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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SANTA CLARA
BEFORE THE GRAND JURY
DEPARTMENT 17

THE PEOPLE OF THE STATE OF CALIFORNIA,)
)
)
PLAINTIFF,)
)
)
vs.) NO. 212793
)
RONI HAYON, ADALINDA REYNA MENDOZA,)
)
WAYNE ALLEN, IDO OR, MAOZ KADESH, ADII)
)
THERESE KARTER, NOAM, ISRAELI, AND)
)
ELAZAR NISANOV,)
)
)
DEFENDANTS.)
_____)

REPORTER'S TRANSCRIPT OF PROCEEDINGS

HELD ON FEBRUARY 19, 2013

A P P E A R A N C E S:

FOR THE PEOPLE: MARTHA DONOHOE, ESQ.
DEPUTY DISTRICT ATTORNEY

ASHLEY PARROTT, CSR NO. 13157
OFFICIAL COURT REPORTER

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1 TUESDAY, FEBRUARY 19, 2013; SAN JOSE, CALIFORNIA

2 P R O C E E D I N G S

3 -o0o-

4 MS. DONOHOE: Good morning, ladies and gentlemen. This
5 morning, we are going to start with a victim again,
6 Mr. Davenport. I believe this will be our last victim
7 testifying. We are also going to hear testimony of Jennifer
8 Salazares.

9 And we have this afternoon an investigator Gordie
10 Bowen. I'm expecting a Bank of the West custodian who's not
11 on your witness list. And I have a revised witness list
12 which I will give to you sometime today. We also have a
13 number of auditors from SCIF.

14 This week, we have one juror who has an obligation
15 that she would like to attend to on Thursday. So we are
16 wondering if it would be possible to shift our schedule on
17 Thursday to go from 9:00 to one o'clock with only having a
18 mid-morning break. And, if that's a problem, please let me
19 know. Does anybody have a problem with that?

20 We would end early on Thursday at one o'clock.
21 And there would only be that morning session and no lunch
22 hour. So, if anybody has a problem with that, could you
23 just write a note and pass it up to -- we can put it in that
24 box and then we will review them so that you don't have to
25 tell us now.

26 Okay. And the rest of the week, we will be having
27 another witness from the business, former employee Jasmin
28 Carpio. We will have an investigator from the Department of

1 Transportation. We are going to have some insurance
2 representatives from the different insurers that were
3 affected.

4 All right. We are going to get started with
5 Richard Davenport, and he's right outside.

6 (Witness sworn.)

7 TESTIMONY OF RICHARD DAVENPORT

8 EXAMINATION

9 BY MS. DONOHOE:

10 Q Good morning, Mr. Davenport. Could you please
11 state your name for the record and spell both your first and
12 your last name?

13 A Rich Davenport. R-i-c-h D-a-v-e-n-p-o-r-t.

14 Q What is your occupation?

15 A Retired.

16 Q What state do you live in?

17 A Nevada.

18 Q Back in June of 2010, were you seeking to move?

19 A Yeah, my mom's. From my mom's house. Not my
20 personal belongings.

21 Q So you were going to move the belongings that were
22 your mother's?

23 A Yes.

24 Q Did that move involve your sister as well?

25 A Yes.

26 Q Why did it involve your sister?

27 A We were both boxing everything up at her house and
28 cleaning her house.

1 Q Where were you moving the goods to?

2 A Placerville.

3 Q Was your sister also moving to Placerville?

4 A No. She lived in Placerville. We were just
5 moving my mom's stuff from San Jose to Placerville.

6 Q Did you shop for a moving company?

7 A Yes.

8 Q How did you find a moving company?

9 A Mainly in the Yellow Pages.

10 Q What was the company that you located in the
11 Yellow Pages?

12 A The one we hired was ASAP movers or America's Best
13 Movers. The same name.

14 Q Was there anything about the Yellow Pages add that
15 meant something to you?

16 A It was a full-page add, used the Better Business
17 Bureau logo. When I talked to Tammy the first time on the
18 phone, they sounded like a reputable company.

19 Q When you spoke to someone named Tammy --

20 A Yes.

21 Q -- did you tell her about your move?

22 A Yes.

23 Q Did she give you a quote?

24 A Yes.

25 Q Did she offer to view the items that were being
26 moved in order to give the quote?

27 A No. I asked her but she said it wasn't necessary.

28 Q And was she able to give you a quote over the

1 telephone?

