

Page 49

1 Q And that took place about three months  
2 ago?  
3 A. No. That took place a couple of weeks  
4 ago.  
5 Q Do you know why the change was made?  
6 A. We needed the separate, third-party  
7 verification.  
8 Q I mean, that was the understanding  
9 that you had as to why the change took place?  
10 A. Right.  
11 Q Do you have any role in the  
12 preparation of balance sheets or other financial  
13 statements?  
14 A. No. I'm in charge of the treasury  
15 division, but I don't prepare those.  
16 Q You might provide the raw data that  
17 would be used for the preparation of such a  
18 document?  
19 A. Everything is basically stored in  
20 Quick Books, so you can run reports out of there.  
21 So that's what treasury division does, balance

Page 50

1 sheets, or if they need some information from the  
2 general ledger, or something to that effect.  
3 Q Okay. So it takes place in an area  
4 that's under your responsibility, but you  
5 personally don't have anything to do with it?  
6 A. I mean, I don't personally run them.  
7 Keanan is more in charge of the books. He has  
8 more -- I'm not very knowledgeable in that area.  
9 So Keanan works with treasury.  
10 Q So in other words, if Keanan wanted a  
11 balance sheet, he would ask for --  
12 A. Or he could run it himself. I mean,  
13 he has access to Quick Books.  
14 Q Do you know whether or not he has  
15 actually done that?  
16 A. I don't know.  
17 Q Let's say for the sake of discussion  
18 that Keanan did not run such a report, do you  
19 have any knowledge as to who, other than Keanan,  
20 might have run such reports?  
21 A. It could have been the accountants

Page 51

1 themselves, the outside accountants that we hire  
2 to help.  
3 Q Mr. Furmankiewicz?  
4 A. Yes.  
5 Q And are you aware of anybody else who  
6 would be involved or could be involved in running  
7 such a report?  
8 A. No, not to my knowledge.  
9 MR HAWA Jim, are you asking about  
10 lower-level employees?  
11 MR SHOOK Anybody.  
12 MR HAWA So, basically, who's in  
13 treasury? I believe you have answered that  
14 already, so you can say who is in treasury.  
15 WITNESS Say who is in treasury?  
16 MR HAWA Yes.  
17 WITNESS Lisa Norman and Rebecca  
18 Irwin.  
19 BY MR SHOOK  
20 Q Do you have any role whatsoever in the  
21 preparation of tax returns?

Page 52

1 A. No. I hesitated because I sometimes  
2 run the raw information from Quick Books, which  
3 they need for the actual payroll information for  
4 our employees, which they need for some of the  
5 actual tax returns or reports. I export it.  
6 Like I said, I work with the database, and I  
7 provide them with more readable formats, but  
8 that's about it.  
9 Q At this point in time, approximately  
10 how many employees does Buzz Telecom have?  
11 A. Between 60 and 70.  
12 Q Has that number varied in any  
13 significant way over the last three years?  
14 A. When we had a night crew, it probably  
15 went up by like 35 or 40. Those were the night  
16 crew.  
17 Q For what period of time did that  
18 occur?  
19 A. Not over a year.  
20 Q Roughly, when?  
21 A. Last year sometime. I couldn't tell

Page 53

1 you exactly when.  
 2 Q But it's not the case anymore?  
 3 A. No.  
 4 Q Do you have any knowledge as to  
 5 whether or not federal universal service payments  
 6 have been made?  
 7 A. I know they haven't.  
 8 Q Do you have any knowledge as to why  
 9 they haven't?  
 10 A. No.  
 11 Q Do you have any knowledge as to who  
 12 would know why they haven't been paid?  
 13 A. No.  
 14 MR SHOOK I am pretty close to the  
 15 end, but I would like five minutes, and maybe we  
 16 can wrap this up pretty quickly.  
 17 MR HAWA Sure.  
 18 (A short break was taken.)  
 19 BY MR SHOOK  
 20 Q One matter for clarification. We had  
 21 talked briefly about balance statements and other

Page 54

1 financial statements. And I believe I had asked  
 2 you whether or not Keanan Kintzel had, I guess,  
 3 the capability of running such a report. And if  
 4 I remember correctly, you indicated he had the  
 5 capability, but you weren't sure that he had  
 6 actually ever run such a report? Was that so?  
 7 A. Right. If you're talking about  
 8 balance statements within Quick Books -- if I am  
 9 getting you correctly -- he has access to Quick  
 10 Books. Which, like I said, basically it's  
 11 accounts payable, accounts receivable, all of the  
 12 treasury division functions.  
 13 Q If by access to Quick Books you mean  
 14 not only he can physically go to the computer,  
 15 but he could actually bring up --  
 16 A. The information.  
 17 Q -- the program, give a query, and get  
 18 a report?  
 19 A. Yes.  
 20 Q Are you aware of whether or not he has  
 21 actually done so?

Page 55

1 A. No, I don't know.  
 2 MR SHOOK I have nothing further.  
 3 MR HAWA All right.  
 4 COURT REPORTER: Do you want her to  
 5 sign the deposition, also?  
 6 MR HAWA Yes.  
 7 (Reading and signing requested. )  
 8 (Deposition concluded 1:00 p.m.)  
 9  
 10  
 11  
 12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21

Page 56

1 CERTIFICATE OF REPORTER/NOTARY PUBLIC  
 2 STATE OF INDIANA, to wit  
 3 I, DONNA J HANNAH, a Notary Public of  
 4 the State of Indiana, do hereby certify that the  
 5 within named witness personally appeared before  
 6 me at the time and place herein set out, and  
 7 after having been duly sworn by me, according to  
 8 law, was examined by counsel  
 9 I further certify that the examination  
 10 was recorded stenographically by me and this  
 11 transcript is a true record of the proceedings  
 12 I further certify that I am not of  
 13 counsel to any of the parties, nor in any way  
 14 interested in the outcome of this action  
 15 As witness my hand and notarial seal  
 16 this 25th day of July, 2003  
 17  
 18 -----  
 19 Donna J Hannah  
 20 Notary Public  
 21 My Commission Expires 05-26-08



