***1601 2013-02-25 76.80 CAD Auth 257558 Trace 1211789 VISA CA QUEBEC British A 1252499142990		78.18		443,223.40
113030101046 84 36589	01/03/2013	01/03/2013	Card 4***1601 2013-02-27 900.00 GBP Auth 235545 Trace 1211792 VISA GB MANCHESTER Aba Leisure Ltd		1,424.58		443,301.58
113030101046 84 36583	01/03/2013	01/03/2013	Card 4***1601 2013-02-25 400.00 CAD Auth 268363 Trace 1212601 VISA CA QUEBEC British A 1251803822355		407.19		444,726.16
113030101046 84 36577	01/03/2013	01/03/2013	Card 4***1601 2013-02-26 474.00 GBP Auth 234858 Trace		750.28		445,133.35

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113030101046 84 38571	01/03/2013	01/03/2013	1212602 VISA GB MANCHESTER Aba Leisure Ltd Card 4***1601 2013-02- 26 213.00 CAD Auth 268363 Trace 1211788 VISA CA MONTREAL Vit Ymq/Durham Travel		216.83		445,883.63
11302280105 81961	28/02/2013	28/02/2013	Statement Charges Card 4***1601 2013-02- 26 529.20 CAD Auth 234465 Trace 1159920 VISA CA WHITBY Lux Limo Card 4***1601 2013-02- 24 7196.80 CAD Auth 208095 Trace 1159919 VISA CA QUEBEC British A 1252524765332 Card 4***1601 2013-02- 25 113.00 CAD Auth 268363 Trace 1159915 VISA CA MONTREAL Vit Ymq/Durham Travel		4.89		446,100.46
113022801046 84 39145	28/02/2013	28/02/2013	Card 4***1601 2013-02- 26 529.20 CAD Auth 234465 Trace 1159920 VISA CA WHITBY Lux Limo Card 4***1601 2013-02- 24 7196.80 CAD Auth 208095 Trace 1159919 VISA CA QUEBEC British A 1252524765332 Card 4***1601 2013-02- 25 113.00 CAD Auth 268363 Trace 1159915 VISA CA MONTREAL Vit Ymq/Durham Travel		537.58		446,105.35
113022801046 84 39139	28/02/2013	28/02/2013	Card 4***1601 2013-02- 26 529.20 CAD Auth 234465 Trace 1159920 VISA CA WHITBY Lux Limo Card 4***1601 2013-02- 24 7196.80 CAD Auth 208095 Trace 1159919 VISA CA QUEBEC British A 1252524765332 Card 4***1601 2013-02- 25 113.00 CAD Auth 268363 Trace 1159915 VISA CA MONTREAL Vit Ymq/Durham Travel		7,311.05		446,642.94
113022801046 84 39133	28/02/2013	28/02/2013	Card 4***1601 2013-02- 26 529.20 CAD Auth 234465 Trace 1159920 VISA CA WHITBY Lux Limo Card 4***1601 2013-02- 24 7196.80 CAD Auth 208095 Trace 1159919 VISA CA QUEBEC British A 1252524765332 Card 4***1601 2013-02- 25 113.00 CAD Auth 268363 Trace 1159915 VISA CA MONTREAL Vit Ymq/Durham Travel		114.79		453,953.99
113022801046 84 39127	28/02/2013	28/02/2013	Card 4***1601 2013-02- 26 529.20 CAD Auth 234465 Trace 1159920 VISA CA WHITBY Lux Limo Card 4***1601 2013-02- 24 7196.80 CAD Auth 208095 Trace 1159919 VISA CA QUEBEC British A 1252524765332 Card 4***1601 2013-02- 25 113.00 CAD Auth 268363 Trace 1159915 VISA CA MONTREAL Vit Ymq/Durham Travel		158.27		454,088.78
113022801046 84 39121	28/02/2013	28/02/2013	Card 4***1601 2013-02- 26 529.20 CAD Auth 234465 Trace 1159920 VISA CA WHITBY Lux Limo Card 4***1601 2013-02- 24 7196.80 CAD Auth 208095 Trace 1159919 VISA CA QUEBEC British A 1252524765332 Card 4***1601 2013-02- 25 113.00 CAD Auth 268363 Trace 1159915 VISA CA MONTREAL Vit Ymq/Durham Travel		3,924.77		454,227.05

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113022801046 84 39115	28/02/2013	28/02/2013	Card 4***1601 2013-02-24 7196.90 CAD Auth 208095 Trace 1159917 VISA CA QUEBEC British A 1252524765333		7,311.05		458,151.82
113022801046 84 39109	28/02/2013	28/02/2013	Card 4***1601 2013-02-25 226.00 CAD Auth 267920 Trace 1159914 VISA CA MONTREAL Vlt Ymq/Durham Travel		229.58		465,462.97
113022701046 84 43679	27/02/2013	27/02/2013	Card 4***1601 2013-02-25 770.00 GBP Auth 263876 Trace 1108834 VISA GB MCHSTR EXCHAN Selfridges Manches		1,199.13		465,692.45
113022701046 84 43673	27/02/2013	27/02/2013	Card 4***1601 2013-02-25 2302.95 GBP Auth 210672 Trace 1108836 VISA GB M'STER M3 2 The Circle Club		3,586.39		466,891.58
113022701046 84 43667	27/02/2013	27/02/2013	Card 4***1601 2013-02-25 Auth 259725 Trace 1109649 VISA GB MANCHESTER Selfridges Exch Sq		404.23		470,477.97
113022701046 84 43661	27/02/2013	27/02/2013	Card 4***1601 2013-02-23 1000.00 CAD Auth 267920 Trace 1109651 VISA CA QUEBEC British A 1251803822252		1,005.32		470,882.20
113022701046 84 43655	27/02/2013	27/02/2013	Card 4***1601 2013-02-25 442.40 GBP Auth 272175 Trace 1109652 VISA GB		688.96		471,887.52

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113022701046 84 43649	27/02/2013	27/02/2013	MANCHESTER Hilton Card 4***1601 2013-02- 25 Auth 281876 Trace 1109653 VISA GB MANCHESTER Selfridges Exch Sq Card 4***1601 2013-02- 23 500.00 CAD Auth 268363 Trace 1109650 VISA CA QUEBEC British A 1251803822267 Card 4***1601 2013-02- 25 3864.85 GBP Auth 210261 Trace 1108835 VISA GB B1068 Living Room Card 4***1601 2013-02- 25 3728.00 GBP Auth 263167 Trace 1108833 VISA GB MCHSTR EXCHAN Selfridges Manches Card 4***1601 2013-02- 24 813.00 CAD Auth 208085 Trace 1059399 VISA CA MISSISSAUGA Hts Card 4***1601 2013-02- 23 8000.00 GBP Auth 244136 Trace 1024015 VISA GB SALFORD Staples Uk Card 4***1601 2013-02- 21 113.00 CAD Auth 225891 Trace 9976164 VISA CA MONTREAL Vit		3,442.40		472,576.48
113022701046 84 43643	27/02/2013	27/02/2013			502.67		476,018.88
113022701046 84 43637	27/02/2013	27/02/2013			6,018.74		476,521.55
113022701046 84 43631	27/02/2013	27/02/2013			5,805.61		482,540.29
113022601046 84 31829	26/02/2013	26/02/2013			629.57		488,345.90
113022501046 84 39367	25/02/2013	25/02/2013			12,728.76		489,175.47
113022501046 84 91119	25/02/2013	25/02/2013			115.38		501,904.23

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
			Ymq/Durham Travel				
113022501046 84 91113	25/02/2013	25/02/2013	Card 4***1601 2013-02- 20 965.94 CAD Auth 280162 Trace 9978162 VISA CA QUEBEC British A 1253204834678		986.30		502,019.61
113022501046 84 91107	25/02/2013	25/02/2013	Card 4***1601 2013-02- 20 1654.93 CAD Auth 279855 Trace 9976163 VISA CA QUEBEC British A 1253204832540		1,689.82		503,005.91
113022501046 84 91101	25/02/2013	25/02/2013	Card 4***1601 2013-02- 21 172.80 CAD Auth 242262 Trace 9976161 VISA CA WHITBY Lux Limo		176.45		504,695.73
113022501046 84 37453	25/02/2013	25/02/2013	Card 4***1601 2013-02- 20 4703.47 GBP Auth 278223 Trace 9921555 VISA GB HOUNSLOW British Alrw12528863494		7,460.74		504,872.18
113022501046 84 37447	25/02/2013	25/02/2013	Card 4***1601 2013-02- 20 267.80 GBP Auth 280994 Trace 9921556 VISA GB India Jet Air 5893030815973		424.79		512,332.92
113022501046 84 37441	25/02/2013	25/02/2013	Card 4***1601 2013-02- 20 267.80 GBP Auth 280994 Trace 9921557 VISA GB India Jet Air 5893030815972		424.79		512,757.71
113022501046 84 37435	25/02/2013	25/02/2013	Card 4***1601 2013-02- 21 10809.66 GBP		17,146.52		513,182.50