2 A Yes.

3 Q What was the quote that she gave initially?

4 A It was approximately \$950.

5 Q Did she tell you whether it was based on a certain
6 number of hours or men?

7 A It was based on a certain amount of men the square
8 footage of the house and how many bedrooms.

9 Q How many men did you agree would be used for the
10 job?

11 A Four.

12 Q Did she give you an estimate of how many hours it
13 would take?

14 A No.

15 Q Can you tell us whether the move date was
16 June 11th of 2010?

17 A Yes.

18 Q Were you present at the time of the move?

19 A Yes.

20 Q Were the items there pre-boxed?

21 A Yes.

22 Q Who contacted you on the day of the move?

23 A Nobody contacted me the day of the move. The
24 moving truck showed up and Leon was the foreman.

25 Q Leon was the foreman that made contact with you
26 about the move?

27 A Yes.

28 Q What was happening when Leon contacted you about

1 the move?

2 A When the truck first showed up?

3 Q Yes.

4 A The first thing that happened was -- I've done
5 many moves and the truck was too small. I mean, as soon as
6 they pulled in the driveway, I pulled Leon out and said this
7 truck is not going to move all the stuff. Then we did a
8 full walkthrough of everything in the house.

9 Q You did a walkthrough with Leon?

10 A We did room by room.

11 Q Was anything going on as you did the walkthrough?

12 A No.

13 Q After you completed the walkthrough, were you
14 still convinced that the truck was too small?

15 A Yes.

16 Q Did Leon get another truck?

17 A No.

18 Q Why not?

19 A He said the truck he had was fine.

20 Q All right. Were you asked to sign any paperwork?

21 A At that time, no.

22 Q Did something happen after he said the truck was
23 the right size?

24 A They started loading the truck. And they got
25 approximately a third of the way full. And he came down and
26 told me there was approximately \$750 in additional moving
27 expenses.

28 Q So, when you say he, who was he that told you it

1 was \$750 additional?

2 A Leon.

3 Q Leon told you that?

4 A Yes.

5 Q Did he give an explanation why it would cost \$750
6 more?

7 A We did a walkthrough again, and he pointed out
8 these items. And we had a pretty heated argument of why I
9 wasn't told this when we did a walkthrough the first time.

10 I knew about two items that were glass. Tammy and
11 I discussed that it might be \$150 additional and that would
12 be determined by the foreman which was Leon. And so, at
13 that time, I told him I wasn't going to pay the \$750. I
14 would pay additional \$150. And that argument kind of ended
15 there.

16 Q All right. Did he say anything would happen if
17 you didn't pay \$750?

18 A Not at that time. At the end of the load or the
19 end of the move, he did, though.

20 Q All right. When you said you were willing to pay
21 \$150 but not \$750, did he accept that?

22 A Again, it was just left as a vague thing. It was
23 almost like he just turned around and walked away. I
24 thought I won the battle and that was it. It wasn't until
25 the end of the move the \$750 value came back up again.

26 Q Did he ask you to sign paperwork during this time
27 after they had started loading the truck?

28 A No.

1 Q At some point, did he ask you to sign paperwork?

2 A When we got to Placerville and they were going to
3 unload.

4 Q All right. Now, after the discussion about 750
5 and 150, did they continue to load their truck?

6 A Yes.

7 Q Were they able to fully load the goods onto the
8 truck?

9 A No. When the truck, then, was about two-thirds
10 way full, he came and told me the truck wasn't big enough,
11 they would have to order another truck, that it was going to
12 be additional \$800. So I called Tammy. This was the last
13 time I had talked to Tammy on the phone then. We really had
14 a heated conversation because it was based on the fact that,
15 before they loaded one item of furniture, I told them the
16 truck was too small. And so --

17 Q I'm going to stop you.

18 A Yes.

19 Q He tells you they're gonna need another truck.
20 Was that your first telephone call to Tammy to say what's
21 going on?

22 A No. I had a couple prior to that too.

23 Q Why did you have two prior calls with Tammy?

24 A The discussion over the \$750 additional. That the
25 truck had a flat tire and we were waiting for a maintenance
26 truck to come work on it. So I wasn't sure when the
27 maintenance truck was going to get there.

28 Q Were these things delaying the time that you had

1 to move your goods?

2 A Yes.

3 Q And were you paying by the hour or just the lump
4 amount?

5 A As far as I know, at that time, it was a lump
6 amount.

7 Q So, at the time when you were loading the goods
8 onto the truck, you thought you were going to pay the lump
9 amount that had been quoted by Tammy?

10 A But I was concerned, because of the delays because
11 of the other problems we had, that lump was going to get
12 bigger.

13 Q All right. Did you get any recourse from Tammy
14 when you called her and told her about the flat tire and the
15 extra money that was being sought from you?