**W  
O  
R  
D  
  
I  
N  
D  
E  
X**

|  |  |  |   |   |  |  |   |  |
|--|--|--|---|---|--|--|---|--|
| <p><b>-#-</b><br/> <b>#260</b> [1] 57 20</p>   | <p><b>52,000</b> [2] 24 18,19</p> <p><b>-6-</b><br/> <b>60</b> [1] 52 11<br/> <b>628-DEPO</b> [2] 1 19 57 21<br/> <b>63.71</b> [2] 29 12 30 2<br/> <b>653-1115</b> [2] 1 19 57 21<br/> <b>6703</b> [1] 5 4</p> | <p><b>Alan</b> [1] 48 8<br/> <b>Alicia</b> [1] 12 20<br/> <b>allegedly</b> [1] 31 4<br/> <b>alone</b> [1] 48 10<br/> <b>along</b> [1] 57 14<br/> <b>amount</b> [1] 8 10<br/> <b>answer</b> [1] 10 10<br/> <b>answered</b> [1] 51 13<br/> <b>Anthony</b> [3] 43,21 46,4 47 16<br/> <b>appear</b> [1] 30 19<br/> <b>appearances</b> [2] 2 1 28 20<br/> <b>appeared</b> [2] 6 13 56 5<br/> <b>application</b> [2] 29 12 30 2<br/> <b>appropriate</b> [1] 40 21<br/> <b>approved</b> [1] 45 13<br/> <b>approximate</b> [1] 24 9<br/> <b>area</b> [5] 42 16 44 4,6 50 3 50 8<br/> <b>areas</b> [1] 42 14<br/> <b>arrived</b> [1] 13 5<br/> <b>assistant</b> [2] 22 12,13<br/> <b>attach</b> [1] 59 7<br/> <b>attachments</b> [2] 30 13 32 7<br/> <b>attention</b> [4] 25 20 26 2 36 15 37 13<br/> <b>authorization</b> [2] 20 10 20 16<br/> <b>automatically</b> [1] 41 5<br/> <b>available</b> [1] 42 1<br/> <b>Avatar</b> [5] 9 7,12,12,18 11 13<br/> <b>Avatar/Buzz/Business</b> [1] 10 15<br/> <b>Avenue</b> [3] 2 5 5 4 57 20<br/> <b>aware</b> [10] 9 7 25,15 27 20 30 15 32 16 34-7 36 19 40 20 51 5 54 20</p> | <p><b>Bell/Buzz</b> [1] 24 14<br/> <b>belonged</b> [1] 35 6<br/> <b>below</b> [4] 12 2 23 1 57 10 57 15<br/> <b>between</b> [4] 17 21 28 18 47 2 52-11<br/> <b>bill</b> [3] 8 16 19 13 33,14<br/> <b>billing</b> [3] 8-13,13 35 21<br/> <b>bit</b> [2] 4 13 9 2<br/> <b>bite</b> [1] 4 21<br/> <b>Board</b> [1] 27 14<br/> <b>books</b> [7] 49-20 50 7,13 52 2 54 8,10,13<br/> <b>break</b> [5] 8 3 26 13 38 16 38 18 53,18<br/> <b>briefly</b> [1] 53 21<br/> <b>bring</b> [1] 54 15<br/> <b>broken</b> [3] 8 1,2 13 15<br/> <b>brought</b> [2] 26 2 37 13<br/> <b>Brzycki</b> [5] 18 2,18 19 13 28,5,10<br/> <b>Brzycki's</b> [1] 28 19<br/> <b>business</b> [26] 1 4 2 3 6 1 6 2 7 16 9 5 10 4 14 16 14 19 18 8 24 1 25-16,17 26 10,17 28 11 30,11 33 15 37 4,19 41 12,13 42 21 46 10,15 57 5<br/> <b>Buzz</b> [24] 5 11,12,17 6 1 6 9,10,11,14,20 8 21 9 15 9 17 14 7,12 15-7,10,14 17 8,10,21 28 11,20 48,14 52 10</p> | <p><b>charges</b> [2] 35 9 37 18<br/> <b>checks</b> [1] 12 8<br/> <b>Chill</b> [2] 18 19 19 2<br/> <b>Christmas</b> [1] 31,21<br/> <b>claimed</b> [1] 20 15<br/> <b>clarification</b> [1] 53 20<br/> <b>clarify</b> [3] 6 6 44 15 57 11<br/> <b>clause</b> [1] 42 12<br/> <b>clearinghouse</b> [1] 36 1<br/> <b>close</b> [1] 53 14<br/> <b>collected</b> [1] 35 8<br/> <b>coming</b> [2] 9 18 11 10<br/> <b>commencing</b> [1] 1 11<br/> <b>comments</b> [1] 39 18<br/> <b>Commission</b> [9] 1 1 2 10 29,17 32 12,17,21 33 5,11 56 20<br/> <b>common</b> [3] 17 11,20 46 15<br/> <b>commonality</b> [1] 47 2<br/> <b>Communications</b> [7] 1 1 2 10 10-12 29 16 32 12,17 33 4<br/> <b>companies</b> [2] 9 20 10-16<br/> <b>company</b> [18] 16 11,13 16,14,15,17,17 38 12 39 20 43 8,16 45 19 47-1 47 7,10,16 48 18,20,21<br/> <b>complaining</b> [1] 20 8<br/> <b>complaint</b> [1] 20-14<br/> <b>complaints</b> [1] 21 4<br/> <b>completed</b> [1] 23 19<br/> <b>comport</b> [1] 10 5<br/> <b>computer</b> [1] 54-14<br/> <b>concerning</b> [1] 23 16<br/> <b>concerns</b> [2] 41 8 42 4<br/> <b>concluded</b> [1] 55 8<br/> <b>conform</b> [1] 57 12<br/> <b>contact</b> [1] 41 9<br/> <b>contacted</b> [2] 41 9,13<br/> <b>containing</b> [1] 7 19<br/> <b>conversations</b> [1] 38 8<br/> <b>cord</b> [2] 23 19,19<br/> <b>corporate</b> [7] 14-6,10,15 14 21 22 3 23 2 31-12<br/> <b>correct</b> [2] 41 15 57-11 57 17 58-3<br/> <b>CORRECTION</b> [2] 57 17 58-3<br/> <b>corrections</b> [4] 13 16 13 17 57 8 59-6<br/> <b>correctly</b> [2] 54,4,9<br/> <b>costs</b> [1] 34 3<br/> <b>counsel</b> [10] 38 4,6,9,11 38 11 39 5,8 56 8,13 57 16<br/> <b>country</b> [1] 1 20<br/> <b>couple</b> [1] 49 3<br/> <b>course</b> [1] 21 1</p> |  |  |   |  |
| <p><b>-0-</b><br/> <b>0007179054</b> [1] 1 7<br/> <b>05-26-08</b> [1] 56 20<br/> <b>08-85</b> [1] 1 3</p>  | <p><b>-7-</b><br/> <b>70</b> [1] 52 11</p> <p><b>-8-</b><br/> <b>8210</b> [1] 1 12<br/> <b>8375</b> [1] 17 6<br/> <b>8380</b> [2] 5 7 6 16</p>   | <p><b>-9-</b><br/> <b>9</b> [3] 32 5,15 33 10<br/> <b>9.1</b> [2] 34 17 35 4<br/> <b>974-5600</b> [1] 2 6</p>  | <p><b>-C-</b><br/> <b>C</b> [1] 57 12<br/> <b>calls</b> [1] 21 7<br/> <b>canceled</b> [1] 20 18<br/> <b>capability</b> [2] 54 3,5<br/> <b>care</b> [1] 11 6<br/> <b>carrier</b> [4] 33 20 34 1,4 34 10<br/> <b>case</b> [9] 6 15 25 1 28 9 37 9,11 39 3,8 53,2 57 16<br/> <b>Certainly</b> [1] 31 21<br/> <b>Certificate</b> [4] 56 1 57 13,14 59 1<br/> <b>certify</b> [4] 56 4,9,12 59 2<br/> <b>CHADBOURNE</b> [1] 2 4<br/> <b>change</b> [10] 39,20 40-3 43 10,13,14,15,17 49 5,9 57 10<br/> <b>changed</b> [6] 20 9,16 35 19 43 7,8 47 6<br/> <b>changes</b> [2] 45 12 57 8<br/> <b>charge</b> [26] 10 19 12 1 12 16 16 7 22,3 26 13 34 5 36 3 39-16,17 42-10 42 16,20 43 16,18,19 44 1 45 4,15 46 6 47 16,18 48 7,12 49 14 50 7</p>   | <p><b>-1-</b><br/> <b>1</b> [4] 30 10 32 11,21 57 7<br/> <b>1-800-947-DEPO</b> [1] 1 21<br/> <b>1200</b> [1] 2 5<br/> <b>12th</b> [1] 2 10<br/> <b>15</b> [2] 1 11 57 4<br/> <b>19</b> [1] 28 4<br/> <b>1:00</b> [1] 55 8</p>   | <p><b>-9-</b><br/> <b>9</b> [3] 32 5,15 33 10<br/> <b>9.1</b> [2] 34 17 35 4<br/> <b>974-5600</b> [1] 2 6</p>  | <p><b>-A-</b><br/> <b>A&amp;M</b> [11] 43 9,13,19 45 18,21 46 7,14,18,20 47 6,9<br/> <b>access</b> [3] 50 13 54 9,13<br/> <b>according</b> [1] 56 7<br/> <b>ACCOUNT</b> [1] 1 5<br/> <b>accountants</b> [2] 50 21 51 1<br/> <b>accounts</b> [4] 11 4,4 54 11,11<br/> <b>accurate</b> [1] 59 4<br/> <b>action</b> [1] 56 14<br/> <b>active</b> [1] 26 15<br/> <b>actual</b> [3] 43 17 52 3,5<br/> <b>additions</b> [1] 59 6<br/> <b>address</b> [2] 5 3,6<br/> <b>addressed</b> [2] 28 4 30 11<br/> <b>addresses</b> [1] 7 19<br/> <b>adjacent</b> [1] 17 8<br/> <b>admin</b> [1] 44 10<br/> <b>administration</b> [5] 18 8 18 10,17,21 19 6<br/> <b>administrative</b> [1] 34 3<br/> <b>advance</b> [1] 29-1<br/> <b>affairs</b> [2] 22 3 31 12<br/> <b>afraid</b> [1] 4 21<br/> <b>again</b> [8] 14 3,4 21 18 27 15 38 20 43 10,12 47 11<br/> <b>against</b> [1] 37 18<br/> <b>ago</b> [10] 8 19 25 3 26 16 31 14,17 35 2 42 19 44 17 49 2,4<br/> <b>ahead</b> [1] 40 6</p> | <p><b>-B-</b><br/> <b>B</b> [2] 2 9 57 11<br/> <b>balance</b> [5] 49 12,21 50 11 53 21 54-8<br/> <b>Baltimore</b> [1] 57 20<br/> <b>barely</b> [1] 22 17<br/> <b>base</b> [2] 7 18 23 17<br/> <b>based</b> [1] 36 1<br/> <b>basic</b> [1] 10 15<br/> <b>basis</b> [2] 11 10 23 7<br/> <b>became</b> [6] 18-16 25 14 42 17,20 44 19 47 7<br/> <b>begin</b> [1] 8 16<br/> <b>behalf</b> [2] 2 3,8<br/> <b>bell</b> [16] 6 14,20 7 1 15 1 15 4,13,15,16,18 19 8 30 21 46 16,19 47 3,20 48 14</p> | <p><b>-2-</b><br/> <b>2</b> [1] 57 10<br/> <b>20</b> [1] 29 14<br/> <b>2000</b> [2] 7 3,4<br/> <b>2002</b> [10] 5 18,21 28 4 29 14,17 30 10 32 5,11 32 21 33 10<br/> <b>2003</b> [4] 1 11 56 16 57 1 57 4<br/> <b>20036</b> [1] 2 5<br/> <b>202</b> [3] 1 19 2 6 57 21<br/> <b>202-418-2955</b> [1] 2 11<br/> <b>20554</b> [2] 1 2 2 11<br/> <b>21209</b> [1] 57 20<br/> <b>25th</b> [1] 56 16<br/> <b>26</b> [1] 57 1<br/> <b>27</b> [1] 29 17<br/> <b>2833</b> [1] 57 20</p> |
| <p><b>-1-</b><br/> <b>1</b> [4] 30 10 32 11,21 57 7<br/> <b>1-800-947-DEPO</b> [1] 1 21<br/> <b>1200</b> [1] 2 5<br/> <b>12th</b> [1] 2 10<br/> <b>15</b> [2] 1 11 57 4<br/> <b>19</b> [1] 28 4<br/> <b>1:00</b> [1] 55 8</p>  | <p><b>-7-</b><br/> <b>70</b> [1] 52 11</p> <p><b>-8-</b><br/> <b>8210</b> [1] 1 12<br/> <b>8375</b> [1] 17 6<br/> <b>8380</b> [2] 5 7 6 16</p>   | <p><b>-9-</b><br/> <b>9</b> [3] 32 5,15 33 10<br/> <b>9.1</b> [2] 34 17 35 4<br/> <b>974-5600</b> [1] 2 6</p>  | <p><b>-C-</b><br/> <b>C</b> [1] 57 12<br/> <b>calls</b> [1] 21 7<br/> <b>canceled</b> [1] 20 18<br/> <b>capability</b> [2] 54 3,5<br/> <b>care</b> [1] 11 6<br/> <b>carrier</b> [4] 33 20 34 1,4 34 10<br/> <b>case</b> [9] 6 15 25 1 28 9 37 9,11 39 3,8 53,2 57 16<br/> <b>Certainly</b> [1] 31 21<br/> <b>Certificate</b> [4] 56 1 57 13,14 59 1<br/> <b>certify</b> [4] 56 4,9,12 59 2<br/> <b>CHADBOURNE</b> [1] 2 4<br/> <b>change</b> [10] 39,20 40-3 43 10,13,14,15,17 49 5,9 57 10<br/> <b>changed</b> [6] 20 9,16 35 19 43 7,8 47 6<br/> <b>changes</b> [2] 45 12 57 8<br/> <b>charge</b> [26] 10 19 12 1 12 16 16 7 22,3 26 13 34 5 36 3 39-16,17 42-10 42 16,20 43 16,18,19 44 1 45 4,15 46 6 47 16,18 48 7,12 49 14 50 7</p>   | <p><b>-3-</b><br/> <b>3</b> [1] 57 13<br/> <b>30</b> [1] 57 15<br/> <b>30033217002</b> [1] 1 6<br/> <b>3376</b> [1] 57 21<br/> <b>35</b> [1] 52 15<br/> <b>3:45</b> [1] 1 11</p>  | <p><b>-A-</b><br/> <b>A&amp;M</b> [11] 43 9,13,19 45 18,21 46 7,14,18,20 47 6,9<br/> <b>access</b> [3] 50 13 54 9,13<br/> <b>according</b> [1] 56 7<br/> <b>ACCOUNT</b> [1] 1 5<br/> <b>accountants</b> [2] 50 21 51 1<br/> <b>accounts</b> [4] 11 4,4 54 11,11<br/> <b>accurate</b> [1] 59 4<br/> <b>action</b> [1] 56 14<br/> <b>active</b> [1] 26 15<br/> <b>actual</b> [3] 43 17 52 3,5<br/> <b>additions</b> [1] 59 6<br/> <b>address</b> [2] 5 3,6<br/> <b>addressed</b> [2] 28 4 30 11<br/> <b>addresses</b> [1] 7 19<br/> <b>adjacent</b> [1] 17 8<br/> <b>admin</b> [1] 44 10<br/> <b>administration</b> [5] 18 8 18 10,17,21 19 6<br/> <b>administrative</b> [1] 34 3<br/> <b>advance</b> [1] 29-1<br/> <b>affairs</b> [2] 22 3 31 12<br/> <b>afraid</b> [1] 4 21<br/> <b>again</b> [8] 14 3,4 21 18 27 15 38 20 43 10,12 47 11<br/> <b>against</b> [1] 37 18<br/> <b>ago</b> [10] 8 19 25 3 26 16 31 14,17 35 2 42 19 44 17 49 2,4<br/> <b>ahead</b> [1] 40 6</p> | <p><b>-B-</b><br/> <b>B</b> [2] 2 9 57 11<br/> <b>balance</b> [5] 49 12,21 50 11 53 21 54-8<br/> <b>Baltimore</b> [1] 57 20<br/> <b>barely</b> [1] 22 17<br/> <b>base</b> [2] 7 18 23 17<br/> <b>based</b> [1] 36 1<br/> <b>basic</b> [1] 10 15<br/> <b>basis</b> [2] 11 10 23 7<br/> <b>became</b> [6] 18-16 25 14 42 17,20 44 19 47 7<br/> <b>begin</b> [1] 8 16<br/> <b>behalf</b> [2] 2 3,8<br/> <b>bell</b> [16] 6 14,20 7 1 15 1 15 4,13,15,16,18 19 8 30 21 46 16,19 47 3,20 48 14</p>  | <p><b>-4-</b><br/> <b>4</b> [2] 3 3 57 14<br/> <b>40</b> [1] 52 15<br/> <b>410</b> [2] 1 19 57 21<br/> <b>42,000</b> [2] 24 3,8<br/> <b>445</b> [1] 2 10<br/> <b>46</b> [1] 10 5<br/> <b>46323</b> [1] 5 5</p>  |  |
| <p><b>-2-</b><br/> <b>2</b> [1] 57 10<br/> <b>20</b> [1] 29 14<br/> <b>2000</b> [2] 7 3,4<br/> <b>2002</b> [10] 5 18,21 28 4 29 14,17 30 10 32 5,11 32 21 33 10<br/> <b>2003</b> [4] 1 11 56 16 57 1 57 4<br/> <b>20036</b> [1] 2 5<br/> <b>202</b> [3] 1 19 2 6 57 21<br/> <b>202-418-2955</b> [1] 2 11<br/> <b>20554</b> [2] 1 2 2 11<br/> <b>21209</b> [1] 57 20<br/> <b>25th</b> [1] 56 16<br/> <b>26</b> [1] 57 1<br/> <b>27</b> [1] 29 17<br/> <b>2833</b> [1] 57 20</p> | <p><b>-7-</b><br/> <b>70</b> [1] 52 11</p> <p><b>-8-</b><br/> <b>8210</b> [1] 1 12<br/> <b>8375</b> [1] 17 6<br/> <b>8380</b> [2] 5 7 6 16</p>   | <p><b>-9-</b><br/> <b>9</b> [3] 32 5,15 33 10<br/> <b>9.1</b> [2] 34 17 35 4<br/> <b>974-5600</b> [1] 2 6</p>  | <p><b>-C-</b><br/> <b>C</b> [1] 57 12<br/> <b>calls</b> [1] 21 7<br/> <b>canceled</b> [1] 20 18<br/> <b>capability</b> [2] 54 3,5<br/> <b>care</b> [1] 11 6<br/> <b>carrier</b> [4] 33 20 34 1,4 34 10<br/> <b>case</b> [9] 6 15 25 1 28 9 37 9,11 39 3,8 53,2 57 16<br/> <b>Certainly</b> [1] 31 21<br/> <b>Certificate</b> [4] 56 1 57 13,14 59 1<br/> <b>certify</b> [4] 56 4,9,12 59 2<br/> <b>CHADBOURNE</b> [1] 2 4<br/> <b>change</b> [10] 39,20 40-3 43 10,13,14,15,17 49 5,9 57 10<br/> <b>changed</b> [6] 20 9,16 35 19 43 7,8 47 6<br/> <b>changes</b> [2] 45 12 57 8<br/> <b>charge</b> [26] 10 19 12 1 12 16 16 7 22,3 26 13 34 5 36 3 39-16,17 42-10 42 16,20 43 16,18,19 44 1 45 4,15 46 6 47 16,18 48 7,12 49 14 50 7</p>   | <p><b>-5-</b><br/> <b>51,000</b> [2] 24 18,19</p>   |  |  |   |  |

**court** [5] 1 17 4 12,15  
55 4 57 19  
**cover** [1] 1 20  
**creating** [2] 7 11,12  
**credit** [1] 20 19  
**crew** [2] 52 14,16  
**Crusade** [1] 10 12  
**current** [2] 16 12 19 21  
**customer** [14] 7 18,21  
12 12,20 20 8,15,18 21 4  
21 6,9,11 23 17 35 6  
41 10  
**customer's** [1] 33 14  
**customer-base** [1]  
23 21  
**customers** [12] 8 4,11  
12 14 24 1,6 26 11,18  
31 3,6 35 10 40 4 41 5  
**customers'** [1] 7 19

**-D-**

**D.C** [3] 1 2 2 5,11  
**data** [1] 49 16  
**database** [7] 7 13,15,21  
12 14 24 5 31 9 52 6  
**databases** [1] 7 12  
**date** [5] 28 9 31 11 57 1,4  
57 15  
**dated** [5] 28 3 29 14  
30 10 32 11,21  
**Davidson** [3] 12 19  
21 14,15  
**day-to-day** [2] 22 4,7  
**days** [1] 57 15  
**December** [5] 29 14,17  
32 5,15 33 10  
**deciding** [1] 20 3  
**deceased** [2] 24 12,15  
**delivery** [3] 12 12 39 17  
42 12  
**Dennie** [2] 21 19 32 6  
**Dennie's** [1] 28 19  
**department** [6] 7 8  
11 17,18 12 15 30 11  
41 10  
**departments** [2] 11:20  
12 17  
**departure** [1] 28 19  
**depending** [2] 8 5 35 5  
**Deponent** [3] 57 13,14  
59 1  
**deposition** [6] 1 9 55 5  
55 8 57 3,7 58 2  
**differed** [1] 34 18  
**different** [3] 20 17 34 11  
34 12  
**direct** [3] 4 7 8 13,16  
**direct-billing** [1] 23 17  
**director** [13] 12 2,5,20  
12 21 13 1 14 12,18 15 3  
16 8,9 17 18 21 13 48 12