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113022501046 84 37429	25/02/2013	25/02/2013	Auth 236526 Trace 9921558 VISA GB BOLTON Whites Card 4***1601 2013-02- 20 4703.47 GBP Auth 278223 Trace 9921559 VISA GB HOUNSLOW British Airw12528863494 Card 4***1601 2013-02- 19 500.00 CAD Auth 225891 Trace 9922180 VISA CA QUEBEC British A 1251803821810 Card 4***1601 2013-02- 18 1179.00 CAD Auth 285790 Trace 9869959 VISA CA QUEBEC British A 1253204787093 Card 4***1601 2013-02- 20 20.00 GBP Auth 280930 Trace 9869961 VISA FR 0871 226 0808 Expedia Co Uk		7,460.74		530,329.02
113022501046 84 37423	25/02/2013	25/02/2013	Auth 236526 Trace 9921558 VISA GB BOLTON Whites Card 4***1601 2013-02- 20 4703.47 GBP Auth 278223 Trace 9921559 VISA GB HOUNSLOW British Airw12528863494 Card 4***1601 2013-02- 19 500.00 CAD Auth 225891 Trace 9922180 VISA CA QUEBEC British A 1251803821810 Card 4***1601 2013-02- 18 1179.00 CAD Auth 285790 Trace 9869959 VISA CA QUEBEC British A 1253204787093 Card 4***1601 2013-02- 20 20.00 GBP Auth 280930 Trace 9869961 VISA FR 0871 226 0808 Expedia Co Uk		510.28		537,789.76
113022201046 84 36559	22/02/2013	22/02/2013	Auth 236526 Trace 9921558 VISA GB BOLTON Whites Card 4***1601 2013-02- 20 4703.47 GBP Auth 278223 Trace 9921559 VISA GB HOUNSLOW British Airw12528863494 Card 4***1601 2013-02- 19 500.00 CAD Auth 225891 Trace 9922180 VISA CA QUEBEC British A 1251803821810 Card 4***1601 2013-02- 18 1179.00 CAD Auth 285790 Trace 9869959 VISA CA QUEBEC British A 1253204787093 Card 4***1601 2013-02- 20 20.00 GBP Auth 280930 Trace 9869961 VISA FR 0871 226 0808 Expedia Co Uk		1,197.74		538,300.04
113022201046 84 36553	22/02/2013	22/02/2013	Auth 236526 Trace 9921558 VISA GB BOLTON Whites Card 4***1601 2013-02- 20 4703.47 GBP Auth 278223 Trace 9921559 VISA GB HOUNSLOW British Airw12528863494 Card 4***1601 2013-02- 19 500.00 CAD Auth 225891 Trace 9922180 VISA CA QUEBEC British A 1251803821810 Card 4***1601 2013-02- 18 1179.00 CAD Auth 285790 Trace 9869959 VISA CA QUEBEC British A 1253204787093 Card 4***1601 2013-02- 20 20.00 GBP Auth 280930 Trace 9869961 VISA FR 0871 226 0808 Expedia Co Uk		31.78		539,497.78
113022201046 84 36547	22/02/2013	22/02/2013	Auth 236526 Trace 9921558 VISA GB BOLTON Whites Card 4***1601 2013-02- 20 4703.47 GBP Auth 278223 Trace 9921559 VISA GB HOUNSLOW British Airw12528863494 Card 4***1601 2013-02- 19 500.00 CAD Auth 225891 Trace 9922180 VISA CA QUEBEC British A 1251803821810 Card 4***1601 2013-02- 18 1179.00 CAD Auth 285790 Trace 9869959 VISA CA QUEBEC British A 1253204787093 Card 4***1601 2013-02- 20 20.00 GBP Auth 280930 Trace 9869961 VISA FR 0871 226 0808 Expedia Co Uk		191.72		539,529.56
113022201046 84 36541	22/02/2013	22/02/2013	Auth 236526 Trace 9921558 VISA GB BOLTON Whites Card 4***1601 2013-02- 20 4703.47 GBP Auth 278223 Trace 9921559 VISA GB HOUNSLOW British Airw12528863494 Card 4***1601 2013-02- 19 500.00 CAD Auth 225891 Trace 9922180 VISA CA QUEBEC British A 1251803821810 Card 4***1601 2013-02- 18 1179.00 CAD Auth 285790 Trace 9869959 VISA CA QUEBEC British A 1253204787093 Card 4***1601 2013-02- 20 20.00 GBP Auth 280930 Trace 9869961 VISA FR 0871 226 0808 Expedia Co Uk		31.78		539,721.28

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113022201046 84 36535	22/02/2013	22/02/2013	Card 4***1601 2013-02-18 500.00 CAD Auth 285790 Trace 9869957 VISA CA QUEBEC British A 1251803821784		507.94		539,753.06
113022101046 84 39159	21/02/2013	21/02/2013	Card 4***1601 2013-02-19 840.66 CAD Auth 245881 Trace 9826704 VISA CA WHITBY Lux Limo		869.11		540,261.00
113021801046 84 40865	18/02/2013	18/02/2013	Card 4***1601 2013-02-14 126.39 USD Auth 278150 Trace 9551993 VISA US WWW.MOO.COM Moo Inc Printing		130.30		541,130.11
113021401046 84 40451	14/02/2013	14/02/2013	Card 4***1601 2013-02-12 140.57 CAD Auth 256241 Trace 9170133 VISA CA WHITBY Lux Limo		145.71		541,260.41
113021401046 84 40445	14/02/2013	14/02/2013	Card 4***1601 2013-02-12 544.00 CAD Auth 257130 Trace 9170945 VISA CA WHITBY Lux Limo		563.90		541,406.12
113021401046 84 40439	14/02/2013	14/02/2013	Card 4***1601 2013-02-12 111.36 CAD Auth 264048 Trace 9170132 VISA CA WHITBY Lux Limo		115.43		541,970.02
113021201431 1531415	12/02/2013	13/02/2013	TRANSFER COMMISSION our ref FT1302110374IN03 INWARD		53.52		542,085.45
113021201621 15324	12/02/2013	13/02/2013	FT1302110374IN03 by MONETIZE GROUP INCOR>/RFB/MONETTI		399,899.43		542,138.97

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
			ZE GROUP INCORPORATED Card 4***1601 2013-02-05 828.24 USD Auth				
113020701046 84 39839	07/02/2013	07/02/2013	215971 Trace 8743087 VISA US WWW.MOO.COM Moo Inc Printing		854.89		142,239.54
113020601046 84 50453	06/02/2013	06/02/2013	Card 4***1601 2013-02-04 96.90 CAD Auth 296214 Trace 8679767 VISA CA WHITBY Lux Limo		100.31		143,094.43
113020601046 84 50447	06/02/2013	06/02/2013	Card 4***1601 2013-02-04 147.76 CAD Auth 210755 Trace 8679766 VISA CA WHITBY Lux Limo		152.97		143,194.74
113020501624 411721	05/02/2013	05/02/2013	TRANSFER COMMISSION our ref FT1302052090OACY		15.00		143,347.71
113020501624 411719	05/02/2013	05/02/2013	PROCESSING FEES NON SEPA ZONE our ref FT1302052090OACY		16.18		143,362.71
113020501624 411205	05/02/2013	05/02/2013	OUTWARD FT1302052090OACY to MR JAIME PEREIRA DE 24 SALA		10,000.00		143,378.89
113020401046 84 41221	04/02/2013	04/02/2013	RY FOR TWO MONTHS, INVOICE 3285 Card 4***1601 2013-01-31 Auth 211879 Trace 8432406 VISA IN BANGALORE The Oberoi-Bangalore F		15,959.54		153,378.89