16 A She guaranteed me additional truck was going to be
17 \$300 only and that was it. She would take care of that
18 problem. And she said if they were to send a bigger truck
19 in the first place, it would have cost that much more
20 anyway. And so, you know, I was between a rock and a hard
21 spot. Okay, send the second truck.

22 Q Then did you believe you were going to pay another
23 \$300 for the second truck?

24 A Yes.

25 Q So, at some point, did the second truck arrive?

26 A After the first truck was loaded, the second truck
27 arrived almost an hour after that. So everybody was sitting
28 around.

1 Q All right. Who showed up in the second truck?

2 A I don't remember his name.

3 Q Was it more than one person or just one person?

4 A It was just the driver.

5 Q Did they complete loading the goods into the
6 second truck?

7 A Yes.

8 Q Was your sister around during any of this?

9 A All of it.

10 Q So she was also there with you?

11 A Yes.

12 Q All right. Once they had completed loading the
13 two trucks, what happened?

14 A The second truck didn't have any gas in it.

15 Q What happened when the second truck didn't have
16 any gas in it?

17 A Leon told me we were going to have to drive, you
18 know, to their depot and get gas.

19 Q Did you have to accompany them to their depot?

20 A Yeah. Part of the deal which never made sense in
21 the beginning was -- and I found out about it through UPC --
22 I had to escort the truck and stop and buy something
23 somewhere in route. Okay?

24 Q I'm going to stop you.

25 A Okay.

26 Q You had to stop and buy something during the time
27 that you were with the truck?

28 A Yeah, because, apparently, this was outside of

1 certain mileage range -- the move was -- which came under
2 different laws or jurisdiction as far as the UPC was
3 concerned. So --

4 Q I'm going to stop you here.

5 A Okay.

6 Q I have to caution the grand jurors. What the UPC
7 -- or what I believe is the PUC -- told Mr. Davenport is
8 hearsay. We will hear from a PUC representative. So it's
9 only important as to what effect it may have had on
10 Mr. Davenport at this time.

11 I don't think you were aware of that at the time
12 of the move; correct?

13 A Right.

14 Q All right. So we are not going to go into that at
15 this time.

16 A Okay.

17 Q All right. So you accompanied one or two trucks?

18 A Two trucks.

19 Q Two trucks?

20 A Yeah. I followed them at that time.

21 Q You followed in your own car?

22 A Yeah.

23 Q And how far did you have to go?

24 A We were at Leigh and Curtner. To get to where the
25 fuel depot ended up being was Gish, we could have gone down
26 Hamilton, take Highway 17, and Highway 17 and Gish would be
27 right there.

28 They turned left on Curtner, went all the way to

1 south San Jose to, I think, Almaden, and then got on Fourth
2 Street then Commercial I think it was. And we ended up on
3 Gish Road. So almost an additional 45 minutes of travel
4 time to get to the gas depot, instead of just going down the
5 freeway.

6 Q Did you have any idea why they were taking that
7 route?

8 A No. When we got there, I was livid and had
9 another heated conversation with Leon because I thought I
10 was being charged this additional time also.

11 Q Did he have assurance as to whether you were being
12 charged for them driving around?

13 A No.

14 Q What happened once you got to the gas depot?

15 A They filled with gas and then we headed towards
16 Placerville.

17 Q Were you accompanying them to Placerville?

18 A I was leading. Yes.

19 Q So you were in the lead and they were following
20 you?

21 A Yes.

22 Q What happened during the drive to Placerville?

23 A As we were heading up the freeway, the truck
24 behind me started flashing their lights. We pulled over
25 prior to turning -- I can't remember the freeway number but
26 it goes towards Livermore or Tracy.

27 We pulled over and there was smoke coming out of
28 the truck. This was the first truck. The other truck was

1 only half-loaded. And it was obviously -- I was in the
2 automotive business for 20 years -- the transmission was
3 fried in the truck.

4 Q So you pulled over on the side of the freeway at
5 that point?

6 A Uh-huh.

7 Q Your answer is yes?

8 A Pardon me?

9 Q Your answer is yes?

10 A Yes.

11 Q When you were pulled over at the side of the
12 freeway, what was going to be done about this condition of
13 the truck?

14 A Leon was trying to call his boss. I'm assuming
15 Tammy or Linda. I was trying to call them also. He was
16 told by the foreman to just let the truck cool down and then
17 continue on with the load or with the move. And I, then,
18 got ahold of the supervisor -- I don't remember his name --
19 this truck's not going anywhere. The transmission is fried
20 in it. And so I was told, then, by Leon to pull up ahead
21 over the freeway. And we got stuck, then, on a freeway
22 overpass -- the second truck and I -- waiting for the first
23 truck that was broken down.