**disappear** [1] 15 15  
**disbursements** [1] 12 5  
**discussed** [3] 37 1,12  
39 14  
**discussing** [1] 30 1  
**discussion** [3] 30 5  
37 17 50:17  
**distribute** [1] 11 13  
**distributed** [1] 9 19  
**distributes** [1] 9 12  
**division** [15] 10 18,21  
11 16,20 12 1,10,19 13 10  
13 12 42 10,11,13 49 15  
49 21 54 12  
**divisions** [4] 10 15,20  
10 20 23 6  
**DOCKET** [1] 1 3  
**document** [17] 25 4  
26 20 27 6,12,17,20 28 2  
29 11,13 30 9 32 4 36 4  
36 11,19 37 6,10 49 18  
**documents** [1] 29 20  
**done** [4] 9 10 14 2 50 15  
54 21  
**Donna** [3] 1 13 56 3,18  
**down** [5] 4 19 8 2 13 15  
26 14 31 11  
**dropped** [2] 40 5,17  
**duly** [2] 4 5 56 7  
**during** [1] 24 13  
**duties** [1] 7 10

**-E-**

**EB** [1] 1 3  
**EB-02-TC-151** [1] 1 4  
**effect** [3] 10 4 37 16 50 2  
**eight** [2] 25 2 27 14  
**either** [3] 29 19 46 15  
48 14  
**Elizabeth** [7] 1 10 4 3  
4 11,14 57 3 58 2 59 11  
**employ** [1] 28 10  
**employee** [2] 47 20  
48 14  
**employees** [13] 15 13  
17 11,15,20 46 14,18,19  
46 20 47 2,5 51 10 52 4  
52 10  
**employer** [1] 5 10  
**end** [2] 44 9 53 15  
**enhancement** [1] 13 16  
**entail** [1] 44 5  
**entails** [1] 12 12  
**entire** [2] 12 1,19  
**entity** [6] 9 7 10 12 17 5  
42 21 44 18 46 13  
**entity's** [1] 6 12  
**Errata** [4] 57 2,8,14 58 1  
**error** [1] 57 11  
**ESQ** [3] 2 4,9,9  
**essentially** [1] 15 15

**established** [1] 15 10  
**establishment** [1] 15 7  
**ETCetera** [2] 1 17 57,19  
**exact** [1] 24 10  
**exactly** [3] 9 17 11 14  
53 1  
**examination** [4] 3 2 4 4  
4 7 56 9  
**examined** [3] 4 5 56 8  
59 3  
**example** [1] 7 16  
**executive** [1] 41 21  
**EXHIBITS** [1] 3 5  
**exist** [1] 11 20  
**existed** [6] 20 13 27 10  
27 21 30 16 36 20 44 12  
**existence** [4] 5 18 6,12  
9 1,18  
**exists** [1] 20 7  
**Expires** [1] 56 20  
**explain** [1] 13 14  
**export** [1] 52 5  
**extent** [4] 16 3 29 5,10  
45 8

**-F-**

**F** [1] 17 1  
**F&G** [9] 16 19,21 17 11  
17 21 43 12 48 2,4,7,17  
**facts** [1] 57,12  
**fair** [2] 17 7 25 7  
**familiar** [4] 18 5 22 1,8  
25 4  
**family** [1] 10 16  
**far** [2] 6 19 29 1  
**fashion** [1] 5 16  
**FCC** [1] 2 8  
**federal** [7] 1 1 2 10 29 16  
32 12,17 33 4 53,5  
**fee** [14] 33 20,21 34 1,4,6  
34 7,10,11,13,16,18 35 5  
35 19,20  
**fees** [3] 9 13 33 17,18  
**Felds** [1] 12 20  
**figure** [1] 24 8  
**figured** [2] 41 2,7  
**FILE** [1] 1 4  
**filed** [1] 29 16  
**files** [1] 11 6  
**final** [2] 19 14 26:21  
**financial** [2] 49 12 54 1  
**first** [8] 4 5 6 15,20 7 1  
11 8 32 14,15 44 18  
**five** [4] 10 20 13 10 42:10  
53 15  
**five-minute** [1] 38 15  
**flat** [2] 35 5,19  
**floor** [1] 40 7  
**fluctuated** [1] 24 15  
**following** [1] 29 12

**follows** [1] 4 6  
**foregoing** [1] 59 3  
**formats** [1] 52 7  
**forwarding** [1] 57 15  
**four** [4] 10 20 12 10 35 1  
42:11  
**FRN** [1] 1 7  
**full** [1] 4 9  
**functions** [1] 54 12  
**funds** [1] 35,8  
**Furmankiewicz** [3]  
48 8,10 51 3

**-G-**

**G** [1] 17 3  
**gap** [1] 18 19  
**Gayle** [7] 22 20,21 23 1  
23:8 39 12 41 17,20  
**Gene** [1] 18 19  
**general** [3] 44 9 50 2  
57 10  
**given** [3] 29 4,8 59 5  
**goes** [3] 6,19 9 6 11 12  
**graphs** [1] 23 12  
**Great** [15] 43 4,11,14 44 3  
44 12 45:1,4,7,15 46 1,21  
47 2,10,13 48 5  
**Green** [2] 22 9 29 15  
**Green's** [1] 28 20  
**groups** [1] 8 4  
**growing** [1] 23 17  
**guess** [1] 54 2

**-H-**

**half** [4] 8 20 13 9 42:18  
44 17  
**Hammond** [1] 5 4  
**Hampshire** [2] 2 5 5:4  
**hand** [4] 16 6 32 11 36 4  
56 15  
**handing** [1] 16 7  
**handle** [1] 14 3  
**handled** [1] 40,1  
**handling** [2] 7 13 20 14  
**Hannah** [3] 1:13 56 3,18  
**happening** [1] 45 13  
**HARKRADER** [1] 2 9  
**HAWA** [13] 2 4 38:2,15  
38 19 39,2,5 41 20 51:9  
51 12,16 53:17 55 3,6  
**head** [1] 11 19  
**heard** [1] 37 4  
**Hearing** [2] 1 7 36,6  
**help** [4] 23 8 32 9 34:2  
51 2  
**hereby** [2] 56 4 59 2  
**herein** [1] 56:6  
**hesitated** [2] 5 19 52 1  
**Hi** [1] 45 7

**high** [1] 24 17  
**himself** [1] 50 12  
**hire** [1] 51,1  
**hired** [6] 7,2,6 19:8,9  
28 21 40 5  
**hiring** [2] 13 3 19 12  
**hold** [1] 24 10

**-I-**

**I-N-D-E-X** [1] 3 1  
**Ida** [5] 17 17 47 18,18  
48 11,13  
**idea** [3] 7:9 27:3 40:14  
**immediate** [1] 57 15  
**imposed** [3] 33 19 34 7  
35 9  
**Inc** [6] 1 4,17 25 16 30 12  
57 5,19  
**include** [2] 23 14,15  
**income** [1] 11 5  
**incoming** [1] 21,7  
**increased** [1] 24 12  
**Indiana** [5] 1 13 5,5,8  
56:2,4  
**Indicate** [1] 57 10  
**indicated** [3] 44 18  
47 10 54,4  
**individual** [1] 48 9  
**individuals** [2] 11 19  
12,16  
**information** [12] 7:14  
8 7 10:3 11:9 25 12 31 3  
33:3,9 50 1 52 2,3 54,16  
**informed** [1] 35 21  
**Inn** [1] 1 12  
**inputting** [1] 25:12  
**inquiry** [1] 32 20  
**instance** [1] 11 8  
**INSTRUCTIONS** [1]  
57 6  
**interaction** [1] 22 15  
**interested** [1] 56 14  
**interviewed** [1] 19 13  
**involved** [5] 19 11 20 3  
44,19 51 6,6  
**involvement** [1] 44 13  
**Irizarry** [2] 17 17 47 19  
**Irwin** [2] 12 5 51 18  
**is's** [1] 24 9  
**itself** [3] 37 9 43:8 57:9

**-J-**

**J** [3] 1 13 56 3,18  
**JAMES** [1] 2 9  
**Jim** [2] 38:19 51 9  
**job** [3] 1:20 7,10 19 21  
**July** [4] 1 11 56 16 57 1  
57 4