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113020401046 84 41215	04/02/2013	04/02/2013	Card 4***1601 2013-01-31 1160.63 USD Auth 275054 Trace 8432407 VISA GB T5 HEATHROW Tiffany & Co Ltd		1,196.53		169,338.43
113020401046 84 41209	04/02/2013	04/02/2013	Card 4***1601 2013-01-31 2039.25 GBP Auth 276161 Trace 8432926 VISA GB HOUNSLOW Harrods International		3,364.25		170,534.96
113020101046 84 41223	01/02/2013	01/02/2013	Card 4***1601 2013-01-29 8926.00 INR Auth 294608 Trace 8381215 VISA IN Gurgaon Makemytrip (India) P Ltd		175.43		173,899.21
113020101046 84 41217	01/02/2013	01/02/2013	Card 4***1601 2013-01-29 7316.00 INR Auth 218899 Trace 8381217 VISA IN BANGALORE T G I Fridays		143.78		174,074.64
113020101046 84 41211	01/02/2013	01/02/2013	Card 4***1601 2013-01-29 44845.00 INR Auth 293105 Trace 8381216 VISA IN Gurgaon Makemytrip (India) P Ltd		881.35		174,218.42
113020101046 84 41205	01/02/2013	01/02/2013	Card 4***1601 2013-01-29 11208.00 INR Auth 294083 Trace 8381214 VISA IN Gurgaon Makemytrip (India) P Ltd		220.28		175,099.77
113020101046 84 41199	01/02/2013	01/02/2013	Card 4***1601 2013-01-29 14658.00 INR Auth 295852 Trace		288.07		175,320.05

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
			8381213 VISA IN Gurgaon Makemytrip (India) P Ltd				
11301310105 46089	31/01/2013	31/01/2013	Statement Charges		5.16		175,608.12
113013101046 84 39729	31/01/2013	31/01/2013	Card 4***1601 2013-01-29 256196.00 INR Auth 278722 Trace 8315708 VISA IN BANGALORE Karthik Business Machi		4,985.05		175,613.28
113013101046 84 39723	31/01/2013	31/01/2013	Card 4***1601 2013-01-29 188400.00 INR Auth 276844 Trace 8315710 VISA IN BANGALORE Kasturba Road Business		3,665.88		180,598.33
113013101046 84 39717	31/01/2013	31/01/2013	Card 4***1601 2013-01-29 500000.00 INR Auth 205943 Trace 8315709 VISA IN BANGALORE Titan Industries Limit		9,728.98		184,264.21
113013001046 84 46591	30/01/2013	30/01/2013	Card 4***1601 2013-01-26 19458.00 INR Auth 236632 Trace 8251827 VISA IN Gurgaon Makemytrip (India) P Ltd		376.46		193,993.19
113013001046 84 46585	30/01/2013	30/01/2013	Card 4***1601 2013-01-28 128.92 CAD Auth 274815 Trace 8251828 VISA CA WHITBY Lux Limo		132.75		194,369.65
113013001046 84 46579	30/01/2013	30/01/2013	Card 4***1601 2013-01-25 27677.00 INR Auth 274740 Trace 8251826 VISA IN BANGALORE Karthik		535.47		194,502.40

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
			Business Machi				
113013001046 84 46573	30/01/2013	30/01/2013	Card 4***1601 2013-01-28 1099.00 INR Auth 209777 Trace 8251825 VISA IN BANGALORE Croma		21.26		195,037.87
113013001046 84 46567	30/01/2013	30/01/2013	Card 4***1601 2013-01-28 113.92 CAD Auth 273849 Trace 8251824 VISA CA WHITBY Lux Lime		117.30		195,059.13
113012901629 500103	29/01/2013	29/01/2013	CHARGES OUR our ref FT1301291706OACY TRANSFER		13.45		195,176.43
113012901439 5003437	29/01/2013	29/01/2013	COMMISSION our ref FT1301291706OACY PROCESSING FEES		6.72		195,189.88
113012901439 5003435	29/01/2013	29/01/2013	our ref FT1301291706OACY OUTWARD		16.14		195,186.60
113012901629 500101	29/01/2013	29/01/2013	FT1301291706OACY to RAJESH DIKSHIT a/c MONTHS SALARY PAYMENT		3,700.00		195,212.74
113012901621 223207	29/01/2013	29/01/2013	"AB" COMMISSION DIFFERENT CUST our ref FT1301280159OAAAB		6.72		198,912.74
113012901621 22343	29/01/2013	29/01/2013	Transfer FT1301280159OAAAB to DREAMSCAPE VENTURES a/c -SERVICES RENDERED FOR MARKETING AND MANAGEMENT		50,000.00		198,919.46

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113012801431 1531767	28/01/2013	29/01/2013	TRANSFER COMMISSION our ref FT1301250200IN03 INWARD		53.82		248,919.46
113012801621 15328	28/01/2013	29/01/2013	FT1301250200IN03 by MONETIZE GROUP INCOR>/RFB/MONETIZ E GROUP INCORPORATED			119,900.08	248,973.28
113012801046 84 42484	28/01/2013	28/01/2013	Card 4***1601 2013-01- 24 169.94 USD Auth 00000 Trace 8069998 VISA US WWW.MOO.COM Moo Inc Printing			175.20	129,073.20
113012801046 84 38127	28/01/2013	28/01/2013	Card 4***1601 2013-01- 24 209.69 USD Auth 243963 Trace 8069999 VISA US WWW.MOO.COM Moo Inc Printing		216.18		128,898.00
113012501046 84 38805	25/01/2013	25/01/2013	Card 4***1601 2013-01- 22 67.00 USD Auth 215416 Trace 8012030 VISA GB Glasgow Templatemonster.Com		68.07		129,114.18
113012501046 84 38799	25/01/2013	25/01/2013	Card 4***1601 2013-01- 23 91000.00 INK Auth 260237 Trace 8012029 VISA IN BANGALORE Spice Retail Limited		1,765.26		129,183.25
113012501046 84 38793	25/01/2013	25/01/2013	Card 4***1601 2013-01- 22 45724.66 INR Auth 288284 Trace 8012028 VISA IN BANGALORE Taj		886.99		130,948.51

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
			Vivanta -Cash				
113012301046 84 46921	23/01/2013	23/01/2013	Card 4***1601 2013-01-17 4872.31 CAD Auth 261103 Trace 7915521 VISA CA QUEBEC British A 1253203750299		5,107.52		131,835.50
113012301046 84 46915	23/01/2013	23/01/2013	Card 4***1801 2013-01-21 2552.16 CAD Auth 280469 Trace 7915523 VISA CA WHITBY Lux Limo		2,675.36		136,943.02
113012301046 84 46909	23/01/2013	23/01/2013	Card 4***1601 2013-01-17 4872.31 CAD Auth 261103 Trace 7915522 VISA CA QUEBEC British A 1253203750300		5,107.52		139,618.38
113012301046 84 46903	23/01/2013	23/01/2013	Card 4***1601 2013-01-17 4872.31 CAD Auth 261103 Trace 7915520 VISA CA QUEBEC British A 1253203750301		5,107.52		144,725.90
113012301046 84 46897	23/01/2013	23/01/2013	Card 4***1601 2013-01-17 4872.31 CAD Auth 261103 Trace 7915519 VISA CA QUEBEC British A 1253203750302		5,107.52		149,833.42
113012101046 84 92001	21/01/2013	21/01/2013	Card 4***1601 2013-01-18 864.00 CAD Auth 226372 Trace 7776536 VISA CA WHITBY Lux Limo		911.73		154,940.94
113012101046 84 91995	21/01/2013	21/01/2013	Card 4***1601 2013-01-17 192.00 USD Auth 258717 Trace		197.94		155,852.67

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113012101046 84 91989	21/01/2013	21/01/2013	7776537 VISA US CARLSBAD 101domain, Inc Card 4***1601 2013-01- 18 14.63 CAD Auth 222388 Trace 7776535 VISA CA 613-4822085 Sibemame Com		15.43		156,050.61
113012101046 84 91983	21/01/2013	21/01/2013	Card 4***1601 2013-01- 18 480.00 CAD Auth 226405 Trace 7776534 VISA CA WHITBY Lux Limo		506.52		156,066.04
113012101046 84 39649	21/01/2013	21/01/2013	Card 4***1601 2013-01- 17 917.20 USD Auth 259947 Trace 7723456 VISA US WWW.MOO.COM Moo Inc Printing		945.57		156,572.56
113011801046 84 39035	18/01/2013	18/01/2013	Card 4***1601 2013-01- 16 103.04 CAD Auth 298366 Trace 7634002 VISA CA OSHAWA Pelican Party Time Cateri		108.57		157,518.13
113011701046 84 41073	17/01/2013	17/01/2013	Card 4***1601 2013-01- 15 128.92 CAD Auth 241896 Trace 7589315 VISA CA WHITBY Lux Limo		135.30		157,626.70
113011701046 84 41067	17/01/2013	17/01/2013	Card 4***1601 2013-01- 15 1313.08 CAD Auth 236549 Trace 7589314 VISA CA OSHAWA Pelican Party Time Cateri		1,378.16		157,762.00
113011601046 84 45051	16/01/2013	16/01/2013	Card 4***1601 2013-01- 14 158.00 CAD		166.92		159,140.16