24 Q All right. So you were, again, left at the side
25 of the freeway on an overpass with the second truck?

26 A Right.

27 Q Did you have to remain there at the side of the
28 road?

1 A We remained there for quite sometime. Probably
2 45 minutes at least.

3 Q What was happening during that 45 minutes?

4 A I was making phone call after phone call to Tammy
5 or Linda, which I only got an answering machine. And --

6 Q Who was Linda?

7 A Linda was who I kept getting referred to. Tammy
8 was the original person I talked to -- the original person
9 that said the additional truck would be \$300. Every phone
10 call I made after that that Tammy answered, she immediately
11 said hold on, and I was passed onto Linda.

12 Q Would you get to talk to Linda?

13 A Yes, I was able to talk to Linda.

14 Q What did you talk to Linda about?

15 A That the truck was broken down, that it wasn't
16 going to cool down and make it to Placerville, and they
17 needed another truck, and that I wanted to leave. I was
18 sitting on the side of the overpass which is a little scary.
19 And she wouldn't -- she said, no, I had to wait there
20 because I was escorting the vehicles.

21 Q Did they ever explain to you why you had to escort
22 the truck?

23 A That was to buy this Coca-Cola at a Seven/Eleven.
24 Basically, that's what it was.

25 Q To buy a Coca-Cola at Seven/Eleven?

26 A Yes. They said I had to stop somewhere to buy
27 something and keep the receipt for it. And it wasn't until
28 later -- I'm sorry I said UPC but it's PUC -- because of the

1 mileage distance, if I stopped somewhere and bought
2 something, that it came under a whole difference parameter
3 of billing.

4 Q I'm going to stop you.

5 A Okay.

6 Q Did you have any understanding on the day of the
7 move why you were having to make this stop for a soda?

8 A No. What she told me was, by doing this, she
9 could give me a better deal on the price of the move.

10 Q Who told you that?

11 A Tammy did.

12 Q Okay. Now, so you were stuck on the side of the
13 road on an overpass, waiting for the first truck to catch
14 up. How much time did you spend waiting for the first
15 truck?

16 A About 45 minutes.

17 Q And did it eventually --

18 A Then Leon finally came running up the freeway.
19 And, before that, though, I had told the other driver,
20 because I couldn't get ahold of the phone -- like I said, I
21 kept getting answering service and I tried calling Leon's
22 cellphone that I had that number also and it was busy -- I
23 told the driver of the truck that I was with that I was
24 leaving. And I asked him for a copy of an estimate. He
25 refused to give it to me.

26 Q You asked for a copy of an estimate of what?

27 A Of the move. I never got any paperwork prior to
28 that.

1 Q And you hadn't signed any paperwork at this point;
2 correct?

3 A I hadn't signed anything. But I wanted a receipt
4 saying you guys had two truck full of furniture of ours.
5 And he refused to give it to me. So we were in a very
6 heated argument -- the driver and I -- at that time on that
7 overpass.

8 And then, in the middle of that, Leon came running
9 up and Leon said, pull up, down the next exit, there's a
10 Denny's, pull into the Denny's and wait for us. So we did.
11 And we waited for almost an hour. And then the truck limped
12 in -- the truck that was broken down -- and it quit riding
13 on the driveway of Denny's.

14 Q When you said you wanted to go back to San Jose,
15 did they say anything about what would happen if you, in
16 fact, returned to San Jose?

17 A I said I was going to Placerville.

18 Q Okay.

19 A That they would take the furniture and put it in a
20 storage and I would be charged for that.

21 Q Who told you that the furniture would go to San
22 Jose in storage?

23 A Leon, Tammy, Linda.

24 Q Did you feel you had to remain there with the
25 trucks on the freeway?

26 A Yeah.

27 Q Once the two trucks were at Denny's -- one broken
28 at the driveway -- what happened?

1 A The three trucks were there. The truck that was
2 running that was half-full and I were there. And the truck
3 showed up -- the problem truck -- and it broke down on the
4 driveway. They immediately -- Leon told me another truck
5 was on its way -- and they immediately started throwing
6 furniture out of the one truck that was broken down into the
7 one that was half-full. And then another heated argument
8 because they were literally throwing the furniture. They
9 weren't packing it. They were heaving it.