**IN THE MATTER OF: BUSINESS OPTIONS, INC.  
Deposition of Elizabeth Rosas**

**Keanan - recognize  
July 15, 2003**

|  |   |  |  |   |
|--|---|--|--|---|
| <p style="text-align: center;"><b>-K-</b></p> <p><b>Keanan</b> [16] 19 10 22 20<br/>23 2,5,8 39 12 40 19 42 6<br/>44 3 45 14 50 7,9,10,18<br/>50 19 54 2</p> <p><b>Keanan's</b> [1] 19 14</p> <p><b>keep</b> [2] 21 6,8</p> <p><b>KEMAL</b> [1] 2 4</p> <p><b>Kind</b> [1] 14 2</p> <p><b>Kintzel</b> [3] 19 10 39 12<br/>54 2</p> <p><b>knew</b> [3] 20 12 48 10,11</p> <p><b>knowledge</b> [17] 9 9 15 9<br/>15 12 19 12 20 6,20 26 5<br/>26 9 27 9 32 19 33 13<br/>35 12 50 19 51 8 53 4,8<br/>53 11</p> <p><b>knowledgeable</b> [1] 50 8</p> <p><b>Kurtis</b> [2] 40 19 45 13</p> <hr/> <p style="text-align: center;"><b>-L-</b></p> <p><b>Lakes</b> [15] 43 5,12,14<br/>44 3,13 45 1,4,7,16 46 1<br/>47 1,2,10,13 48 5</p> <p><b>LaQuinta</b> [1] 1 12</p> <p><b>last</b> [12] 8 8 21 5 30 19<br/>31 19,21 32 2 36 16,20<br/>38 20 39 21 52 13,21</p> <p><b>law</b> [1] 56 8</p> <p><b>leading</b> [1] 15 14</p> <p><b>leave</b> [1] 28 14</p> <p><b>LEC</b> [1] 8 13</p> <p><b>led</b> [1] 17 19</p> <p><b>ledger</b> [1] 50 2</p> <p><b>left</b> [5] 28 10,12 41 12<br/>44 1 47 17</p> <p><b>legal</b> [1] 30 11</p> <p><b>letter</b> [12] 28 3,7,10 30 10<br/>30 12,15 32 5,11,15,16<br/>32 20 33 10</p> <p><b>likelihood</b> [1] 31 18</p> <p><b>Likewise</b> [1] 30 5</p> <p><b>limit</b> [1] 38 5</p> <p><b>LINE</b> [2] 57 17 58 3</p> <p><b>Lisa</b> [6] 12 6,7 22 8,15<br/>29 15 51 17</p> <p><b>list</b> [1] 40 4</p> <p><b>listed</b> [1] 57 15</p> <p><b>LLP</b> [1] 2 4</p> <p><b>located</b> [3] 17 5 45 21<br/>48 4</p> <p><b>log</b> [1] 21 10</p> <p><b>long-distance</b> [2] 20 8<br/>20 15</p> <p><b>longer</b> [3] 18 10 19 4<br/>48 18</p> <p><b>look</b> [2] 30 13,20</p> <p><b>looked</b> [2] 31 9 45 10</p> <p><b>loudly</b> [1] 4 19</p> <p><b>Louisiana</b> [4] 1 12 5 7</p> | <p>6 16 17 6</p> <p><b>Lowe</b> [4] 43 21,21 46 4<br/>47 17</p> <p><b>lower-level</b> [1] 51 10</p> <hr/> <p style="text-align: center;"><b>-M-</b></p> <p><b>maintain</b> [1] 21 3</p> <p><b>maintaining</b> [1] 21 10</p> <p><b>manager</b> [3] 11,21 12,4<br/>12 18</p> <p><b>March</b> [2] 7 3,4</p> <p><b>mark</b> [2] 24 17 57 8</p> <p><b>MARKED</b> [1] 3 5</p> <p><b>Maryland</b> [1] 1 18</p> <p><b>matter</b> [3] 1 3 53 20 57 5</p> <p><b>Matters</b> [1] 27 1</p> <p><b>MD</b> [1] 57 20</p> <p><b>mean</b> [8] 9 15 18 2 21 19<br/>38 11 49 8 50 6,12 54 13</p> <p><b>meaning</b> [1] 13 17</p> <p><b>means</b> [1] 13 14</p> <p><b>meantime</b> [1] 19 16</p> <p><b>mentioned</b> [1] 46 3</p> <p><b>Merrillville</b> [2] 1 13 5 7</p> <p><b>might</b> [2] 49 16 50 20</p> <p><b>mind</b> [2] 4 16 44 16</p> <p><b>minutes</b> [1] 53 15</p> <p><b>MIS</b> [1] 7 8</p> <p><b>Monday</b> [1] 41 21</p> <p><b>money</b> [7] 8 10 9 6,19<br/>11 9,12 23 15,16</p> <p><b>month</b> [2] 8 11 21 1</p> <p><b>monthly</b> [3] 33 20 34 5<br/>34 6</p> <p><b>months</b> [6] 25 3 31 17<br/>31 19 35 1 39 21 49 1</p> <p><b>most</b> [1] 29 2</p> <p><b>Ms</b> [2] 28 19,19</p> <hr/> <p style="text-align: center;"><b>-N-</b></p> <p><b>N.W</b> [1] 2 5</p> <p><b>NAL</b> [1] 1 5</p> <p><b>name</b> [17] 4 9 5 9 6 12 8 8<br/>15 17,18 18 2,6 21 19<br/>22 2,8,11 31 10 43 3,7,14<br/>45 6</p> <p><b>names</b> [6] 6 3 7 19 8 1<br/>30 18,20 31 7</p> <p><b>nature</b> [2] 23,9,20</p> <p><b>necessary</b> [1] 59 7</p> <p><b>need</b> [4] 23 8 50 1 52 3,4</p> <p><b>needed</b> [2] 45 13 49 6</p> <p><b>nervous</b> [2] 39 17 42 5</p> <p><b>never</b> [3] 8 2,14 30 17</p> <p><b>new</b> [3] 2 5 4 8 17</p> <p><b>next</b> [7] 17 19 27 12 28 2<br/>29 11 30 9 32 4 41 16</p> <p><b>night</b> [2] 52 14,15</p> <p><b>nine</b> [2] 25 3 32 7</p> | <p><b>nobody</b> [1] 16 10</p> <p><b>nor</b> [1] 56 13</p> <p><b>Norman</b> [3] 12 6,7 51 17</p> <p><b>notarial</b> [1] 56 15</p> <p><b>Notary</b> [3] 1 14 56 3,19</p> <p><b>note</b> [1] 57 8</p> <p><b>nothing</b> [1] 55 2</p> <p><b>Notice</b> [2] 1 6 36 5</p> <p><b>noticed</b> [1] 41 12</p> <p><b>November</b> [5] 28 4,16<br/>30 10 32 11,21</p> <p><b>now</b> [15] 5 21 9 3 11 12<br/>12 10 15 14 26 14 30 18<br/>32 9 36 3 41 1,21 44 5<br/>46 21 47 9 48 20</p> <p><b>number</b> [5] 1 5 21 2<br/>24 10,12 52 12</p> <p><b>numbers</b> [4] 7 20 8 8<br/>23 18 26 13</p> <hr/> <p style="text-align: center;"><b>-O-</b></p> <p><b>Objection</b> [1] 38 2</p> <p><b>Obviously</b> [1] 20 17</p> <p><b>occur</b> [2] 31 15 52 18</p> <p><b>occurred</b> [2] 40 3 43 13</p> <p><b>October</b> [1] 28 16</p> <p><b>off</b> [2] 40 5,17</p> <p><b>offer</b> [1] 20 19</p> <p><b>office</b> [2] 17 8 57 15</p> <p><b>officer</b> [4] 14 7,10,21<br/>23 3</p> <p><b>officer's</b> [1] 14 16</p> <p><b>often</b> [2] 20 21 21 4</p> <p><b>on-line</b> [1] 31 9</p> <p><b>Once</b> [2] 19 17,18</p> <p><b>one</b> [13] 6 5 7 15,21 12 2<br/>19 16 26 13 34 15 39 13<br/>42 21 43 1,2,3 53 20</p> <p><b>Ontiveros</b> [2] 4 11,14</p> <p><b>operations</b> [2] 42 18<br/>44 20</p> <p><b>Opportunity</b> [2] 1 6<br/>36 6</p> <p><b>Options</b> [26] 1 4 2 3 6 1<br/>6 2 7 16 9 5 10 4,16 14 16<br/>14 19 18 8 24 1 25 16<br/>26 10,17 28 11 30 12<br/>33 15 37 5,19 41 12,13<br/>42 21 46 11,15 57 5</p> <p><b>oral</b> [1] 23 9</p> <p><b>Order</b> [4] 1 5 36 5 37 1,5<br/>34 14</p> <p><b>ordinarily</b> [3] 33 14,18<br/>34 14</p> <p><b>original</b> [2] 47 13 59 8</p> <p><b>originated</b> [1] 40 15</p> <p><b>outcome</b> [1] 56 14</p> <p><b>outside</b> [2] 16 11 51 1</p> <p><b>Outstanding</b> [1] 27 1</p> <p><b>own</b> [3] 8 6 44 16 46 12</p> <p><b>owner</b> [1] 46 8</p> | <p style="text-align: center;"><b>-P-</b></p> <p><b>P-R-O-C-E-E-D-I-N-G-S</b><br/>[1] 4 1</p> <p><b>p.m</b> [2] 1 11 55 8</p> <p><b>page</b> [5] 3 2 57 13,14,17<br/>58 3</p> <p><b>pages</b> [5] 27 2,15 30 13<br/>30 19 32,7</p> <p><b>paid</b> [2] 8 11 53 12</p> <p><b>paper</b> [1] 59 8</p> <p><b>PARKE</b> [1] 2 4</p> <p><b>PARTICULAR</b> [2] 8 10,11</p> <p><b>parties</b> [1] 56 13</p> <p><b>pay</b> [1] 9 13</p> <p><b>payable</b> [2] 11 4 54 11</p> <p><b>paycheck</b> [2] 6 9,13</p> <p><b>payments</b> [2] 8 14 53 5</p> <p><b>payroll</b> [2] 11 5 52 3</p> <p><b>people</b> [5] 12 3 23 18<br/>38 5 40 6 41 11</p> <p><b>percent</b> [2] 34 17 35 4</p> <p><b>percentage</b> [4] 9 13<br/>34 19 35,20 36,2</p> <p><b>perhaps</b> [2] 32 9 35 15</p> <p><b>period</b> [3] 24,13 44 11<br/>52 17</p> <p><b>Perry</b> [4] 23 1 39 12<br/>41 17,18</p> <p><b>person</b> [4] 12 2,7 41 16<br/>46,6</p> <p><b>personally</b> [3] 50 5,6<br/>56 5</p> <p><b>personnel</b> [1] 13 15</p> <p><b>physical</b> [2] 45 21 48 4</p> <p><b>physically</b> [1] 54 14</p> <p><b>pick-freeze</b> [2] 39 15<br/>42 12</p> <p><b>pick-freezes</b> [2] 39 19<br/>39 21</p> <p><b>picture</b> [4] 44 2,16 47 11<br/>47 17</p> <p><b>place</b> [7] 13 5 27 13 49 1<br/>49 3,9 50 3 56 6</p> <p><b>placed</b> [1] 33 14</p> <p><b>placing</b> [2] 26 20 28 3</p> <p><b>plan</b> [3] 29 7 35 6 40 10</p> <p><b>point</b> [5] 6 8 43 20 45 3<br/>45 16 52 9</p> <p><b>policies</b> [1] 13 21</p> <p><b>policy</b> [4] 20 7,13 39 20<br/>40 11</p> <p><b>position</b> [1] 7 6</p> <p><b>post</b> [1] 45 6</p> <p><b>preparation</b> [6] 15 20<br/>16 2 25 9 49 12,17 51 21</p> <p><b>prepare</b> [2] 31 3 49 15</p> <p><b>prepared</b> [3] 30 3,7 32 16</p> <p><b>preparing</b> [1] 33 9</p> <p><b>president</b> [9] 18 8,10,17<br/>18 20 19 6 23 2 42 17</p> | <p>44,19 46,9</p> <p><b>pretty</b> [4] 23 11 31 16<br/>53 14,16</p> <p><b>problem</b> [5] 15 17 25 15<br/>26 3,6 41 3</p> <p><b>problems</b> [1] 41 8</p> <p><b>procedure</b> [2] 20 7,13</p> <p><b>proceedings</b> [1] 56 11</p> <p><b>process</b> [1] 19 12</p> <p><b>produce</b> [1] 40 5</p> <p><b>product</b> [1] 9 4</p> <p><b>products</b> [3] 7 17 10 4<br/>33,15</p> <p><b>program</b> [1] 54 17</p> <p><b>programmer</b> [2] 7 7<br/>19 20</p> <p><b>programmer's</b> [1] 7 10</p> <p><b>promoted</b> [2] 19 16 20 4</p> <p><b>provide</b> [3] 33 3 49 16<br/>52 7</p> <p><b>Public</b> [5] 1 14 27 14<br/>56 1,3,19</p> <p><b>Pull</b> [1] 31 8</p> <p><b>pulling</b> [1] 31 5</p> <p><b>purposes</b> [1] 43 1</p> <p><b>pursuant</b> [1] 35 9</p> <p><b>put</b> [5] 10 8 40 12,15 41 5<br/>41 11</p> <hr/> <p style="text-align: center;"><b>-Q-</b></p> <p><b>qual</b> [1] 13 12</p> <p><b>qualifications</b> [1] 13 13</p> <p><b>queries</b> [3] 7 12 8 5,6</p> <p><b>query</b> [2] 8 9 54 17</p> <p><b>questions</b> [1] 32 10</p> <p><b>Quick</b> [6] 49 20 50 13<br/>52 2 54 8,9,13</p> <p><b>quickly</b> [1] 53 16</p> <hr/> <p style="text-align: center;"><b>-R-</b></p> <p><b>RAM</b> [1] 11 5</p> <p><b>ran</b> [1] 8 6</p> <p><b>rate</b> [2] 35 6 40 10</p> <p><b>raw</b> [2] 49,16 52 2</p> <p><b>read</b> [4] 27 2 47 13 57 7<br/>59 2</p> <p><b>readable</b> [1] 52 7</p> <p><b>Reading</b> [1] 55 7</p> <p><b>realize</b> [1] 41 1</p> <p><b>reason</b> [4] 5 15 57 10,17<br/>58 3</p> <p><b>Rebecca</b> [2] 12 4 51 17</p> <p><b>receivable</b> [2] 11 4<br/>54 11</p> <p><b>receive</b> [2] 6 9 11 9</p> <p><b>received</b> [2] 8,14 10 3</p> <p><b>recent</b> [1] 31 16</p> <p><b>recently</b> [1] 8 17</p> <p><b>recognize</b> [1] 24 9</p> |
|--|---|--|--|---|

**IN THE MATTER OF: BUSINESS OPTIONS, INC.**  
**Deposition of Elizabeth Rosas**

**recollection - wrong**  
**July 15, 2003**

**recollection** [3] 28 14  
 33 2,7  
**record** [4] 4 10 56 11  
 57 11 59 4  
**recorded** [1] 56 10  
**records** [2] 7 13 33 16  
**recovery** [4] 33 21 34 1  
 34 4,11  
**related** [1] 42.13  
**relationship** [2] 22 5  
 28 18  
**remember** [6] 6 12 28 12  
 28 17 31 5 38 21 54 4  
**repeat** [1] 20 11  
**report** [8] 22 19,20 23 4  
 50 18 51 7 54 3,6,18  
**reporter** [3] 4 12,15 55 4  
**REPORTER/NOTARY**  
 [1] 56 1  
**REPORTERS** [2] 1 17  
 57 19  
**reports** [6] 7 12 23 9,13  
 49 20 50 20 52 5  
**request** [2] 29 13 30 6  
**requested** [1] 55 7  
**researched** [1] 15 17  
**residential** [1] 5 2  
**Resolution** [1] 27 1  
**resolved** [1] 26 7  
**respect** [11] 12 10 13 2  
 13 10 20 7,14 22 18 30 18  
 34 8 39 19 42 15 43 19  
**respond** [1] 33 4  
**response** [1] 32 20  
**responsibilities** [1]  
 22 18  
**responsibility** [2] 45 9  
 50 4  
**responsible** [5] 11 3  
 21 10 24 5 37 15 45 11  
**rest** [1] 9 14  
**Return** [1] 57 14  
**returns** [2] 51 21 52 5  
**reveal** [1] 24 6  
**revise** [1] 16 5  
**right** [22] 5 19 6 5 7 2  
 11 12,18 24 20 28 2 29 9  
 32 13 36 10 38 5,13,14  
 41 7,15 42 3 45 20 48 2  
 48 19 49 10 54 7 55 3  
**ring** [1] 30 21  
**Robinson** [2] 12 18  
 39 11  
**role** [16] 14 6,9,16 15 1,6  
 15 19 16 1,4 25 8,11 33 8  
 33 12 42 1 46 10 49 11  
 51 20  
**room** [2] 11 6,7  
**Rosas** [7] 1 10 4 3,11,14  
 57 3 58 2 59 11  
**rough** [1] 7 9  
**roughly** [6] 20 21 23 21

24 17 44 11,17 52 20  
**run** [11] 8 6,7,8 23 7 49 20  
 50 6,12,18,20 52 2 54 6  
**running** [5] 7 12 23 6  
 26 13 51 6 54 3  


---

**-S-**

---

**S. W** [1] 2 10  
**sake** [1] 50:17  
**sales** [1] 40 7  
**scan** [3] 27 3,15 36 8  
**script** [1] 47 13  
**scripts** [5] 15 20 16 2  
 44 8 45:7,10  
**seal** [1] 56 15  
**Section** [2] 29 12 30 2  
**see** [3] 22 14 30 20 44 15  
**selling** [1] 7 17  
**senior** [2] 44 4,6  
**sense** [1] 16 6  
**sent** [6] 31 12 32 17,20  
 33 10 57 1,15  
**separate** [5] 34 5 46 12  
 46 18 49 6 59 7  
**server** [2] 11 6,7  
**service** [20] 9 5 12 13,20  
 20 9,15 21 6,9,11 27 14  
 33 17,18,20 34 6,8,16  
 35 8 40 13,16 41 10 53 5  
**services** [3] 12 13,21  
 33 15  
**set** [2] 23 13 56 6  
**seven** [1] 10 14  
**several** [1] 6 3  
**Shalanda** [4] 12 18 13 2  
 39 11,14  
**Shannon** [2] 21 19 32 6  
**Shannon's** [2] 22 12,13  
**sheet** [7] 31 7 50 11 57 2  
 57 8,14 58 1 59 8  
**sheets** [2] 49 12 50 1  
**Shook** [13] 2 9 3 3 4 8  
 38 17,21 39 4,6 42 3  
 51 11,19 53 14,19 55 2  
**short** [2] 38 18 53 18  
**show** [10] 1 5 13 20 14 1  
 14 4 29 11 30 9 32 4 36 5  
 37 1,5  
**sign** [2] 55 5 57 13  
**signed** [3] 29 15 32 6  
 57 14  
**significant** [1] 52 13  
**signing** [1] 55 7  
**signs** [1] 12 8  
**similar** [1] 30 14  
**simply** [2] 40 15 43 14  
**situation** [2] 44 12 47 6  
**six** [2] 27 2 39 21  
**six-page** [1] 30 12  
**slammed** [1] 31 4