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
			Auth 284735 Trace 7226927 VISA CA WHITBY Lux Limo Card 4***1601 2013-01- 14 101.00 CAD Auth 283973 Trace 7226929 VISA CA WHITBY Lux Limo Card 4***1601 2013-01- 14 128.92 CAD Auth 284296 Trace 7226930 VISA CA WHITBY Lux Limo Card 4***1601 2013-01- 14 157.07 CAD Auth 284010 Trace 7226931 VISA CA WHITBY Lux Limo Card 4***1601 2013-01- 14 128.92 CAD Auth 284310 Trace 7226932 VISA CA WHITBY Lux Limo Card 4***1601 2013-01- 14 128.92 CAD Auth 284250 Trace 7226928 VISA CA WHITBY Lux Limo Card 4***1601 2013-01- 14 101.00 CAD Auth 283957 Trace 7226926 VISA CA WHITBY Lux Limo Card 4***1601 2013-01- 11 3839.24 CAD Auth 226133 Trace 7008710 VISA CA OSHAWA Staples Store 203				
113011601046 84 45045	16/01/2013	16/01/2013			106.70		159,307.08
113011601046 84 45039	16/01/2013	16/01/2013			136.21		159,413.78
113011601046 84 45033	16/01/2013	16/01/2013			165.94		159,549.99
113011601046 84 45027	16/01/2013	16/01/2013			136.21		159,715.93
113011601046 84 45021	16/01/2013	16/01/2013			136.21		159,852.14
113011601046 84 45015	16/01/2013	16/01/2013			108.70		159,988.35
113011401046 84 88817	14/01/2013	14/01/2013			4,057.86		160,095.05

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Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113011001621 234115	10/01/2013	10/01/2013	CHARGES OUR our ref FT1301022069OACY		78.05		164,152.91
113011001621 2341039	10/01/2013	10/01/2013	TRANSFER COMMISSION our ref FT1301022069OACY		520.32		164,230.96
113011001621 2341037	10/01/2013	10/01/2013	PROCESSING FEES our ref FT1301022069OACY		15.61		164,751.28
113011001621 234113	10/01/2013	10/01/2013	OUTWARD FT1301022069OACY to TECHNOCASH LIMITED a/c		400,000.00		164,766.89
113011001624 411265	10/01/2013	10/01/2013	231546>USERNAME: BANNERSBROKER BSB NUMBER: 034- CHARGES OUR our ref FT1301022206OACY		45.75		564,766.89
113011001624 4111031	10/01/2013	10/01/2013	TRANSFER COMMISSION our ref FT1301022206OACY		37.50		564,812.84
113011001624 4111029	10/01/2013	10/01/2013	PROCESSING FEES our ref FT1301022206OACY		16.68		564,850.14
113011001624 411263	10/01/2013	10/01/2013	OUTWARD FT1301022206OACY to STACY MYRIAM LOUISE a/c		25,000.00		564,865.82
113010801046 84 34919	08/01/2013	08/01/2013	STACY PAY FOR THREE MONTHS Card 4***1601 2013-01- 04 803.19 USD Auth 284606 Trace 6759709 VISA BS NASSAU Atlantis Royal Towers Pro		931.12		589,865.82
113010801046 84 34913	08/01/2013	08/01/2013	Card 4***1601 2013-01- 04 4057.34 USD Auth 284602 Trace		4,182.82		590,796.94

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113010701046 84 46673	07/01/2013	07/01/2013	6759708 VISA BS NASSAU Atlantis Royal Towers Fro Card 4***1601 2013-01- 01 95.50 USD Auth 244750 Trace 6555588 VISA BS NASSAU Senor Frogs		98.45		594,979.76
113010701046 84 46667	07/01/2013	07/01/2013	Card 4***1601 2013-01- 01 249.00 USD Auth 234308 Trace 6555588 VISA BS NASSAU Atlantis Kodak Photo Shop		256.70		595,078.21
113010701046 84 46661	07/01/2013	07/01/2013	Card 4***1601 2013-01- 01 12400.00 USD Auth 244510 Trace 6555587 VISA BS PARADISE ISLA John Bull		12,783.51		595,334.91
113010701046 84 95085	07/01/2013	07/01/2013	Card 4***1601 2013-01- 02 213.99 CAD Auth 286773 Trace 6668127 VISA CA CONTINENTAL United Air 016320321		225.20		608,118.42
113010701046 84 95079	07/01/2013	07/01/2013	Card 4***1601 2013-01- 02 213.99 CAD Auth 286773 Trace 6668126 VISA CA CONTINENTAL United Air 016320321		225.20		608,343.62
113010701046 84 47144	07/01/2013	07/01/2013	Card 4***1601 2013-01- 03 15.76 CAD Auth 00000 Trace 6612433 VISA CA 800-367-3476 Expedia travel			16.43	608,568.82

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113010701046 84 43493	07/01/2013	07/01/2013	Card 4***1601 2013-01-03 1652.97 CAD Auth 286770 Trace 6612434 VISA CA 800-367-3476 Expedia travel		1,733.45		608,552.39
113010401431 748541	04/01/2013	07/01/2013	TRANSFER COMMISSION our ref FT1301030190IN03 INWARD FT1301030190IN03 by MONETIZE GROUP INCORP>/RFB/MONETIZ E GROUP INCORPORATED		52.98		610,285.84
113010401621 7488	04/01/2013	07/01/2013	Card 4***1601 2012-12-30 2395.00 BSD Auth 235289 Trace 6485617 VISA BS BHS Gianni Versace			149,900.61	610,338.82
113010301046 84 67815	03/01/2013	03/01/2013	Card 4***1601 2013-01-01 1130.00 USD Auth 211902 Trace 6485616 VISA US 212-988-8888 Treasures Internati		2,500.57		460,438.21
113010301046 84 67809	03/01/2013	03/01/2013	Card 4***1601 2013-01-01 1130.00 USD Auth 211902 Trace 6485616 VISA US 212-988-8888 Treasures Internati		1,164.95		462,938.78
113010301624 41111	03/01/2013	03/01/2013	CHARGES OUR our ref FT1301022083OACY TRANSFER		13.14		464,103.73
113010301624 41169	03/01/2013	03/01/2013	COMMISSION our ref FT1301022083OACY PROCESSING FEES		6.57		464,116.87
113010301624 41167	03/01/2013	03/01/2013	our ref FT1301022083OACY OUTWARD		15.77		464,123.44
113010301624 4119	03/01/2013	03/01/2013	FT1301022083OACY to KAFRI LEIBOVICH LAW a/c IL7401306200000111		3,500.00		464,139.21

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
			42371>STELLAR POINT ISRAEL LTD				
1121231010559553	31/12/2012	31/12/2012	Statement Charges		3.30		467,639.21
11212310104684 41123	31/12/2012	31/12/2012	Card 4***1601 2012-12-28 18000.00 USD Auth 248779 Trace 6328312 VISA US 516-4325900 Air Charter Service		18,556.70		467,642.51
1121231014396001537	31/12/2012	02/01/2013	TRANSFER COMMISSION our ref FT1212310173IN03 INWARD		13.18		486,189.21
1121231016296008	31/12/2012	02/01/2013	FT1212310173IN03 by CEO - CONSULTORIA DE			9,980.00	486,212.39
11212310104684 96881	31/12/2012	31/12/2012	Card 4***1601 2012-12-26 6724.38 CAD Auth 272191 Trace 6263449 VISA CA OSHAWA Furniture Galleries		7,047.23		476,222.39
11212310104684 96875	31/12/2012	31/12/2012	Card 4***1601 2012-12-28 7500.00 CAD Auth 213600 Trace 6263448 VISA CA 905-4330011 Www Adventistgiving		7,860.10		483,269.62
11212310104684 45299	31/12/2012	31/12/2012	Card 4***1601 2012-12-26 1234.00 USD Auth 280802 Trace 6210947 VISA US 800-285-2684 Paradise Island Vac		1,272.16		491,129.72
112122701621234399	27/12/2012	27/12/2012	"AB" COMMISSION DIFFERENT CUST our ref FT1212270839QAAB		6.61		492,401.88