10 Q Were you upset with how they were treating your
11 belongings?

12 A Yes.

13 Q Did that have any effect that you were complaining
14 about how they were treating them?

15 A No. One driver quit there, though.

16 Q One driver quit?

17 A Yeah.

18 Q You mean he stopped working?

19 A Yeah.

20 Q Were you paying for three people or four people to
21 work?

22 A Four.

23 Q So how many people were working on the move at
24 that point?

25 A It would have been the original three minus one
26 and the driver that brought the second truck. He didn't do
27 anything. He just sat in the truck.

28 Q All right. Did eventually -- were you in a truck?

1 A I was in my own vehicle.

2 Q Was that a truck?

3 A No. I was driving my Hyundai.

4 Q But you mentioned a moment ago that there were
5 three trucks. Were there three trucks at Denny's?

6 A Yes. The second original truck that was
7 half-full, the broken-down truck -- I'm sorry. I apologize.
8 No. Let me backtrack. The third truck showed up after I
9 had left. So what they did was they took the furniture out
10 of the broken-down truck, filled up the second truck as much
11 as possible, and that truck and I took off for Placerville.
12 So she assured me the replacement truck would be there and
13 that load would also be in Placerville that night. So I
14 apologize.

15 Q So you believed that, when you left Denny's, the
16 first truck that was still partially loaded was going to be
17 unloaded onto a third truck after you had left?

18 A Yes. So, when I left for Placerville, I left with
19 just three employees.

20 Q So you had three men with you. And you led up the
21 way to Placerville?

22 A Yes.

23 Q Approximately what time at night did you get to
24 Placerville?

25 A I don't remember. Seven, eight o'clock at night.

26 Q At that point, was the truck unloaded?

27 A When we first got there, Leon brought in, after a
28 few minutes, the first time I saw the bill. And he had all

1 of this stuff totalled up on it. And the total came to
2 \$1,991. And I said, no, that's not what the agreement was.
3 And I tried to call Linda and Tammy, but this was at night.
4 So they were closed. And so he told me if I didn't pay in
5 cash -- no check, no credit card -- that they were leaving
6 with the furniture.

7 Q They were going to take your goods away?

8 A Yes.

9 Q Were your goods still on the truck?

10 A Yes.

11 Q The other half of your goods was still somewhere
12 behind you?

13 A Somewhere in Livermore.

14 Q All right. When he told you it was going to be
15 \$1,900, was that about a thousand dollars over the original
16 estimate?

17 A Yes.

18 Q And, at most, were you expecting to pay \$150 over
19 the original estimate?

20 A Yes.

21 Q Was there any explanation as to why it was over a
22 thousand dollars over the original estimate?

23 A The money for the additional items. There was
24 \$100 tape charge. There was the additional \$300 for the
25 truck. It was pretty vague -- his explanation of how he
26 came up to that. He turned around and tried to walk out the
27 door twice and was leaving unless I paid.

28 Q Did you have that much cash on you?

1 A Between the three of us, we did.

2 Q When you say the three of us, who was that?

3 A My mom, myself, and my sister.

4 Q Had your mom and your sister also been in the car
5 on the way up?

6 A No. My sister drove her own car up. But my
7 sister and mom were at the unload site.

8 Q They were there in Placerville already?

9 A Yes.

10 Q So the three of you pooled your money in and gave
11 Leon \$1,900?

12 A Yes.

13 Q And did he give you a receipt?

14 A After we gave him the money, I asked him for a
15 receipt and he had me initial all these items. I'm sorry.
16 Let me backtrack. Before we gave him the money, he had me
17 initial all of those items on the receipt and then he gave
18 me the pink copy which I gave to you earlier.

19 Q All right. We will get to that in a moment. So
20 did the second truck -- the truck you hadn't seen yet that
21 was a replacement truck -- eventually arrive?

22 A I went home that night back to Reno. My sister
23 stayed with my mom. And the second -- it would have been
24 the third truck -- showed up the next day.

25 Q Was any more money expected?

26 A Yes.

27 Q If you know. And how do you know that there was
28 more money expected at that point?

1 A My sister called me just almost in tears because
2 they were demanding more money. And she was there when Leon
3 and I were paying the money. I asked Leon a couple times is
4 this going to pay for the second truck? Oh, yeah, no
5 problem, this is everything. So they demanded more money
6 from my sister. She called me, like I said, in tears, what
7 do I do, what do I do.

8 Q I'm going to stop you.

9 Again, grand jurors, Mr. Davenport's sister is not
10 going to testify. Whatever she told him is offered just to
11 explain his subsequent actions and in response to what she
12 told him.