**smaller** [1] 8 4  
**Smith** [1] 57 20  
**snags** [1] 23 7  
**software** [1] 8 18  
**sold** [2] 9 4 10 4  
**sometime** [1] 52 21  
**sometimes** [1] 52 1  
**sorry** [1] 16 20  
**space** [2] 46 1 48:5  
**speak** [3] 4:12,19 41 19  
**Speaking** [1] 23 21  
**specifically** [3] 37 6,10  
 40 18  
**specifics** [2] 37 18 38 9  
**spoke** [1] 41 16  
**stands** [2] 17 1,3  
**start** [2] 6 20 21 17  
**started** [4] 6 16 18 7 24 7  
 43 4  
**state** [15] 4 9 5 2 8 1,2,7  
 25 15 26 3,6,11,14,18  
 27 13 41 13 56 2,4  
**statements** [4] 49 13  
 53 21 54 1,8  
**states** [3] 7 16 10 5,9  
**statistics** [1] 21 3  
**stats** [2] 23 12 44 9  
**stenographic** [1] 57 11  
**stenographically** [1]  
 56 10  
**step** [1] 23 1  
**still** [4] 18 20 26 10 48 11  
 48 14  
**Stipulation** [1] 26 21  
**stopped** [2] 26 17 47 9  
**stored** [1] 49 19  
**Street** [5] 1 12 2 10 5 7  
 6 17 17 6  
**stuff** [2] 44 9,10  
**sub-units** [1] 11 16  
**such** [16] 7 15,21 8 9  
 21 10 27 20 29 3 32 16  
 32 19 36 19 49 17 50 18  
 50 20 51 7 54 3,6 57 10  
**supervisor** [1] 13 8  
**supplies** [1] 11 6  
**supposed** [3] 13 18 14 2  
 29 8  
**switched** [1] 36 2  
**sworn** [2] 4 5 56 7  


---

**-T-**

---

**takes** [1] 50 3  
**taking** [2] 4 18 11 6  
**taped** [1] 4 16  
**tapes** [4] 31 6,8,11 44 7  
**tariff** [3] 25 5,9,12  
**tax** [2] 51 21 52 5  
**tech** [2] 12:13,21  
**Telecom** [21] 5 11,13,17

6 9,10,11,14,21 8:21 9 16  
 14 7,13 15 7,10,14 17.8  
 17 11,21 28 11,20 52 10  
**telemarketing** [1] 15 20  
**telephone** [2] 7.20 8.8  
**terms** [11] 8 10 11 9  
 25 11 26 2 32 14 33:9,15  
 39 21 43 15 44 6,12  
**testified** [1] 4 5  
**testify** [1] 37 14  
**testimony** [1] 59 4  
**Thanksgiving** [1] 32:2  
**themselves** [1] 51 1  
**thinking** [2] 28 16 37 7  
**third-party** [1] 49.6  
**three** [13] 5 14 10 19,20  
 10:21 11 16,20,20 31 17  
 31 19 35 1 42 13 49.1  
 52 13  
**three-page** [1] 28 3  
**through** [1] 36 9  
**times** [1] 19 16  
**title** [3] 7 7 19 21 26 21  
**titled** [2] 29 13 36 5  
**Tony** [1] 43 21  
**too** [1] 47 20  
**took** [5] 19 5 45 5 49 1,3  
 49 9  
**tot** [1] 35 20  
**totals** [1] 32 7  
**train** [1] 29 1  
**training** [2] 29:4,8  
**transcript** [5] 56 11 57 7  
 57 9 59 3,8  
**transition** [1] 48 2  
**treasury** [11] 11 1,2,21  
 12 4 49 14,21 50 9 51 13  
 51 14,15 54 12  
**TRENT** [1] 2 9  
**true** [2] 56 11 59:4  
**try** [3] 4 19 6:6 40 6  
**trying** [1] 38 21  
**two** [7] 13 9 29 19 30 12  
 30 19 40 6 42 18 44 17  
**typical** [1] 23 13  
**typos** [1] 16 6  


---

**-U-**

---

**U.S** [15] 6 14,20 7 1 15 1  
 15 3,13,15,16 19 8 24 14  
 46 15,19 47 3,20 48 14  
**ultimately** [1] 48 1  
**under** [3] 6 4 7 8 50:4  
**understand** [3] 9 11  
 16 12 19 15  
**understood** [2] 11 15  
 15 16  
**universal** [4] 34 8,16  
 35 8 53:5  
**up** [7] 4 12 5:21 11 19  
 31 9 52 15 53 16 54 15

**usage** [3] 20 19 33:16  
 34 17  
**USBI** [1] 36 1  
**used** [7] 11.17 15 13  
 16 13,18 42:21 48:18  
 49:17  
**using** [1] 15 18  
**usually** [2] 34 2,17  


---

**-V-**

---

**varied** [1] 52 12  
**various** [1] 12 17  
**verification** [26] 16:2  
 16:13,14,15,16,17,19,21  
 31 5,8 43 1,5,16 44:8 45 6  
 45 10,19 47 1,7,10,14,16  
 48 18,20,21 49 7  
**verifications** [8] 16.8,9  
 16 11 42 10,15 43 9 45 8  
 45 16  
**verified** [1] 31 10  
**Vermont** [6] 25 15 26 3  
 26 6,11,18 27 14  
**vice** [7] 18 7,10,17,20  
 19 6 42 17 44 19  
**Violet** [3] 12.19 21.13  
 21.13  


---

**-W-**

---

**W** [1] 2 9  
**waiver** [2] 29.14 30 6  
**Washington** [4] 1 2,18  
 2 5,11  
**water** [1] 24 17  
**week** [3] 29 2 36 16,20  
**weekly** [3] 11 10 23 7,13  
**weeks** [1] 49 3  
**whatsoever** [2] 33 9  
 51 20  
**William** [2] 18 2 28:4  
**win** [1] 40 6  
**win-back** [2] 12 15 13 1  
**wit** [1] 56 2  
**within** [6] 10 15 11 15  
 31 18 39 20 54.8 57 14  
**within-named** [1] 56 5  
**without** [2] 20 9,16  
**witness** [5] 4:4 51 15,17  
 56:5,15  
**woman** [1] 41 20  
**word** [2] 11 17 15.18  
**words** [2] 25 7 50 10  
**worked** [1] 5 12  
**workplace** [1] 22 16  
**works** [1] 50 9  
**worried** [1] 42 5  
**wrap** [1] 53 16  
**writing** [2] 23 10,11  
**written** [1] 31 11  
**wrong** [3] 14 1,4 40 8

DOCKET FILE COPY ORIGINAL

**IN THE MATTER OF: BUSINESS OPTIONS, INC.**

**Deposition of Keanan Kintzel**

**July 15, 2003**

**"We'll cover your job ANYWHERE in the country!"**

**COURT REPORTERS, ETCetera, INC.**

**(202) 628-DEPO (3376) (410) 653-1115 1-800-947-DEPO (3376)**

1 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION  
 2 WASHINGTON, D C 20554  
 3 IN THE MATTER OF \* EB DOCKET NO 08-85  
 4 BUSINESS OPTIONS, INC , \* FILE NO EB 02 TC 151  
 5 ORDER TO SHOW CAUSE AND \* NAL ACCOUNT NUMBER  
 6 NOTICE OF OPPORTUNITY \* 30033217002  
 7 FOR HEARING \* FRN 000119054  
 8 \* \* \* \* \*  
 9 DEPOSITION OF  
 10 KEANAN KINTZEL,  
 11 was taken July 15, 2003, commencing at 9:30 a.m.,  
 12 at the LaQuinta Inn, 8210 Louisiana Street,  
 13 Merrillville, Indiana, before Dorra J. Hannah,  
 14 Notary Public  
 15 \* \* \* \* \*  
 16  
 17 COURT REPORTERS, ETCetera, INC  
 18 Maryland Washington  
 19 (410) 653-1115 (202) 628-DEPO  
 20 "We'll cover your job ANYWHERE in the country."  
 21 -800-947-DEPO

Page 3

1 I-N-D-E-X  
 2  
 3 EXAMINATION BY PAGE  
 4 Mr. Harkrader 4  
 5  
 6 (NO EXHIBITS MARKED )  
 7  
 8  
 9  
 10  
 11  
 12  
 13  
 14  
 15  
 16  
 17  
 18  
 19  
 20  
 21

Page 2

1 APPEARANCES  
 2  
 3 On behalf of the BUSINESS OPTIONS  
 4 KEMAL HAWA, ESQ  
 5 CHADBOURNE & PARKER, LLP  
 6 1200 New Hampshire Avenue, N.W.  
 7 Washington, D.C. 20036  
 8 (202) 974-5600  
 9  
 10 On behalf of the FCC  
 11 TREN B. HARKRADER, ESQ  
 12 JAMES W. SHOOK, ESQ  
 13 FEDERAL COMMUNICATIONS COMMISSION  
 14 445 12th Street, S.W.  
 15 Washington, D.C. 20554  
 16 (202) 418-7955  
 17  
 18  
 19  
 20  
 21

Page 4

1 P-R-O-C-E-E-D-I-N-G-S  
 2 WHEREUPON --  
 3 KEANAN KINTZEL,  
 4 a Witness called for examination, having been  
 5 first duly sworn, was examined and testified as  
 6 follows:  
 7 EXAMINATION  
 8 BY MR. HARKRADER  
 9 Q Good morning.  
 10 A. Good morning.  
 11 Q Would you please state your name for  
 12 the record?  
 13 A. Keanan Kintzel.  
 14 Q Spell your first and last name,  
 15 please  
 16 A. K-E-A-N-A-N, K-I-N-T-Z-E-L.  
 17 Q Work address, please.  
 18 A. 8380 Louisiana Street, Merrillville,  
 19 Indiana. Do you want the zip?  
 20 Q Sure.  
 21 A. 46410.

Page 5

1 Q Is that your only work address?  
2 A. **It's my main office. We have an**  
3 **Avatar office, but I am not even sure what that**  
4 **address is.**  
5 Q Okay. What is your date of birth?  
6 A. **Wait. I have it on a business card, I**  
7 **think.**  
8 Q Okay.  
9 A. **The Avatar Enterprises office is 1443**  
10 **East 84th Place, Merrillville 46410.**  
11 Q Date of birth, please.  
12 A. **November 8, 1962.**  
13 Q Are you familiar with a company called  
14 Business Options, Incorporated?  
15 A. **Yes.**  
16 Q What does that company do?  
17 A. **That company is a switchless**  
18 **long-distance telephone company.**  
19 Q Are you affiliated with that company  
20 in any way?  
21 A. **Yes.**

Page 6

1 Q How so?  
2 A. **I am 26 percent owner at this point in**  
3 **time.**  
4 Q Have you always been a 26 percent  
5 owner?  
6 A. **No.**  
7 Q Okay  
8 A. **I think around 1998 or 1999 is when I**  
9 **got my ownership.**  
10 Q Did you have any responsibilities with  
11 respect to that company before '98 or '99?  
12 A. **In '95, I moved back from California,**  
13 **and Kurtis, and I started a company called CFO,**  
14 **and we ended up marketing a product, 10**  
15 **cent-a-minute phone product for Business Options.**  
16 **So in that respect, they were intertwined a**  
17 **little bit.**  
18 Q So you are saying CFO and Business  
19 Options were intertwined?  
20 A. **Well, CFO was marketing a product that**  
21 **was actually a Business Options product, yeah.**

Page 7

1 Q Are you familiar with a company called  
2 Buzz Telecom?  
3 A. **Yes.**  
4 Q What does Buzz do?  
5 A. **Buzz now markets the Business Options**  
6 **product -- or products, and is currently working**  
7 **to become a switchless carrier of its own and**  
8 **market its own products.**  
9 Q For how long has Buzz Telecom been  
10 marketing BOI products?  
11 A. **I believe it's been about a year now.**  
12 **I think it was June or July of last year.**  
13 Q Are you familiar with a company called  
14 Link Technologies?  
15 A. **Yes.**  
16 Q What is that company?  
17 A. **It's really nothing. It was -- I**  
18 **don't think it ever did anything. We were having**  
19 **some name difficulties. We had tried -- we were**  
20 **trying to move away from the Business Options**  
21 **name because our sales representatives -- they**

Page 8

1 **were running into objections with customers**  
2 **because Kurtis no longer sold to businesses.**  
3 **So we came up with a name with "Bell,"**  
4 **and started that company. We were told by our**  
5 **attorneys and whatnot that that name was okay to**  
6 **use. Then we later found out it was not. So**  
7 **then we were on a name hunt. We went from U.S.**  
8 **Bell to, what we cleared with our attorneys,**  
9 **NACI, North American Communications, Inc. And**  
10 **then when we were starting to get state-certified**  
11 **with that company, which I thought was a good**  
12 **name and cleared and everything, I was on the**  
13 **Internet and found a North American**  
14 **Communications company out on the east coast**  
15 **somewhere. So, anyway, that was scratched. And**  
16 **all of a sudden we had to start over, and then we**  
17 **went to Link, and I think that name lasted a few**  
18 **weeks. And then all of a sudden it went to Buzz.**  
19 Q Are you familiar with a company called  
20 Crusade Communications?  
21 A. **Yes.**

Page 9

1 Q What does that company do, or what did  
2 it do?  
3 A. It's no longer in business. It was  
4 before U.S. Bell, and the idea was to market  
5 telecommunications products with kind of a  
6 philanthropic flair, adding cause marketing. We  
7 were going to donate a certain percentage of all  
8 the proceeds to charity.  
9 Q Okay. How did that -- if you could  
10 kind of help me, how did Crusade Communications  
11 fit into the Buzz, BOI, U S Bell family?  
12 A. In terms of --  
13 Q In terms of chronology.  
14 A. Oh, okay. It was before all of those.  
15 Q Okay.  
16 A. It was -- I don't know exactly when it  
17 stopped doing business, but it was kind of a  
18 short-lived venture. Kurtis primarily ran that  
19 and was trying to, again, create a whole new  
20 niche market for telecommunications, and it  
21 didn't really succeed. So it shut down, and then