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
112122701621 23413	27/12/2012	27/12/2012	Transfer FT1212270939OAA8 to DREAMSCAPE VENTURES a/c [REDACTED] TRANS FER		50,000.00		492,408.49
112122701621 425265	27/12/2012	27/12/2012	TRANSFER COMMISSION our ref FT1212270702OACY		15.00		542,408.49
112122701621 425263	27/12/2012	27/12/2012	PROCESSING FEES our ref FT1212270702OACY		15.87		542,423.49
112122701621 42555	27/12/2012	27/12/2012	OUTWARD FT1212270702OACY to STELLAR POINT INC a/c [REDACTED] INVOIC E 342		10,000.00		542,439.36
112122701621 22357	27/12/2012	27/12/2012	CHARGES OUR our ref FT1212270334OACY		46.30		552,439.36
112122701621 223185	27/12/2012	27/12/2012	TRANSFER COMMISSION our ref FT1212270334OACY		50.52		552,485.66
112122701621 223183	27/12/2012	27/12/2012	PROCESSING FEES our ref FT1212270334OACY		15.87		552,536.18
112122701621 22355	27/12/2012	27/12/2012	OUTWARD FT1212270334OACY to JIM COLEMAN AUTOMOTI a/c 1000031605909>TRAN SIT 061000104 BRANCH PHONE NUMBER 14105318629 RAJKUMAR DIXIT VEHICLE		33,677.00		552,552.05
112122701431 7993329	27/12/2012	28/12/2012	TRANSFER COMMISSION our ref		52.91		586,228.05

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Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
			FT1212240257IN03				
112122701621 79930	27/12/2012	28/12/2012	INWARD FT1212240257IN03 by MONETIZE GROUP INCOR>/RFB/MONETIZ E GROUP INCORPORATED Card 4***1601 2012-12- 13 1057.62 CAD Auth			424,901.01	586,281.96
112121701046 84 40893	17/12/2012	17/12/2012	210008 Trace 5412547 VISA CA OSHAWA Churchill Oshawa Ltd		1,118.45		161,380.95
112121301046 84 42615	13/12/2012	13/12/2012	Card 4***1601 2012-12- 11 19000.00 CAD Auth 277383 Trace 5016816 VISA CA OSHAWA Oshawa Jewellery Exchange		20,073.39		162,499.40
112120701046 84 43961	07/12/2012	07/12/2012	Card 4***1601 2012-12- 05 519.42 CAD Auth 234204 Trace 4608558 VISA CA OSHAWA Durham Region Media Group		542.67		182,572.79
112120701431 7991205	07/12/2012	10/12/2012	TRANSFER COMMISSION our ref FT1212060254IN03 INWARD		52.35		183,115.46
112120701621 79946	07/12/2012	10/12/2012	FT1212060254IN03 by MONETIZE GROUP INCOR>/RFB/MONETIZ E GROUP INCORPORATED			149,901.94	183,167.81
112120601046 84 45541	06/12/2012	06/12/2012	Card 4***1601 2012-12- 03 19499.00 USD Auth 232665 Trace 4558135 VISA US		20,102.06		33,265.87

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
112120401046 84 41898	04/12/2012	04/12/2012	516-4325900 Air Charter Service Card 4***1601 2012-11-30 7016.05 CAD Auth 00000 Trace 4416354 VISA CA WINNIPEG Air Canada 014252682694			7,325.29	53,367.93
112120401046 84 38511	04/12/2012	04/12/2012	Card 4***1601 2012-12-01 19971.37 USD Auth 267836 Trace 4418353 VISA IE DUNDRUM Weir & Son Dundrum Ltd		20,588.04		46,042.64
11211300105 92007	30/11/2012	30/11/2012	Statement Charges		3.25		66,631.68
112112901046 84 39289	29/11/2012	29/11/2012	Card 4***1601 2012-11-27 18.00 CAD Auth 201897 Trace 4131949 VISA CA TORONTO Impark00090433a		18.80		66,634.93
112112201046 84 42447	22/11/2012	22/11/2012	Card 4***1601 2012-11-19 18630.00 USD Auth 201911 Trace 3810189 VISA US 516-4325900 Air Charter Service		19,206.19		66,653.73
112111901046 84 43645	19/11/2012	19/11/2012	Card 4***1601 2012-11-16 18630.00 USD Auth 249987 Trace 3645757 VISA US 516-4325900 Air Charter Service		19,206.19		85,859.92
112111901624 411353	19/11/2012	19/11/2012	"AB" COMMISSION SAME CUSTOMER our ref FT12111910740AAB		2.17		105,066.11

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
112111901624 411139	19/11/2012	19/11/2012	Transfer FT12111910740AAB to BANNERSBROKER LIMITE a/c [REDACTED] COVER OF EXCESS Card 4***1601 2012-11- 13 1994.45 CAD Auth		100.00		105,068.28
112111501046 84 41761	15/11/2012	15/11/2012	282098 Trace 3139674 VISA CA 905-4347773 Sign A Rama		2,075.12		105,168.28
112111401046 84 45681	14/11/2012	14/11/2012	Card 4***1601 2012-11- 09 15066.94 USD Auth 277795 Trace 3081999 VISA US 800-285-2684 Paradise Island Vac		15,532.93		107,243.40
112110901046 84 43781	09/11/2012	09/11/2012	Card 4***1601 2012-11- 07 552.57 CAD Auth 255678 Trace 2759413 VISA CA OSHAWA Durham Region Media Group		577.63		122,776.33
11210310105 97119	31/10/2012	31/10/2012	Statement Charges Card 4***1601 2012-10- 18 250.00 CAD Auth 278831 Trace 1915353		3.25		123,353.96
112102401046 84 44721	24/10/2012	24/10/2012	VISA CA WILLOWDALE Lufthansa 2202526826		262.04		123,357.21
112102201046 84 38519	22/10/2012	22/10/2012	Card 4***1601 2012-10- 18 1579.53 CAD Auth 278356 Trace 1843599 VISA CA WINNIPEG Air Canada 014252682698		1,668.12		123,619.25

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
112102201046 84 38513	22/10/2012	22/10/2012	Card 4***1601 2012-10-20 39.55 CAD Auth 200611 Trace 1843600 VISA CA 888-955-5455 Uniworld Travel		41.76		125,287.37
112102201046 84 38507	22/10/2012	22/10/2012	Card 4***1601 2012-10-20 84.75 CAD Auth 200607 Trace 1843602 VISA CA 888-955-5455 Uniworld Travel		89.50		125,329.13
112102201046 84 38501	22/10/2012	22/10/2012	Card 4***1601 2012-10-18 684.23 CAD Auth 293111 Trace 1843601 VISA CA WINNIPEG Air Canada 014252723725		722.60		125,418.63
112102201046 84 38495	22/10/2012	22/10/2012	Card 4***1601 2012-10-20 39.55 CAD Auth 200614 Trace 1843603 VISA CA 888-955-5455 Uniworld Travel		41.76		126,141.23
112102201046 84 38677	22/10/2012	22/10/2012	Card 4***1601 2012-10-18 84.75 CAD Auth 296764 Trace 1740319 VISA CA 888-955-5455 Uniworld Travel		89.72		126,182.89
112102201046 84 38671	22/10/2012	22/10/2012	Card 4***1601 2012-10-16 7366.05 CAD Auth 289389 Trace 1740321 VISA CA WINNIPEG Air Canada 014252682694		7,798.02		126,272.71
112102201046 84 38665	22/10/2012	22/10/2012	Card 4***1601 2012-10-18 39.55 CAD Auth 296766 Trace		41.87		134,070.73