13 So what is it that she told you and what did you
14 do in response?

15 A It was the same threat again, if she didn't pay,
16 they were going to leave and go back to San Jose and we
17 would be charged for another move and storage and everything
18 else. They allowed her to put it on a credit card.

19 Q Did you, at that time, do anything about the fact
20 that they were charging your sister even more money?

21 A Yeah. I got off the phone with Dana and I called
22 Tammy and I was referred to Linda again. Linda said, no, we
23 didn't make that agreement with you. And I said, yeah,
24 Tammy made that agreement, and Leon, that that was the full
25 bill, the 1,900.

26 Q How did Linda respond when you told her Tammy had
27 told you it was the full bill?

28 A It was just lip service at that time.

1 Q Okay. So did you get any recourse from Linda?

2 A (Shaking head.)

3 Q To your knowledge, did your sister, in fact, pay
4 money in order to get the goods unloaded?

5 A Yes.

6 Q Now, do you know the total amount that was
7 ultimately paid for this move between you and your sister?

8 A I don't remember the full amount. It was probably
9 twenty-three, twenty-four hundred dollars.

10 Q All right. And did four men work during the
11 course of the move in the way that you expected?

12 A No.

13 Q After this incident, did you pursue a claim with
14 small claims court?

15 A Yes.

16 Q Did you also complain to the Public Utilities
17 Commission?

18 A Yes. And the Better Business Bureau.

19 Q And the Better Business Bureau?

20 A And the DA.

21 Q All right. I'd like to show you some documents.
22 I am going to show you first Exhibit 199 and ask you if you
23 recognize it as documents relating to your move.

24 A Yes. Yes.

25 Q So I am going to put it up on the screen. Showing
26 you the page ending in 698 of exhibit -- let me withdraw
27 that. Showing you the third page which is the page ending
28 in 695, do you see your contact information there?

1 A Yes.

2 Q And is that the complaint that you filed with the
3 Public Utilities Commission?

4 A Yes.

5 Q Did you provide the Public Utilities Commission
6 with the documents and information you had from America's
7 Best Movers or ASAP?

8 A Yes.

9 Q Showing you the page ending in 698, is this the
10 quote that you received from Tammy?

11 A Yes.

12 Q Did she identify herself as Tammy from ABM Van
13 Lines?

14 A Yes.

15 Q Was that quote on June 9th of 2010?

16 A Yes.

17 Q Was the quote for \$950?

18 A Yes.

19 Q Did you understand that you were going to have
20 four men working at \$95 per hour with the three-hour
21 minimum?

22 A Yes. Oh, I'm sorry. Can I interject something
23 real quick?

24 Q Yes.

25 A So, in this quote, it also states their maximum
26 time would be ten hours. And that's where all these
27 concerns of the delays and everything came about.

28 Q All right.

1 A That ten hours was going to be bumped.

2 Q So you believed that, potentially, since the quote
3 was based on a ten-hour estimate, each hour that you were
4 waiting on the freeway or driving to a gas station, that
5 that was going to increase the move time?

6 A Yes.

7 Q Because those things weren't factored in when you
8 got the quote?

9 A Right.

10 Q Showing you Page 700 of Exhibit 199, does it
11 include on that page information as to the total you paid?

12 A Yes.

13 Q Was that \$1,991?

14 A That was the cash that was paid to Leon.

15 Q This document -- or this is a copy of a document
16 that you received; correct?

17 A Yes.

18 Q And was this a document that you signed with Leon
19 after you had arrived in Placerville?

20 A Yes.

21 Q Was this the first document that you saw with the
22 total price for the move or at least the total estimated
23 price for the move?

24 A Yes.

25 Q I'm going to show you page number 712 of
26 Exhibit 199. Do you recognize that document?

27 A Yes.

28 Q Did you sign it on June 10th of 2010?

1 A Yes.

2 Q At the time that you signed it, did it have the
3 information of \$2,500 to perform the services, four hours,
4 two trucks, two trips?

5 A No.

6 Q Do you believe that document was altered?

7 A Yes.

8 Q How do you believe it was altered?

9 A The \$2,500 was not there.

10 Q Did you subsequently file a small claims action?

11 A Yes.

12 Q Have you gotten a judgment as a result of the
13 small claims action?

14 A Yes.

15 Q I am going to show you Exhibit 200, which is a
16 certified copy of a small claims action Davenport versus
17 Roni Hayon. Showing you the first page, do you recognize
18 this as the judgment that you were awarded in small claims
19 court?