Page 10

1 later is when we came up with U.S. Bell.  
2 Q Is part of your responsibilities -- or  
3 maybe just what you did, were you heavily  
4 involved with the various name changes when you  
5 attempted to change the name of the company?  
6 A. I was involved as far as creation.  
7 You know, I did a lot of surveys and read through  
8 a couple of dictionaries, actually, trying to  
9 come up with good names. But as far as the  
10 legalities of it, I had nothing to do that. It  
11 was Bill Brzycki who was coordinating with our  
12 lawyers.  
13 Q. What kind of work generally did you do  
14 find a new name for the company?  
15 A. Well, basically, as far as I am  
16 concerned, I literally went through a dictionary  
17 and wrote down a list of anything that I thought  
18 was a good idea and had come up on a couple of  
19 different occasions -- well, whenever this would  
20 occur, when we found out we had a -- you know,  
21 once we had a name, we'd go with it. But then

Page 11

1 we'd come back from our attorneys later saying,  
2 "Oops, we can't use U.S. Bell," or, "NACI is  
3 already being used," and we'd start the process  
4 all over again.  
5 So what I would do is come up with 10  
6 or 15 names that I thought were good marketing  
7 names. And then we would survey our staff,  
8 vendors, family members to see what they thought.  
9 And then we'd try the process again.  
10 Q Did you come up with the name,  
11 "Business Options, Incorporated?"  
12 A. No, that was Kurtis. I was in  
13 California when he founded the company. He  
14 founded it I think in '92, and I hooked back up  
15 with Kurtis in -- when was it -- January of '95.  
16 Q Were you -- Had you previously been in  
17 business with him before you went out to  
18 California or while you were out in California?  
19 A. Yeah. What happened is I finished  
20 school out in Arizona with a business and  
21 engineering degree, a pilot's license. I was

Page 12

1 actually going to be a commercial pilot. My dad  
2 retired from American Airlines at that time, and  
3 Kurtis had finished school here in Indiana. So  
4 the three of us hooked up and started an aircraft  
5 brokerage business in Orange County. Then Kurtis  
6 and I -- we did that for a year, as well as some  
7 direct sales projects. Then I stayed in  
8 California, and he elected to move back home  
9 after our grandfather had died, and he moved into  
10 his house and formed Business Options.  
11 Q Did you come up with the name for U.S.  
12 Bell?  
13 A. Kurtis and I did, actually. We were  
14 driving back from our sister's in North Carolina.  
15 Q What about Buzz Telecom, did you come  
16 up with that name?  
17 A. That's all Kurtis.  
18 Q Did you come up with NACI?  
19 A. Yeah, that was me.  
20 Q I'd like to go back to the 2002 time  
21 period. Were you employed by Business Options at

Page 13

1 that time?  
2 A. In 2002? Avatar Enterprises.  
3 Q What is Avatar's relationship with  
4 Business Options, if any?  
5 A. We set up Avatar as a management  
6 company to help with the administrative, main  
7 management type stuff, keeping legal and stuff  
8 like that, basically. Our goal is to create  
9 independent businesses that Avatar can kind of  
10 oversee as far as the management.  
11 Q Did you and Kurtis set up Avatar?  
12 A. Yes.  
13 Q Did you have any responsibilities with  
14 respect to the operations of BOI, or was it all  
15 through Avatar?  
16 A. Well, BOI basically, with its state  
17 certificates and licenses and whatnot, became  
18 a -- well, it is a switchless carrier. And then  
19 Buzz Telecom was marketing -- well, formerly U.S.  
20 Bell and then Buzz was marketing Business Option  
21 products. So from that sense, I was involved. I

Page 14

1 mean, I was employed by Avatar, but my day-to-  
2 day functions were basically making sure that  
3 people showed up at work; customers got sold,  
4 delivered; some quality control; payroll was met;  
5 that kind of stuff.  
6 Q Were you paid by Avatar?  
7 A. Yes.  
8 Q Do you have any sort of a position  
9 with Avatar, either in 2002 or now?  
10 A. I'm the -- I mean, I owner. I'm 26  
11 percent owner, as I am with Buzz. I am 26  
12 percent owner of the businesses that Kurtis and I  
13 have together.  
14 Q Which include Avatar, Business  
15 Options, Buzz?  
16 A. Yes.  
17 Q Are there any others?  
18 A. There's a company called Total Bus. --  
19 well, actually, it's Total Bus.-247, which is a  
20 d/b/a of -- the actual company name is Galiant, I  
21 believe.

Page 15

1 Q Okay.  
2 A. And then there's one other -- HBOS,  
3 which was Home Business Options, but it's doing  
4 business as Facilitel up in the 26th Street  
5 section of Chicago.  
6 Q And -- Well, by the way, I probably  
7 should have said this earlier, but if at any time  
8 you don't understand one of my questions, which  
9 is entirely likely --  
10 A. Okay.  
11 Q -- please let me know. If you don't  
12 know anything, let me know --  
13 A. Okay.  
14 Q -- and we can work together --  
15 A. Okay.  
16 Q - to figure out what I am asking.  
17 A. Okay.  
18 Q Because a lot of times my questions  
19 won't be that clear; that's not a problem.  
20 A. Okay. Thanks.  
21 Q Tell me about HBOS Is that existing

Page 16

1 now?  
2 A. Yes.  
3 Q What does that do?  
4 A. It was originally set up by Kurtis to  
5 do some direct sales. And we had -- the guy's  
6 name was John Breck from St. Louis. And, anyway,  
7 they had a couple of ideas that just never panned  
8 out. And then we had an opportunity to acquire  
9 this company, Facilitel. So HBOS acquired  
10 Facilitel, which is actually a d/b/a from the  
11 original owners. They called it ATS, (inaudible  
12 Spanish word), and they had the local phone  
13 company in Chicago where they marketed primarily  
14 to the Hispanic market prepaid local phone  
15 service. And then we took it over basically, and  
16 we tried to move it from instead of prepaid to  
17 more of a normal -- like (inaudible) was  
18 Ameritech. That would be the best way to explain  
19 it. So that's what it does.  
20 Q And does that company still exist  
21 today?

Page 17

1 A. Barely.  
2 Q I appreciate your candor on that.  
3 A. Yeah.  
4 Q Do you also hold a director position  
5 with Business Options?  
6 A. Um --  
7 Q Are you on the Board of Directors of  
8 Business Options?  
9 A. I should be. In looking at some of  
10 our corporate books, I'm not really positive if  
11 I'm actually officially entered as a director.  
12 But I should be, yes.  
13 Q What about with respect to Buzz  
14 Telecom?  
15 A. I should be a director with every  
16 company that we have.  
17 Q In the same way that you are roughly  
18 26 percent owner?  
19 A. Correct.  
20 Q When was the last meeting of the  
21 Business Options Board of Directors that you can

Page 18

1 recall?  
2 A. Let's see. Maybe a month or two ago  
3 we had our attorney over from Valparaiso, Russ  
4 Millbranth, and we did it then.  
5 Q Was Kurtis at that meeting?  
6 A. Yes.  
7 Q Were there any other directors at that  
8 meeting?  
9 A. No.  
10 Q The attorney, you and Kurtis?  
11 A. And I believe Shannon Dennie sat in on  
12 the meeting to kind of take notes and stuff.  
13 Q Okay. Was that also a Buzz Telecom  
14 Board of Directors meeting?  
15 A. Yeah. My understanding is that Russ  
16 Millbranth was updating the books for every one  
17 of our companies. So we did a board meeting as  
18 such.  
19 Q When do you recall the last board  
20 meeting before that one was with respect to BOI?  
21 A. Well, Kurtis and I would meet

Page 19

1 periodically, but unofficially. And then he  
2 would meet with Russ, and I don't really know  
3 dates on that. But we did have an official --  
4 The last official meeting I can recall was out in  
5 Las Vegas with -- at that point, Andrew Hastings  
6 was on the board. And Russ was out there, our  
7 attorney. So we all rendezvoused and had a  
8 meeting, and that was maybe -- I'm guessing at  
9 this point, but maybe '97 or '98.  
10 Q Okay. When was the last Board of  
11 Directors meeting that you can recall for Buzz  
12 Telecom before the one a month or two ago?  
13 A. That probably would have been when we  
14 set up the company a year ago.  
15 Q You mentioned earlier that your  
16 responsibilities with respect to Business Options  
17 was personnel, making sure people showed up on  
18 time. Can you expand on that a little bit? Did  
19 you do -- For example, were you involved in the  
20 hiring?  
21 A. I'm sorry, did you say Business

Page 20

1 Options?  
2 Q Yes.  
3 A. Okay. I don't believe Business  
4 Options has had a payroll, per se, for over two  
5 years now.  
6 Q Okay.  
7 A. I'd have to double-check, but it's  
8 since we went to U.S. Bell.  
9 Q And then subsequently to --  
10 A. Buzz.  
11 Q -- Buzz Telecom?  
12 A. Correct. I believe that U.S. Bell --  
13 let me see if I can recall. It seems like the  
14 beginning of 2001, or maybe even a little bit  
15 prior to that, is when U.S. Bell -- well, I'm not  
16 really positive. We'd have to look.  
17 Q Yeah, I think we have some documents  
18 that can confirm that -- that your brother spoke  
19 to yesterday.  
20 A. Okay.  
21 Q So I think we're comfortable with

Page 21

1 those dates.

2 **A. Okay. And then do you mean Business**

3 **Options, like for all the companies?**

4 Q Well, yeah. I think for the purposes

5 of this next group of questions that I'd like to

6 talk about -- you know, I know that all the

7 people who are employed -- all the personnel over

8 there do, you know, Business Options work or are

9 employed by Buzz Telecom. So I think I would be

10 using those two companies somewhat

11 synonymously --

12 **A. Okay.**

13 Q -- if that would make it easier

14 **A. Okay.**

15 Q I mean I have a good understanding

16 that Business Options doesn't have a payroll;

17 that everyone was employed by Buzz; and that you

18 work for Avatar --

19 **A. Okay.**

20 Q -- doing primarily Buzz and BOI work,

21 is that correct?

Page 22

1 **A. Yes. Yes, that's correct.**

2 Q All right.

3 **A. And just to clarify, we have payroll**

4 **with Avatar, Buzz, HBOS or Facilitel, and then**

5 **TB-247, which is separate.**

6 Q Okay. I think for the purposes of

7 this deposition; at least until I ask you

8 something differently; you don't need to worry

9 too much about HBOS --

10 **A. Okay.**

11 Q -- or Facilitel and Galiant or TB-247

12 **A. Okay.**

13 Q We are just going to focus on Buzz and

14 BOI and to the extent that Avatar comes into

15 play.

16 **A. Okay.**

17 Q We will work on that.

18 **A. Okay.**

19 Q Did you do hiring in 2001 or 2002 for

20 U.S. Bell, BOI or Buzz?

21 **A. Yeah, I would have been senior to that**

Page 23

1 **area.**

2 Q Who worked for you during that time

3 period?

4 **A. Let's see. As far like in charge of**

5 **hiring, is that your question?**

6 Q Yes.

7 **A. Well, we had a number of people. We**

8 **had Kelly Adwell, Bill Brzycki, Gene Chill,**

9 **Angela Steiner. And they had different directors**

10 **of personnel involved.**

11 Q Let's start with Bill Brzycki. Did

12 you hire him?

13 **A. Good question. No, he was hired in it**

14 **seems like the fall of '95. I don't know if**

15 **Kurtis directly hired him or if Kurtis had a**

16 **human resource person do it. I really don't**

17 **know.**

18 Q How long did you work with Bill

19 Brzycki?

20 **A. Off and on from '95 through -- he left**

21 **I think it was in October, maybe November of last**

Page 24

1 **year.**

2 Q What kind of responsibilities did he

3 have under you?

4 **A. Well, the way we have our organization**

5 **set up is we have a seven division organization.**

6 **We have an organizational board or organizational**

7 **chart, and Bill had -- the last few years,**

8 **anyway, Bill was in charge of divisions one and**

9 **two, which I was senior to that -- to Bill as the**

10 **executive director. So he was the vice president**

11 **of administration, and he oversaw division two,**

12 **which was a re-marketing to our customer base of**

13 **other products. But, quite frankly, we never**

14 **successfully ever re-marketed anything other than**

15 **the initial product. So that division really**

16 **never did anything other than -- Well, that's not**

17 **true. He created some calling cards and stuff**

18 **like that in that area, some publications, if you**

19 **will.**

20 Q Okay

21 **A. But division one was human resources.**

Page 25

1 So that was everything from hiring and firing,  
2 inspections, reports, communications, stuff like  
3 that.  
4 And then he was also posted over in  
5 division seven over the corporate affairs or  
6 legal department, we sometimes call it. But that  
7 division is actually separated out on purpose.  
8 Divisions one through six are kind of  
9 the day-to-day operations -- hiring, running of  
10 the personnel, treasury, delivery, quality  
11 control and new customer acquisition. And then  
12 division seven sits over on the side and is  
13 directly directed to Kurtis is what I am trying  
14 to say. So Kurtis was Bill's boss on corporate  
15 affairs and legal. So I really was not that  
16 involved with that kind of stuff. Although I  
17 must say that looking at it now, I should have  
18 been more involved.  
19 Q With the division seven?  
20 A. Just knowing more about what goes on  
21 in the telecom business as far as the regulations

Page 26

1 and whatnot. I thought it was being handled, so  
2 this is kind of a lesson for me to know that I  
3 need to know more about that stuff, bottom line.  
4 Q Did any of that -- Did any of the  
5 telecom regulations affect your responsibilities  
6 with these companies?  
7 MR HAWA Objection. That's far too  
8 vague for this witness to respond What telecom  
9 regulations are you talking about that apply?  
10 MR HARKRADER Well, he said he  
11 should have been more knowledgeable about telecom  
12 regulations  
13 MR HAWA Are you asking him what he  
14 is specifically referring to?  
15 MR HARKRADER Yeah, we can do that  
16 BY MR HARKRADER  
17 Q What were you referring to when you  
18 talked about the telecom regulations that you  
19 wished you had known better, if that's a fair  
20 characterization of what you said?  
21 A. I guess what I was trying to say is

Page 27

1 just knowing the whole process, which I don't  
2 really know, as far as how to get a state  
3 license. You know, and then if a complaint comes  
4 into a state, how to handle that. Basically,  
5 just to make sure those things are being done  
6 properly is what I was really trying to say.  
7 Just to be more involved so that things that I  
8 have recently heard about -- you know, that we  
9 are here to talk about -- don't occur again.  
10 Q Right. And what I am trying to  
11 understand is was there any part of your job with  
12 respect to your supervision of divisions one and  
13 two that would require you to be familiar with  
14 those types of regulations?  
15 A. Well, let's see. Divisions one and  
16 two. Maybe in division five, that's our quality  
17 control. Like the verification companies, you  
18 know, they would coordinate with our division  
19 five to make sure sales are, you know, properly  
20 sold and completely sold. So as far as any  
21 regulations on verifications -- I mean, corporate

Page 28

1 affairs would oversee that, and they would give  
2 me -- you know, they would basically monitor and  
3 make sure we were doing things in compliance, but  
4 I would be involved as far as, you know. I am  
5 not making myself clear. I should be responsible  
6 to see that sales are properly verified, if that  
7 makes sense. As far as new sales and customers  
8 and acquisition of customers, I know that there  
9 are laws coming out regarding the "Do Not Call"  
10 list. So I need to help, you know -- when our  
11 division seven gets all that information, I need  
12 to make sure that any leads that we are calling  
13 have been properly scrubbed against the "Do Not  
14 Call" list. So I guess that's what I was trying  
15 to say.  
16 Q Okay. Are you responsible for  
17 divisions one through six -- or were you in 2001  
18 and 2002?  
19 A. Off and on. In 2001, I was senior to  
20 that area and there most of the time. But then I  
21 think as Kurtis told you guys, I went and climbed

Page 29

1 a mountain in July of 2001, and times have been  
2 interesting for me since that point as far as  
3 health. And I missed most of 2002. The first  
4 six months, practically, I was just homebound.  
5 Then I started coming in randomly and, you know,  
6 sticking my nose into different areas trying to  
7 slowly get back to work and stuff like that.  
8 But, yeah, technically those would be the areas  
9 that I oversee now.