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
112102201046 84 38659	22/10/2012	22/10/2012	1740322 VISA CA 888-955-5455 Uniworl Travel Card 4***1601 2012-10-18 39.55 CAD Auth 296765 Trace 1740320 VISA CA 888-955-5455 Uniworl Travel		41.87		134,112.60
112102201046 84 38653	22/10/2012	22/10/2012	Card 4***1601 2012-10-16 1077.84 CAD Auth 290432 Trace 1740318 VISA CA WINNIPEG Air Canada 014252682695		1,141.04		134,154.47
112102201046 84 38647	22/10/2012	22/10/2012	Card 4***1601 2012-10-16 435.84 CAD Auth 290682 Trace 1740317 VISA CA WINNIPEG Air Canada 014252682695		461.40		135,295.51
112100901431 7992193	09/10/2012	03/10/2012	TRANSFER COMMISSION FC our ref FT1209284495IN03		51.93		135,756.91
112100901621 79918	09/10/2012	03/10/2012	INWARD FT1209284495IN03 by MICHAEL HERLIHY>MICHAEL HERLIHY IRELAND			130,000.00	135,808.84
11209280105 96399	28/09/2012	30/09/2012	Statement Charges		3.28		5,808.84
11208310105 2287	31/08/2012	31/08/2012	Statement Charges		3.14		5,812.12
112082701046 84 82841	27/08/2012	27/08/2012	Card 4***1601 2012-08-23 2028.08 CAD Auth 216926 Trace 7148767 VISA CA TORONTO Lot Airline		2,126.72		5,815.26

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
			080143877				
112082701046 84 38555	27/08/2012	27/08/2012	Card 4***1601 2012-08-23 2295.00 CAD Auth 214675 Trace 7110654 VISA CA TORONTO Aviva Insurance Company		2,409.94		7,941.98
112082701046 84 38548	27/08/2012	27/08/2012	Card 4***1601 2012-08-23 8205.66 CAD Auth 221911 Trace 7110653 VISA CA TORONTO EI AI Air 1140000000000		8,616.61		10,351.82
112081701959 5111133	17/08/2012	17/08/2012	1Bank - Commission/Fee	106538136	6.25		18,968.53
112081701629 51127	17/08/2012	17/08/2012	1Bank - Transfer- Internet-Debit	106538136	1,000.00		18,974.78
11207310105 10235	31/07/2012	31/07/2012	Statement Charges		3.07		19,974.78
11206290162 6194	29/06/2012	01/07/2012	Interest		0.05		19,977.85
11206290105 65975	29/06/2012	30/06/2012	Statement Charges		3.14		19,977.80
112062501431 7992907	25/06/2012	25/06/2012	TRANSFER COMMISSION FC our ref FT1206070058IN03		12.54		19,981.04
112062501621 78968	25/06/2012	26/06/2012	INWARD FT1206070058IN03 by BANNERSBROKER LIMITE			20,000.00	19,993.58
11205310105 7157	31/05/2012	31/05/2012	Statement Charges		3.11		-6.42
11204300105 53081	30/04/2012	30/04/2012	Statement Charges		3.31		-3.31

Tab T

OSHAWA JEWELLERY EXCHANGE
119 KING ST W UNIT 2432
OSHAWA ON L1J 2K5
905-728-5757

740

Viss MID: 17675500011
Term ID: 101

Ref #: 010

Force

XXXXXXXXXXXX1601

VISA

Entry Method: CHIP/MAG

12/11/12

11:27:13

Inv #: 000010

Appr Code: 277383

Apprvd

Batch#: 000362

Total:

\$ 19,000.00

Customer Copy

**Oshawa Jewellery
Inc**

Oshawa Centre - Unit 2432
419 King St. W.
Oshawa, ON L1J 2K5
(905) 728-5757

RECEIPT

#001-205263



12/11/2012 11:28 AM

You were assisted by
Rachel Berdugo (#41)

Sold To: #001-67389

**Rajiv Dixit
1019 Nelson St. Unit 8
Oshawa, On L1N 3H5
905-409-5583**

**205263-001 Diamond 2.02ct Round Brilliant. Ready
by 12/21/2012.
Special Order**

Price... \$16,815.00
Estimated tax... \$2,185.95
Subtotal... \$19,000.95
Less Deposit... \$19,000.95 \$19,000.95
Amount Due at pickup... \$0.00

Total... \$19,000.95

**Charged to Visa Card... \$19,000.00
Cash Tendered... \$0.95**

Balance(s) as of 12/11/2012 11:28:23 AM...

Special Order #001-200771-001 11/24/2012... \$2,260.00

30 DAY EXCHANGE OR STORE CREDIT WITH THIS RECEIPT ONLY
(except on special/custom orders)

*****NO REFUNDS*****

THANK YOU FOR SHOPPING AT OSHAWA JEWELLERY

Tab U

HARRY ROSEN

218 YONGE STREET
TORONTO, ON M5B 2H6
(416) 598-8886

05/16/2013 20:49

Store# 00007 Term# 003 Trans# 349688

OPERATOR: J CHAN

CALC PERSON: 03489 Douglas Lucas

CUSTOMER: Rajib Dixit

ACCOUNT: 900070049581

DEFERRED TRANSACTION

ARMANI MTM
02010105-01 \$3105 00 B
ITEM STATUS : TAKEN
TAG NUMBER : 2121829
PROMISED DATE : 05/11/2013
PO NUMBER : 7-87239
MEMO: M18 022540 RAJIV

ARMANI MTM
02010105-01 \$2790 00 B
ITEM STATUS : TAKEN
TAG NUMBER : 2121828
PROMISED DATE : 05/11/2013
PO NUMBER : 7-87239
MEMO: M15 JU280-004 RAJIV

ARMANI MTM
02010108-01 \$1980 00 B
ITEM STATUS : TAKEN
TAG NUMBER : 2121827
PROMISED DATE : 05/11/2013
PO NUMBER : 7-87239
MEMO: M24-LU631-216 RAJIV

ARMANI MTM
02010105-01 \$3105 00 B
ITEM STATUS : TAKEN
TAG NUMBER : 2121966
PROMISED DATE : 05/14/2013
PO NUMBER : 7-87239
MEMO: M19-LU227-008 NICK

ARMANI MTM
02010105-01 \$3105 00 B
ITEM STATUS : ALTERATIONS COMPLETED
TAG NUMBER : 2121965
PROMISED DATE : 05/14/2013
PO NUMBER : 7-87239
MEMO: M19-LU227-008 LORENZO

ARMANI MTM
02010105-01 \$2925 00 B
ITEM STATUS : TAKEN
TAG NUMBER : 2121964
PROMISED DATE : 05/14/2013
PO NUMBER : 7-87239
MEMO: M18-022591 LORENZO

ARMANI MTM
02010105-01 \$3600 00 B
ITEM STATUS : TAKEN
TAG NUMBER : 2121803
PROMISED DATE : 05/09/2013
PO NUMBER : 7-87239
MEMO: M24-LU209-404 SANJEEV

ARMANI MTM
 02010105-01 \$3015.00 B
 ITEM STATUS : TAKEN
 TAG NUMBER : 2121802
 PROMISED DATE : 05/09/2013
 PO NUMBER : 7-87239
 MEMO: M19-022549 SANJEEV

ARMANI MTM
 02010108-01 \$1800.00 B
 ITEM STATUS : TAKEN
 TAG NUMBER : 2121807
 PROMISED DATE : 05/09/2013
 PO NUMBER : 7-87239
 MEMO: M21-LU649-216 SAMMY

ALLEN EDMONDS SHOES
 78770401-02 \$355.00 B
 ITEM STATUS : TAKEN

SHOE ACCESSORIES
 70778750-01 \$40.00 B
 ITEM STATUS : TAKEN

SHOE ACCESSORIES
 70770095-01 \$14.00 B
 ITEM STATUS : TAKEN

SHOE ACCESSORIES
 70770137-01 \$16.00 B
 ITEM STATUS : TAKEN

SHOE ACCESSORIES
 70778714-01 \$11.95 B
 ITEM STATUS : TAKEN

SHOE ACCESSORIES
 70778750-02 \$40.00 B
 ITEM STATUS : TAKEN

ALLEN EDMONDS SHOES
 78770467-05 \$355.00 B
 ITEM STATUS : TAKEN

ALLEN EDMONDS SHOES
 78770458-05 \$355.00 B
 ITEM STATUS : TAKEN

TOTAL ITEMS: 17
 SUB-TOTAL: \$26,611.95
 HST: 13.0% \$3,459.56
 TOTAL: \$30,071.51

PAYMENT 03/02/2013 \$30,472.66
 VISA \$19,000.00
 DETAIL: *****1601
 VISA \$11,472.66
 DETAIL: *****2873

REFUND 03/16/2013 \$401.15-
 CUSTOMER CR \$401.15-

BALANCE DUE: \$0.00

DEFERRED NUMBER: 87239



0000700872398

Store# 00007 Term# 003 Trans# 349688
 G.S.T. # R885773143

repairs to you, the original owner, for the lifetime of the garment. If you ever find yourself in need of having a button replaced, a seam fixed or other minor repairs, please return the item to the store where it was purchased.