20 A Yes.

21 Q And the first page, is that actually a notice of
22 appeal pertaining to the judgment you were awarded?

23 A He did appeal the case. Yes.

24 Q And you say he did appeal, who appealed?

25 A Roni Hayon.

26 Q At some point, had you learned who was in charge
27 of this company?

28 A Roni Hayon. Yeah.

1 Q How did you learn that?

2 A I don't remember. Nobody told us. I can't
3 remember if my sister did an investigation on the
4 corporation or what. But that's the name we came up with.

5 Q When you went to small claims court, who was
6 present?

7 A Roni Hayon. Or, no, I'm sorry. Linda was.

8 Q Linda was present?

9 A Yes.

10 Q Did you ever meet Roni Hayon?

11 A Not until the first order of examination.

12 Q Okay. So you actually went through a process
13 called an order for examination?

14 A Yeah.

15 Q Is that when you were trying to collect on your
16 judgment?

17 A Yes.

18 Q Did you have the court order the principles of the
19 company to be present for the order of examination?

20 A Yes.

21 Q Did you meet Roni Hayon at that point?

22 A Yes.

23 Q Were you able to get any money from Roni Hayon as
24 part of that process?

25 A No. He came with a lawyer and they took the fifth
26 amendment because of pending prosecution here in this
27 county.

28 Q All right. So you were not able to ask him any

1 questions?

2 A No.

3 Q Do you know who the attorney was that was with
4 him?

5 A No.

6 Q All right. Back to when you were in small claims
7 court, did you actually go through a hearing before a judge?

8 A Yes.

9 Q And did the representatives of the business file
10 briefs in connection with that hearing?

11 A Yes.

12 Q I'd like to show you the first page of
13 Exhibit 200, which is plaintiff's claim and order dated
14 August 4th of 2010. Do you recognize that document?

15 A Yes.

16 Q Is that your claim against ASAP America's Best
17 Movers?

18 A Yes.

19 Q Was that filed in Placerville?

20 A El Dorado County.

21 Q Showing you a page of Exhibit 200 that has a
22 received stamp dated October 12th of 2010, is this the
23 defense brief that was filed in that small claims action?

24 A Yes.

25 Q Do you know who filed this defense brief?

26 A Linda brought it with her.

27 Q So you saw Linda bring it with her?

28 A Yes.

1 Q Can you describe Linda?

2 A Physical description?

3 Q Yes.

4 A 5'6", dark hair. She was either Latino or middle
5 eastern or mix. She was dark-skinned.

6 Q I am going to show you the last page of the
7 defendant's brief which is dated October 7th of 2010. Page
8 8. Do you see a signature there?

9 A Yes.

10 Q And do you believe that was the signature of Linda
11 Reyna that was at court?

12 A That's what she submitted in court.

13 Q This is the document she submitted to the court?

14 A Yes.

15 Q Did she submit any other documents to the court?

16 A Just the whole package.

17 Q I'm going to show you Exhibit A of the defense
18 brief. Do you see a document that was similar to the pink
19 copy of the agreement you had gotten from Leon?

20 A Yes.

21 Q Was there something different about this copy from
22 the pink copy that you had?

23 A They added the \$2,500.

24 Q And, referring you to the second from the bottom
25 box, are the numbers \$2,500 written in there?

26 A Yes. They weren't on my copy, and they weren't
27 written by Leon.

28 Q They weren't?

1 A No, they weren't written by Leon. That's the
2 document she submitted in court.

3 Q Was this the first time you had seen a document
4 with \$2,500 written in?

5 A Yes.

6 Q What did you do when you saw that Linda was
7 submitting a document that said \$2,500?

8 A I asked the judge to hold her in contempt for
9 bringing altered documents to court.

10 Q Did you have your original documents with you at
11 the time?

12 A Yes.

13 Q Did you show it to the judge?

14 A Yes.

15 Q I'd like to show you Exhibit 201. Is this the
16 original document that you had?

17 A Yes.

18 Q And, referring you to the bottom right corner, can
19 you tell us how this document was created?

20 A That was created the night in Placerville as I was
21 paying Leon.

22 Q So was Leon signing a top copy and this was a
23 carbon that was being created?

24 A Yes.

25 Q This was the carbon that he provided to you?

26 A Yes.

27 Q Does it have the numbers \$2,500 written in there?

28 A On my copy? No.

1 Q What happened when you showed the judge the copy
2 that you received, that did not have \$2,500 on it?

3 A We got a judgment.

4 Q All right. So you got a judgment. Did Linda have
5 any explanation for the judge why her copy had \$2,500 and
6 yours didn't?