10 Q Okay. Were you senior to Mr. Brzycki  
11 during the times when the company was having some  
12 EEOC matters?

13 A. Senior to him over divisions one and  
14 two. But again, not the corporate affairs or  
15 legal department.

16 Q Okay. So the -- Do you know the EEOC  
17 matters that I am referring to?

18 A. Yes.

19 Q Do you remember when those happened?

20 A. It seems that the initial EEOC filings  
21 were -- it seems like it was around January of

Page 30

1 last year is when that popped up, and I was --  
2 Yeah, because Kurtis called me at home. I was  
3 sick and at home when we received that.

4 Q Did there come a time where you  
5 replaced Mr. Brzycki as the secretary/treasurer  
6 of Business Options or U.S. Bell or Buzz Telecom?

7 A. Yes. I think officially last year I  
8 was entered into the books. But, again, I am not  
9 real good with all that corporate books and all  
10 that, so -- I know now I am that, but it could  
11 have been 2003, or it may have been 2002, I'm not  
12 real positive on the exact date it went into the  
13 books.

14 Q When did you first find out that you  
15 were going to take over for Mr. Brzycki in the  
16 secretary/treasurer role?

17 A. It seems like at the meeting a couple  
18 of months ago, you know, when we updated all of  
19 our books with our attorney.

20 Q So you think it may have happened last  
21 year, in 2002?

Page 31

1 A. Well, when we updated our books and  
2 the minutes for the different years. It may have  
3 been, but I'm not sure.

4 Q I am just trying to clarify -- you may  
5 have been appointed secretary/treasurer of Buzz  
6 Telecom?

7 A. Yeah. I think -- I mean, Bill, I  
8 believe, was secretary/treasurer until he left  
9 the company.

10 Q Okay.

11 A. And so there may have been like a  
12 transition thing, and then I took over that --

13 Q Okay.

14 A. -- for part of 2002.

15 Q And he left the company in roughly  
16 October of 2002?

17 A. Yeah, end of October, I believe.

18 Q Was it around that time period that  
19 someone came to you and asked you to become  
20 secretary/treasurer for the company?

21 A. I wish we were that efficient. But,

Page 32

1 actually, I think it was decided upon again just  
2 a couple of months ago at the meeting with the  
3 attorney. It was like, "Oh, we need to elect  
4 somebody."

5 Q Okay. Was there ever a time when you  
6 served as president of Buzz Telecom or Business  
7 Options?

8 A. I held the post of president, but  
9 never as an officer. And, actually, we have a --  
10 we have changed this post title a number of  
11 times. It's currently executive director, and  
12 it's been that before. It's also been called  
13 CEO, and it's also been called president. But  
14 that's more of just nomenclature within our  
15 company. And we are going with executive  
16 director now because we realize it causes  
17 confusion with what's actually corporate, you  
18 know, officers. So as far as corporate officers,  
19 no, I don't believe so.

20 Q Okay.

21 A. I would be shocked if it's in the

Page 33

1 books.

2 Q I guess anything is possible

3 A. Yes.

4 Q When did you hold the position of

5 president, but not an officer?

6 A. Well, since 2001 -- it seems like

7 around the beginning of 2001, maybe the end of

8 2000 is when I became the executive director or

9 president.

10 Q Do you still hold that position today?

11 A. Yes.

12 Q What are the responsibilities of that

13 position?

14 A. Well, I have the fun of running the

15 day-to-day activities of the company --

16 Q Okay.

17 A. -- and overseeing, technically, three

18 vice presidents -- the vice president of

19 administration, the vice president of operations,

20 and the vice president of expansion. However,

21 currently I hold the vice president of expansion

Page 34

1 post from above. And so I am actually running

2 one vice president of operations, Elizabeth

3 Ontiveros Rosas. And then we have what we call a

4 deputy executive director, Gayle Perry, who I

5 also supervise. And she is holding, temporarily,

6 the vice president of administration post that

7 was held by Mr. Brzycki until we, you know, find

8 a good replacement.

9 Q And you are vice president of

10 expansion as well?

11 A. I hold that post, yeah.

12 Q Okay. Is secretary/treasurer -- I

13 assume secretary/treasurer is an actual officer

14 position?

15 A. It is -- As far as like the

16 corporation is concerned?

17 Q Yes.

18 A. Yes.

19 Q As opposed to the position of

20 president, but not an officer

21 A. Yes.

Page 35

1 Q Have you had any other corporate

2 officer positions or held any other corporate

3 officer positions with Buzz, BOI, or U.S. Bell?

4 A. No.

5 Q What was your understanding of why Mr.

6 Brzycki left the company?

7 A. It was time. He had decided he didn't

8 want to continue training. And then there was

9 some incompetence factors.

10 Q What were those incompetence factors?

11 A. Well, I think it was late last year he

12 found that we had not been filing and paying,

13 which was in his area, federal USF payments.

14 That was the big one.

15 Q When did you find that out -- that Mr.

16 Brzycki was not paying the federal USF funds?

17 A. He sent a dispatch to Kurtis and I, as

18 board members, in maybe June or July, something

19 like that, of last year.

20 Q Were you back with the company at that

21 time, in June or July? Or were you off your sick

Page 36

1 leave at that time?

2 A. Well, I was part-time; I was back.

3 Q Okay. What is a dispatch?

4 A. Oh, that's like a memo.

5 MR HAWA It should have been in your

6 documents. If you don't have it, I can get it.

7 MR HARKRADER I am sure we have it.

8 MR. HAWA. Okay.

9 MR HARKRADER But thank you.

10 BY MR HARKRADER

11 Q Were there any other incompetence

12 factors with respect to Mr. Brzycki?

13 A. I can speak more of the areas where I

14 worked with him. Our division two never got

15 established, other than a handful of calling

16 cards got designed. Bill is an amateur

17 photographer, and he did spend some time -- he's

18 pretty good actually, and he spent some time on

19 trips taking pictures of lighthouses and

20 different things. And then he got them onto

21 calling cards, which looked really good, but we

Page 37

1 never really got them out to the customers  
2 effectively. And that was really it in division  
3 two, which was kind of a lament for me -- I  
4 really wanted to do more in that division.  
5 Q Okay.  
6 A. In the division one area, I would say  
7 Bill was not bad at doing a lot of the day-to-day  
8 stuff if we had to fire somebody or as far as  
9 organizing the hiring line. He wasn't great at  
10 it, meaning that there seemed -- I had to  
11 constantly be putting attention in on that area  
12 to correct things. In telemarketing, there's --  
13 at least what I found -- a high turn rate of  
14 sales representatives; turn rate, meaning they  
15 quit a lot. It's just a hard job to do, so you  
16 have to keep hiring an abundance to keep the  
17 production levels high. And Bill struggled with  
18 that at times, keeping a, you know, good  
19 demographic base of staff that, you know, people  
20 who could actually speak and read and stuff like  
21 that and do the job. So, anyway, I seemed to

Page 38

1 have to go in and handle some of that area. But,  
2 anyway, there was some non-compliance issues, I  
3 guess. I'm not being real specific because I  
4 don't have anything in front of me. But I was a  
5 little frustrated, you know, as far as where I  
6 wanted the area to go and become and what he was  
7 keeping it as, if that makes sense.  
8 Q It does.  
9 A. Okay.  
10 Q Did you have discussions with him  
11 about your frustrations?  
12 A. Yes. In fact, my first trip to the ER  
13 back in July was in the middle of a meeting with  
14 Bill when I had a whole list of his stack of  
15 non-compliance reports. We call them  
16 non-compliance reports. If I give somebody an  
17 order, and they don't comply. And I had a stack  
18 of those, and I was about to go in and deal with  
19 my frustrations with him, and I ended up needing  
20 Bill to drive me to the ER instead. So I  
21 remember that conversation, obviously. But there

Page 39

1 were others.  
2 Q Okay. You were not supervising Mr.  
3 Brzycki, were you, with respect to his Universal  
4 Service obligations?  
5 A. No.  
6 Q Okay.  
7 A. That fell into our Department 20 under  
8 division seven, corporate affairs.  
9 Q Okay So your brother Kurtis would  
10 have supervised that?  
11 A. Correct, from the chairman post.  
12 Q Were there any other areas of Mr.  
13 Brzycki's performance where you felt he was  
14 incompetent other than the ones we have  
15 discussed?  
16 A. I mean, there were some back issues.  
17 I know just because I was around in the  
18 mid-Nineties that Kurtis had him over the  
19 treasury area. And at that time, we ran into  
20 some -- well, bottom line, we hadn't paid all of  
21 our payroll taxes and ended up with a pretty

Page 40

1 significant debt with the IRS. So, definitely,  
2 that was a big scene that has now been handled --  
3 or payments are being made and all that. It  
4 seems like there was another pretty big  
5 situation. Well, the EEOC cycle -- you know,  
6 that came up under his watch while he was over  
7 human resources. So that was another pretty big  
8 deal.  
9 Q Okay.  
10 A. But I guess the underlying thing that  
11 I would be frustrated with as to that was the one  
12 department we had in our division one -- Well,  
13 there are three departments in division one. One  
14 is for personnel things get handled; then one is  
15 communications -- you know, faxes, mail, things  
16 like that. Those two areas, he did pretty -- you  
17 know, they were passable.  
18 But the third was inspections and  
19 reports. And that area, I would say he was  
20 fairly weak. I mean, he could do some of the  
21 basic stuff. But if there was any ethical

Page 41

1 situation that would arise -- maybe somebody, a  
2 sales representative -- well, I really don't know  
3 how to explain it. The major things, he handled,  
4 I guess. But it could have been better.  
5 Q Okay.  
6 A. It just could have been better. I  
7 mean, it's better now. With Gayle Perry there,  
8 it's like night and day, so --  
9 Q Okay.  
10 A. I can give you one example, actually,  
11 now that I think about it. A couple of years ago  
12 we had a verification company, A&M Verifications.  
13 And at some point, A&M Verifications decided to  
14 expand to the 7-Eleven business. They opened up  
15 basically a little candy shop, donut shop or  
16 whatnot right in there little business there.  
17 And that drove me batty. I was constantly Bill  
18 to handle it, and it didn't happen until  
19 basically we changed verification companies on my  
20 order because I was so fed up with it. But it  
21 seemed like a simple thing, but it just didn't

Page 42

1 get handled.  
2 Q Was he vice president of admin at one  
3 point?  
4 A. Uh-huh.  
5 Q Is that when you referred to his  
6 supervision of the human resource group -- is  
7 that when he was vice president of admin?  
8 A. Yeah. He was for quite awhile. I  
9 don't know the exact dates, but he was that for  
10 awhile.  
11 Q When was he overseeing the treasury  
12 responsibilities; do you remember?  
13 A. I think he had an accounting degree  
14 from Purdue Calumet here locally, and he had been  
15 working nights as a driver for UPS. Anyway,  
16 that's irrelevant. So he got hired right out of  
17 college, and I think that's when Kurtis put him  
18 over that area -- right in '95.  
19 Q Did you have any responsibility for  
20 hiring him?  
21 A. No.