HARRY ROSEN

218 YONGE STREET
TORONTO, ON M5B 2H6
(416) 598-8885

05/16/2013 20:52

Store# 00007 Term# 003 Trans# 349692

OPERATOR: J CHAN

Sales PERSON: 03489 Douglas Lucas

CUSTOMER: ReJib Dixit

ACCOUNT: 900070049581

DEFERRED TRANSACTION

HARRY ROSEN SPORTSHIRTS	
51341340-04	\$115.00 B
ITEM STATUS : TAKEN	
HARRY ROSEN SPORTSHIRTS	
51341343-04	\$125.00 B
ITEM STATUS : TAKEN	
POLO RLX KNITWEAR	
04360165-05	\$90.00 B
ITEM STATUS : TAKEN	
HARRY ROSEN CASUAL TROUSERS	
51370147-06	\$150.00 B
ITEM STATUS : TAKEN	
BRAX CASUAL TROUSERS	
30370505-06	\$135.00 B
ITEM STATUS : TAKEN	
MICHAEL KORS CASUAL TROUSERS	
88370028-06	\$145.00 B
ITEM STATUS : TAKEN	
ROBERT GRAHAM KNITS	
44360035-05	\$145.00 B
ITEM STATUS : TAKEN	
POLO RLX KNITWEAR	
04360167-05	\$95.00 B
ITEM STATUS : TAKEN	
MICHAEL KORS SPORTSHIRTS	
88340122-05	\$225.00 B
ITEM STATUS : TAKEN	
HARRY ROSEN SPORTSHIRTS	
51341359-04	\$178.00 B
ITEM STATUS : TAKEN	
POLO RLX KNITWEAR	
04360171-04	\$90.00 B
ITEM STATUS : TAKEN	
LACOSTE KNITWEAR	
49360466-04	\$98.00 B
ITEM STATUS : TAKEN	
POLO RLX CASUAL TROUSERS	
04370102-06	\$80.00 B
ITEM STATUS : TAKEN	
LACOSTE KNITWEAR	
49360464-05	\$98.00 B
ITEM STATUS : TAKEN	

LACOSTE KNITWEAR

49360426-05. \$98.00 R
ITEM STATUS TAKEN

HUGO BOSS BLACK LABEL DRESS PA

05110855-05 \$275 00 B
ITEM STATUS : TAKEN
TAG NUMBER : 2121662
PROMISED DATE : 05/09/2013
MF-MD. Sanjeev Sukumaran

HUGO BOSS BLACK LABEL DRESS PA

```
05110924-05                                $295 00 B
ITEM STATUS      : TAKEN
TAG NUMBER       : 2121948
PROMISED DATE   :
REQUIRED STORE   : 00022
MEMO Sanjeev
```

BRAND LABEL SHOES

53770815-07 \$1250.00 B
ITEM STATUS : TAKEN

SHOE ACCESSORIES

70778750-03 \$40.00 B
ITEM STATUS : TAKEN

BRND LBL INTMTE APPR

53745317-04 \$68.00 B
ITEM STATUS : TAKEN

BRND LBL INTMTE APPR

53745312-04 \$125.00 B
ITEM STATUS : TAKEN

HBOSS INTIMATE APPRL

05740495-02 \$79 00 B
ITEM STATUS : TAKEN

BRND LBL INTMTE APPR

53745315-04 \$95 00 B
ITEM STATUS : TAKEN

TOTAL ITEMS: 23

SUB-TOTAL :	\$4,104 00
HST. 13.0%	\$533 52

TOTAL: \$4,637.52

PAYMENT	05/04/2013	\$4,637.52
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VISA	\$4,637.52
------	------------

DETAIL: 天为无涯海地为无垠天无边地无际4253

BALANCE DUE: \$0.00

DEFERRED NUMBER: 89328



0000700893288

Store# 00007 Term# 003 Trans# 349692
G.S.T. # R885773143

Our business and financial guarantees



Prepared for: MR RAJIV DIXIT April 28 to May 27, 2013 Account number: [REDACTED]

746

Your new charges and credits (continued)

Trans date	Post date	Description	Spend Categories	Amount(\$)
Card number [REDACTED]				
Apr 29	Apr 30	DELTA AIR 0062170398331DORVAL QC 250.00 USD @ 1.042920000**	Foreign Currency Transactions	260.73
Apr 30	May 01	THE BRICK-WHITBY WHITBY ON	Home and Office Improvement	6,847.52
Apr 30	May 01	FEDEX TRADE NETWORKS MISSISSAUGA ON	Professional and Financial Services	48.03
Apr 30	May 01	WARREN'S PRINTING PLACE WHITBY ON	Professional and Financial Services	621.50
Apr 30	May 01	DR. BERNARD RUBIN DENT. OSHAWA ON	Health and Education	815.00
May 01	May 02	PAYPAL *HIKARISOFTW 4029357733 ON	Professional and Financial Services	54.43
May 01	May 02	FOX PROMOTIONS TORONTO ON	Hotel, Entertainment and Recreation	33,900.00
May 01	May 02	BEST BYTE, BUSINESS BUNDLWHITBY ON	Professional and Financial Services	11,105.07
May 01	May 03	THE WESTIN WARSZAWA 19,309.84 PLN @ 0.329772800**	Foreign Currency Transactions	6,367.86
May 01	May 03	THE WESTIN WARSZAWA 80.00 PLN @ 0.329750000**	Foreign Currency Transactions	26.38
May 02	May 03	CTO*CITRIX ONLINE.COM 800-853-1185 CA 641.94 USD @ 1.036389694**	Foreign Currency Transactions	665.30
May 02	May 03	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	1.12
May 02	May 03	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	58.73
May 02	May 03	DURHAM RADIO INC OSHAWA ON	Home and Office Improvement	2,243.05
May 02	May 03	DURHAM KIA OSHAWA ON	Transportation	5,000.00
May 02	May 03	BUYAIRSOFT RED DEER COUNAB	Retail and Grocery	900.66
May 03	May 06	BIN THERE DUMP THAT WHITBY ON	Home and Office Improvement	256.23
May 03	May 06	FOX PROMOTIONS TORONTO ON	Hotel, Entertainment and Recreation	1,582.00
May 03	May 06	MACDONALD SAGER MANIS LLPTORONTO ON	Professional and Financial Services	4,551.50
May 03	May 06	PRECISE PARKLINK INC TORONTO ON	Transportation	13.50
May 03	May 07	UNITED AIR 0163925797225CONTINENTAL NS	Transportation	803.72
May 03	May 07	TAP PORTUGAL473925785863901 LISBOA	Transportation	496.19
May 04	May 06	HOSTGATOR 7135745287 TX	Professional and Financial Services	15.60
May 04	May 06	HOCKEY HALL OF FAME TORONTO ON	Hotel, Entertainment and Recreation	485.84
May 04	May 06	GOLF TOWN #16 WHITBY ON	Hotel, Entertainment and Recreation	2,701.68
May 04	May 06	HARRY ROSEN # F007 TORONTO ON	Retail and Grocery	4,637.52
May 04	May 06	ROOTS #113 TORONTO ON	Retail and Grocery	212.44
May 04	May 06	APPLE STORE #R121 TORONTO ON	Home and Office Improvement	3,143.95
May 04	May 06	CINEPLEX 7289 OSHAWA ON	Hotel, Entertainment and Recreation	133.90
May 04	May 06	EVOLV HEALTH CANADA INC BRANDON MB	Retail and Grocery	73.49
May 04	May 06	SILVERIS TECHNOLOGIES CORNEWMARKET ON	Personal and Household Expenses	22.58
May 05	May 06	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	3.38
May 05	May 06	APL*APPLE ITUNES STORE 800-676-2775 ON	Hotel, Entertainment and Recreation	10.32
May 05	May 06	LOWES #02741* OSHAWA ON	Home and Office Improvement	284.13
May 05	May 06	PETSMART INC 0934 WHITBY ON	Personal and Household Expenses	77.43
May 05	May 06	SURE FIT OUTLET AJAX ON	Home and Office Improvement	299.20
May 05	May 06	GOLF TOWN #16 WHITBY ON	Hotel, Entertainment and Recreation	61.01
May 05	May 06	GOLF TOWN #16 WHITBY ON	Hotel, Entertainment and Recreation	1,355.98
May 05	May 07	THE HOME DEPOT #7005 WHITBY ON	Home and Office Improvement	45.18
May 06	May 07	FOX PROMOTIONS TORONTO ON	Hotel, Entertainment and Recreation	2,542.50
May 06	May 07	FOX PROMOTIONS TORONTO ON	Hotel, Entertainment and Recreation	1,582.00
May 06	May 07	MACDONALD SAGER MANIS LLPTORONTO ON	Professional and Financial Services	1,273.50