Page 43

1 Q Did you and Kurtis discuss Mr. Brzycki  
2 leaving the company before he left?  
3 A. Yes.  
4 Q Did you help fire him?  
5 A. I don't know if that's actually how it  
6 played out. There was a severance agreement, and  
7 it was kind of like a mutual understanding  
8 almost. Bill was -- I don't know if he was  
9 burned out, frustrated that he wasn't an owner  
10 and had more power -- I don't really know; I  
11 can't really speak for him. But it seemed it was  
12 time. We were having a hard time getting him to  
13 elevate to where we needed him to be. He was on  
14 a pretty high post, and going backwards wasn't  
15 really an option for Bill. He also had  
16 aspirations of starting a photography business.  
17 So it just seemed like with everything that went  
18 on that -- I mean, I think we would have  
19 terminated him, I guess. It probably would have  
20 come to that, but we ended up just having  
21 discussions, and he decided it was time to bow

Page 44

1 out, so we did a severance package.  
2 Q Did you initiate those discussions  
3 with him?  
4 A. Yes.  
5 Q About when was that?  
6 A. Oh, maybe within 30 days of his  
7 departure, I would say.  
8 Q Did you talk to your brother before  
9 you initiated those discussions?  
10 A. Yes.  
11 Q And what did you and your brother  
12 discuss with respect to Mr. Brzycki's continued  
13 employment?  
14 A. We talked about giving Bill the option  
15 to full-time train so that he could get better.  
16 You know, we were basically removing him from a  
17 position and training the guy to become a better  
18 manager. Or if he didn't want to do that, he  
19 could leave. That's what we talked about.  
20 Q And would that pretty much summarize  
21 the discussion you had with Mr. Brzycki -- did

Page 45

1 you give him the option of full-time training?  
2 A. Yes.  
3 Q And what was his response to that?  
4 A: He was very appreciative, actually,  
5 and wanted to think about it. I think I gave him  
6 a few days to a week. And then he came back and  
7 said, "No, I think I want to, you know -- Let me  
8 back up. Actually, when I talked to him  
9 initially, I talked to him potentially about a  
10 severance package or full-time training. So he  
11 had a few days to a week to think about those two  
12 options. When he came back, he said, "Well, I  
13 want to do the severance package and give this  
14 photography thing a shot." Which I was actually  
15 pretty shocked. I thought he would stay and go  
16 for the training.  
17 Q Why is that?  
18 A. I just did. I mean, he had been there  
19 for six, seven years, and I didn't see him  
20 leaving. He had an option of full-time training,  
21 which was a pretty good offer.

Page 46

1 Q Now, what would the training have  
2 consisted of?  
3 A. We really hadn't gotten that far, but  
4 management training, more to improve his  
5 management skills.  
6 Q Would you have sent him to a graduate  
7 course around here?  
8 A. We were looking at sending him to the  
9 Hubbard College of Administration in Los Angeles.  
10 Bill had a degree, and had basic skills. What I  
11 saw with him, you know, regardless of all the  
12 individual mistakes or whatever that people make,  
13 there was -- he didn't see when he was  
14 overwhelmed and needed more people. And he kind  
15 of played it as though everything was fine when  
16 in reality he was overwhelmed, and then big  
17 mistakes occurred. So the management area,  
18 that's really what I saw as his big weakness, so  
19 I was focusing on that.  
20 Q When you replaced Mr. Brzycki as  
21 secretary/treasurer, did you assume a financial

Page 47

1 role for the companies?  
2 A. That's a good question. I never even  
3 thought of that. To me, it's more of just a  
4 corporate name change. I can tell you that I did  
5 start to get involved with -- At Avatar, I also  
6 hold the post of director of finance, part-time,  
7 needless to say. So it's just a big name. But  
8 really what it means is I tried to make sure that  
9 all the different companies keep their books  
10 organized.  
11 Q How long have you had that position?  
12 A. We created it this year, I think,  
13 actually. So six or seven months.  
14 Q It was created in January of this  
15 year?  
16 A. That seems about the right time when  
17 Avatar really got its own place and everything,  
18 created its own functional organizational chart  
19 with different functions, stuff like that.  
20 Q Do you have a background in finance?  
21 A. No. But I am -- I like computers, and

Page 48

1 I like engineering type stuff, so I am learning.  
2 I coordinate with our accountants on any major  
3 stuff.  
4 Q Do you work with the accountants on  
5 tax filings?  
6 A. As far as corporate tax filings --  
7 well, yes, would be my answer. On payroll type  
8 stuff, the monthlies, the quarterlies, the  
9 yearlies, the -- you know, the state filings --  
10 you know, you see one, you see five reports on  
11 all that type of payroll stuff, tax stuff. The  
12 corporate taxes, I help them by making sure they  
13 have access to the computers and keeping the  
14 books organized, and then they do all of the  
15 corporate tax preparations, of which I kind of  
16 go, "Okay," and then Kurtis signs. Because  
17 that's over my head.  
18 Q With respect to the financial  
19 documents that you look at or that you kind of  
20 coordinate, it sounds like -- how is that  
21 different from the way things were before you

Page 49

1 were director of finance for Avatar?

2 A. How is it different now?

3 Q Uh-huh.

4 A. Um --

5 Q Let me see if I can ask a better  
6 question than that.

7 A. Okay.

8 Q You have a certain number of  
9 responsibilities with respect to your position as  
10 director of finance, and I assume that people  
11 will give you financial information, and you  
12 coordinate it and make sure that it's right. Is  
13 that fair to say?

14 A. Yeah. Let me give you an example.

15 Q Please do.

16 A. Okay. I don't really deal with  
17 balance sheets and P & L's, although I am working  
18 on learning what those are all about. I deal  
19 more with -- well, I will give you an example.  
20 Facilitel -- let's say they bring in \$10,000 in  
21 income this week, and they want to spend \$5,000

Page 50

1 on payroll, \$3,000 on rent, and \$2,000 on  
2 miscellaneous vendor-type stuff. So I make sure  
3 they stay organized and try to account for all of  
4 their income and expenses, and let them get  
5 organized in a way to present it to Kurtis, who  
6 is actually the finance banking officer, in a way  
7 where that he can make a quick decision on  
8 whether they are using their income in a way to  
9 expand the company. And then I have an  
10 assistant -- I have trained him, and he does a  
11 lot of the preparation on that every week. So we  
12 do that for Facilitel, TB-247, Buzz and Avatar --  
13 we get it all organized and prepared so that  
14 Kurtis can make proper decisions. Does that make  
15 sense?

16 Q It does, yes. Is Business Options  
17 included within that list of companies?

18 A. Yes.

19 Q That would be under a part of Buzz?

20 A. Actually, we do a separate one for  
21 Business Options. And currently -- and this may

Page 51

1 have to change based upon what we found out from  
2 CPA's and whatnot. But what we were doing was  
3 like a lease agreement. Buzz -- well, that's not  
4 even right. The rights to use the Business  
5 Options certificates -- the state certificates  
6 and whatnot, we took "X" amount of the gross  
7 income and made that gross income for Business  
8 Options, if that makes sense. So that Business  
9 Options could then pay all of the state filings  
10 and any kind of refunds or anything that might  
11 come up under its name.

12 Q But otherwise, all the gross income  
13 was going directly to U.S. Bell, and then Buzz?

14 A. Now we have it, as of this year, where  
15 all of the gross income actually goes into what  
16 we call our main bank account at Avatar, and we  
17 make sure it doesn't just get spent. So then  
18 everybody has to prepare -- well, everybody -- I  
19 have to prepare a list of wanted expenditures off  
20 of that income. And then, once that's approved,  
21 the income gets moved over to the appropriate

Page 52

1 company, and then the expenses are made by my  
2 assistant.

3 Q Now, how did that differ from 2001,  
4 2002?

5 A. In 2001, 2002, before Avatar, the  
6 money would have just come straight into Buzz or  
7 U.S. Bell. And, I don't know, that we had a very  
8 good system of weekly financial planning in  
9 place. I think it was a much more random thing,  
10 like, "Is there enough money to pay the rent?  
11 Check the bank account." It was that kind of  
12 thing.

13 Q Those are very important  
14 considerations, though?

15 A. Yes. But that was how it was.  
16 Anyway, it's a lot better now, which is why I  
17 took over that post. It was just kind of random  
18 back then.

19 Q Who was responsible for those types of  
20 decisions in 2001, 2002?

21 A. Basically, Kurtis or I, whoever was

Page 53

1 over the area. But Kurtis and I would coordinate  
2 in general where the money was going to go. It  
3 always seemed like we never had enough cushion to  
4 spend money where we wanted to spend it. But,  
5 anyway -- we do have a treasury manager, but it's  
6 really not their decision as to where money goes.  
7 Q What was their responsibility?  
8 A. The treasury manager in general is to  
9 keep the Quick Books, our software, organized and  
10 up to date; do bank reconciliations every week;  
11 make sure payroll checks don't bounce; you know,  
12 make sure payroll checks are done properly every  
13 other week; make sure vendors are paid and happy;  
14 anything like that.  
15 Q Who was that payroll -- or who was  
16 that treasury manager in 2001, 2002?  
17 A. Currently it's Rebecca Irwin. She has  
18 been that for some time. Prior to Rebecca, it  
19 was Craig Munzer. And I'm not really exactly  
20 sure when he left -- the transition from Craig to  
21 Rebecca.

Page 54

1 Q Are you still part-time now? Are you  
2 still working part-time?  
3 A. For me, yes. I mean, I like to work.  
4 So when I am full-time, it's 60 to 80 hours or  
5 more. Unfortunately, I don't have that kind of  
6 energy, and sometimes I just have to leave during  
7 the day. So, yes.  
8 Q And you have been working part-time  
9 since July of 2002?  
10 A. Yeah, roughly June or July, somewhere  
11 in there I started coming in. And I think the  
12 first project that I started putting my attention  
13 on had nothing to do with anything other than  
14 getting all of our books -- our accounting books  
15 totally organized. I did a big project that I  
16 coordinated. We went back in time, just to make  
17 sure things were accounted for properly for the  
18 accountants, bottom line. And then Rebecca -- I  
19 basically spearheaded that project, and Rebecca  
20 did all the work on that. Then I slowly started  
21 to come back in and get involved as much as I

Page 55

1 could when I was there. So it varied, you know.  
2 There were weeks when I wasn't there, and there  
3 were weeks where I might be there three days. So  
4 basically starting in June it's been getting  
5 better and better and better to the point now  
6 where I can say I consistently am in there at  
7 least three days a week.  
8 Q So even in the second half of 2002  
9 there were times when you were out for two or  
10 three weeks at a time, or maybe one week?  
11 A. Maybe one week or something like that.  
12 It was random, so Kurtis had to have his  
13 attention on helping out.  
14 Q Okay.  
15 A. I would do my best to stay in phone  
16 contact with people and, you know, keep things  
17 going. But there were times when I just couldn't  
18 work.  
19 Q Were you involved with the hiring of  
20 Lisa Green?  
21 A. No.

Page 56

1 Q Shannon Dennie?  
2 A. Yes.  
3 Q How were you involved in her hiring?  
4 A. Gene Chill was out for the week. He  
5 was in California, I believe, trying to handle  
6 something with his ex-wife and children. So I  
7 stepped up and was re-organizing division one. I  
8 wasn't happy with division one and some of the  
9 things, so I was trying to bring in new people.  
10 And I hired a couple of people -- one was a girl  
11 named Jodie -- oh, what was her last name?  
12 Stevens, I believe. And then she replaced  
13 somebody who worked for Gene, who really didn't  
14 even want to be at our company is what it turned  
15 out to be. She wanted to be suntanning, so --  
16 anyway, I remember hiring Jodie right after I  
17 hired Shannon, because Jodie was a paralegal  
18 also. She doesn't work for us anymore. She went  
19 back to the paralegal world. But, anyway, that  
20 day I did hire Shannon.  
21 Q Was that kind of an administrative

Page 57

1 role? Did you see her resume' when it came in;  
2 did you interview her; did you do anything like  
3 that?  
4 A. Yeah, I knew we needed to put some  
5 people into Bill's area because he was leaving.  
6 And he had stacks -- I didn't know what all he  
7 did, but I knew he had lots of stacks of  
8 paperwork. I'm not real sure of what you mean by  
9 administrative, but --  
10 Q Did you interview her?  
11 A. She had been interviewed prior, so the  
12 application was on file. But then I pulled her  
13 in and did it -- I did the final interview, yes.  
14 Q Did you make the decision to hire her?  
15 A. Yes.  
16 Q If you remember, what was it about  
17 her -- either her or her application for  
18 employment, her resume' -- that appealed to you?  
19 A. She had a maturity about her. I mean,  
20 she was a little older than the average person we  
21 had been hiring. She had pretty good experience,

Page 58

1 as far as I could tell -- I mean, I didn't have  
2 much experience hiring anyone in the legal area.  
3 But her resume' looked pretty good to me because  
4 she had worked in the military; had worked for  
5 some of the governmental agencies; was a  
6 paralegal; seemed nice enough, like the kind of  
7 person who was going to be here for awhile. So  
8 that was the main thing. Of course, anybody we  
9 hire, you know, we watch them for awhile to see  
10 if they can actually do the job. But, you know,  
11 it wasn't because of her telecommunication  
12 background, which was hard to find out here.  
13 Ideally, we would get somebody with a lot of  
14 experience in that, but I figured she was smart  
15 enough that she could learn that.  
16 Q What position did you hire her for?  
17 A. To take over Bill's position. Not  
18 vice president of administration, let me make  
19 that clear, but to take over all of his  
20 regulatory stuff. So basically to go in and be  
21 full-time in the regulatory department for

Page 59

1 Kurtis -- working for Kurtis.  
2 Q Was this in September or October of  
3 2002?  
4 A. I asked her the other day. I think  
5 she worked for two days prior to Bill leaving.  
6 Because I asked her how long he trained her, and  
7 she said two days. So it must have been the end  
8 of October.  
9 Q And at that time or right before he  
10 left, was Bill vice president of admin?  
11 A. No, he had been demoted after the -- I  
12 believe after the EEOC situation, Kurtis demoted  
13 him.  
14 Q Did you supervise Miss Denmie after  
15 you hired her?  
16 A. No.  
17 Q Was it your brother who supervised  
18 her?  
19 A. Yeah. I was a little bit involved as  
20 far as, "Here is where your desk is; here is  
21 Bill -- he's going to show you what to do. If

Page 60

1 you have any questions or need to know where  
2 anything is, I can try to help." But she within  
3 probably a week or two knew more than I did in  
4 that area.  
5 Q Did you work with her on any project  
6 or particular responsibility that she had?  
7 A. No. I mean, she will definitely, you  
8 know, ask me questions from time to time about  
9 maybe something we are doing in the company on a  
10 day-to-day matter, so we do communicate. But we  
11 never work on any projects.  
12 Q All right. Were you involved at all  
13 in the hiring of Gene Chill?  
14 A. I don't know how to answer that. I  
15 met him with Kurtis at a restaurant, but I was  
16 still not really working.  
17 Q Okay.  
18 A. Kurtis made the decision to hire Gene.  
19 So, I mean, I was involved in the respect that I  
20 met him before we hired him. But Kurtis thought  
21 he might be a good choice, and I said okay.