0402560000

-120-059307

Tab V

1bank

Bank of Cyprus

06/03/2013 3.21 AM

747

Transaction History

Account Details

Account Number:	
Account Owner:	BANNERSBROKER LIMITED
Available Balance:	283961.15 USD
Current Balance:	295107.42 USD

Last Transactions:	
From Date:	06/03/2012
To Date:	06/03/2013

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
1130305016212231137	05/03/2013	05/03/2013	"AB" COMMISSION DIFFERENT CUST our ref FT1303053589OAAB		6.52		295,107.42
113030501621223211	05/03/2013	05/03/2013	Transfer FT1303053589OAAB to DREAMSCAPE VENTURES a/c -consulti ng services invoice number 0134 Card 4***1601 2013-03- 02 19000.00 CAD Auth 227440 Trace 1387560 VISA CA TORONTO Harry Rosen F007		100,000.00		295,113.94
11303040104684 53459	04/03/2013	04/03/2013	CHARGES OUR our ref FT1303040018OACY		19,223.34		395,113.94
11303040162122343	04/03/2013	04/03/2013			13.02		414,337.28

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
11212270162123413	27/12/2012	27/12/2012	Transfer FT12122709390AAB to DREAMSCAPE VENTURES a/c [REDACTED] TRANS FER		50,000.00		492,408.49
112122701621425265	27/12/2012	27/12/2012	TRANSFER COMMISSION our ref FT1212270702OACY		15.00		542,408.49
112122701621425263	27/12/2012	27/12/2012	PROCESSING FEES our ref FT1212270702OACY		15.87		542,423.49
11212270162142555	27/12/2012	27/12/2012	OUTWARD FT1212270702OACY to STELLAR POINT INC a/c [REDACTED] INVOIC E 342		10,000.00		542,439.36
11212270162122357	27/12/2012	27/12/2012	CHARGES OUR our ref FT1212270334OACY		46.30		552,439.36
112122701621223185	27/12/2012	27/12/2012	TRANSFER COMMISSION our ref FT1212270334OACY		50.52		552,485.66
112122701621223183	27/12/2012	27/12/2012	PROCESSING FEES our ref FT1212270334OACY		15.87		552,536.18
11212270162122355	27/12/2012	27/12/2012	OUTWARD FT1212270334OACY to JIM COLEMAN AUTOMOTI a/c 1000031605909>TRAN SIT 061000104 BRANCH PHONE NUMBER 14105318629 RAJKUMAR DIXIT VEHICLE		33,677.00		552,552.05
1121227014317993329	27/12/2012	28/12/2012	TRANSFER COMMISSION our ref		52.91		586,229.05

Tab W

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
1121231010559553	31/12/2012	31/12/2012	42371>STELLAR POINT ISRAEL LTD Statement Charges		3.30		744 467,639.21
11212310104684 41123	31/12/2012	31/12/2012	Card 4***1601 2012-12-28 18000.00 USD Auth 248779 Trace 6328312 VISA US 516-4325900 Air Charter Service		18,556.70		467,642.51
1121231014396001537	31/12/2012	02/01/2013	TRANSFER COMMISSION our ref FT1212310173IN03 INWARD		13.18		486,199.21
1121231016296008	31/12/2012	02/01/2013	FT1212310173IN03 by CEO - CONSULTORIA DE			9,980.00	486,212.39
11212310104684 96881	31/12/2012	31/12/2012	Card 4***1601 2012-12-26 6724.38 CAD Auth 272191 Trace 6263449 VISA CA OSHAWA Furniture Galleries		7,047.23		476,222.39
11212310104684 96875	31/12/2012	31/12/2012	Card 4***1601 2012-12-28 7500.00 CAD Auth 213600 Trace 6263448 VISA CA 905-4330011 Www Adventistgiving		7,660.10		483,269.62
11212310104684 45299	31/12/2012	31/12/2012	Card 4***1601 2012-12-26 1234.00 USD Auth 280802 Trace 6210947 VISA US 800-285-2684 Paradise Island Vac		1,272.16		491,129.72
112122701621234399	27/12/2012	27/12/2012	"AB" COMMISSION DIFFERENT CUST our ref FT1212270939OAAAB		6.61		492,401.88

Tab X

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113010701046 84 46673	07/01/2013	07/01/2013	6759708 VISA BS NASSAU Atlantis Royal Towers Fro Card 4***1601 2013-01- 01 95.50 USD Auth 244750 Trace 6555589 VISA BS NASSAU Senor Frogs Card 4***1601 2013-01- 01 249.00 USD Auth 234308 Trace 6555588 VISA BS NASSAU Atlantis Kodak Photo Shop Card 4***1601 2013-01- 01 12400.00 USD Auth 244510 Trace 6555587 VISA BS PARADISE ISLA John Bull		98.45		594,979.76
113010701046 84 46667	07/01/2013	07/01/2013	Card 4***1601 2013-01- 02 213.99 CAD Auth 286773 Trace 6668127 VISA CA CONTINENTAL United Air 016320321 Card 4***1601 2013-01- 02 213.99 CAD Auth 286773 Trace 6668126 VISA CA CONTINENTAL United Air 016320321 Card 4***1601 2013-01- 03 15.76 CAD Auth 00000 Trace 6612433 VISA CA 800-367-3476 Expedia travel		256.70		595,078.21
113010701046 84 46661	07/01/2013	07/01/2013			12,783.51		595,334.91
113010701046 84 95085	07/01/2013	07/01/2013			225.20		608,118.42
113010701046 84 95079	07/01/2013	07/01/2013			225.20		608,343.62
113010701046 84 47144	07/01/2013	07/01/2013				16.43	608,568.82

Tab Y

Bank Reference Number	Post Date	Value Date	Description	Transaction Number	Debit	Credit	Indicative Balance
113030401621 223193	04/03/2013	04/03/2013	TRANSFER COMMISSION our ref FT1303040018OACY PROCESSING FEES		15.00		414,350.20
113030401621 223191	04/03/2013	04/03/2013	our ref FT1303040018OACY OUTWARD FT1303040018OACY to MR JAIME PEREIRA DE a/c		15.62		414,365.30
113030401621 22341	04/03/2013	04/03/2013	INVO ICED TO COVER OFFICE EXPENSE Card 4***1601 2013-02- 28 95.60 CAD Auth		10,000.00		414,380.92
113030401046 84 39471	04/03/2013	04/03/2013	275843 Trace 1267227 VISA CA WHITBY Lux Limo		96.67		424,380.92
113030401046 84 39465	04/03/2013	04/03/2013	Card 4***1601 2013-02- 28 155.80 CAD Auth 277054 Trace 1267229 VISA CA WHITBY Lux Limo		157.54		424,477.59
113030401046 84 39459	04/03/2013	04/03/2013	Card 4***1601 2013-02- 28 117.76 CAD Auth 275472 Trace 1267230 VISA CA WHITBY Lux Limo		119.07		424,635.13
113030401046 84 39453	04/03/2013	04/03/2013	Card 4***1601 2013-02- 28 83.20 CAD Auth 276301 Trace 1267228 VISA CA WHITBY Lux Limo		84.12		424,754.20
113030401046 84 39447	04/03/2013	04/03/2013	Card 4***1601 2013-02- 28 8000.00 GBP Auth 256185 Trace 1267226 VISA GB T5 HEATHROW Tiffany & Co Ltd		12,580.19		424,838.32

BANNERS BROKER INTERNATIONAL LTD. by its receiver,
MSI SPERGEL INC., et al
Plaintiffs

and RAJIV DIXIT et al.
Defendants

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**PROCEEDING COMMENCED AT
TORONTO**

**MOTION RECORD
VOLUME II OF II**

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

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dward@casselsbrock.com

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Tel: 416.815.4351
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chorkins@casselsbrock.com

Lawyers for the Plaintiff