7 A She said that ours didn't because the carbon was
8 probably bad.

9 Q So that's how she explained it?

10 A Yes.

11 Q Was there any difference between the document that
12 she filed as Exhibit A and your pink copy other than the
13 \$2,500 was missing?

14 A Every initial, every other thing was on there
15 except for \$2,500.

16 Q When you had initialled this pink copy or you had
17 initialled the original which this is a carbon, what were
18 you initialling?

19 A The 1,991.

20 Q And was that the total you expected to pay?

21 A That was the total we did pay.

22 Q All right. That's not what you expected to pay
23 from the time of the initial quote; correct?

24 A Right.

25 Q Would you have ever engaged in this transaction
26 with America's Best Movers or ASAP had you known about the
27 additional cost that you were going to be paying?

28 A No. May I interject something again pertaining to

1 \$2,500?

2 Q Did you wish to tell me something more about the
3 \$2,500?

4 A Yes. When we were in court, Linda kept bringing
5 up that number all the time. And the proceeding went on for
6 quite some time before I realized what she was talking
7 about. Because I'm at my desk, looking at the documents and
8 there's nothing on anything I had that was \$2,500. And so
9 it was about three-fourths of way through the testimony
10 between both of us that I realized that she had brought that
11 document showing the \$2,500 on it. Because I had never seen
12 \$2,500 before that time.

13 Q All right. Did you ultimately get a judgment from
14 the judge after you showed the court that your document
15 didn't have those numbers on it?

16 A Yes.

17 Q What was the judgment?

18 A It was -- I don't remember the exact amount, but
19 we still paid them \$950 which was the estimate. But the
20 judge gave us back everything over and above that. I think
21 it was \$1,500 or \$1,600.

22 Q So you were expected to pay the original quoted
23 price of \$950?

24 A Right.

25 Q Showing you a document called minute order in
26 Exhibit 200, is this a summary of what the court ordered in
27 your favor after the small claims hearing?

28 A Correct.

1 Q And so the defendant Roni Hayon was ordered to pay
2 \$1,576 principle and \$60 cost back to you?

3 A Yes.

4 Q Showing you Exhibit 200, the small claims ruling,
5 which is dated October 25th of 2010, is this the ruling that
6 you got from the judge?

7 A Yes. And the difference being the \$1,576 and
8 \$1,991 that I paid in cash to Leon, that would have been
9 what my sister was forced to pay for the second truck.

10 Q So there's the difference between the money that
11 you pooled together and then ultimately the money that was
12 ordered back was some amount of money due to your sister?

13 A Yeah. It was because the truck that showed up the
14 next day, them forcing her to pay was close to \$600.

15 Q So another \$600 was what was owed to your sister?

16 A Yeah.

17 Q After you had gotten your judgment, did ASAP file
18 a notice of appeal?

19 A Yes.

20 Q And, showing you Exhibit 200, document entitled
21 notice of appeal, dated November 1st of 2010, is this the
22 notice of appeal that you received?

23 A Yes.

24 Q And did you see the name Roni Hayon on it?

25 A I don't remember. I can't really see that well
26 from here.

27 Q Okay. I'll zoom in. Can you see the name?

28 A Yes.

1 Q At that time, did you know who Roni Hayon was?

2 A No.

3 Q At some later point, did you learn who Roni Hayon
4 was?

5 A When he showed up in court.

6 Q Were you able to or was there a subsequent hearing
7 about this case before the court?

8 A We did the order of examination.

9 Q Did Roni Hayon follow through on the appeal?

10 A No, he didn't. And the order of examination, it
11 was postponed a number of times. And we did phone calls so
12 we both didn't have to drive to El Dorado County. And, on
13 the last one, he didn't show. And so I asked the judge to
14 order a bench warrant, and he did.

15 Q Okay. So he failed to show up for the order of
16 examination?

17 A Yes.

18 Q Have you gotten some of your money back?

19 A No.

20 Q None of it?

21 A No.

22 MS. DONOHOE: All right. Thank you. I have nothing
23 further. Do the grand jurors have any questions?

24 All right. The foreperson is going to read you an
25 admonishment and then you are free to go.

26 (Witness admonished and excused.)

27 MS. DONOHOE: Our next witness is Jennifer Salazares.

28 (Witness resumed the stand.)

1 TESTIMONY OF JENNIFER SALAZARES

2 EXAMINATION (RESUMED)

3 BY MS. DONOHOE:

4 Q Good morning, Ms. Salazares. Would you please
5 state your name for the record and spell both your first and
6 last name?7 A Jennifer Salazares. J-e-n-n-i-f-e-r
8 S-a-l-a-z-a-r-e-s.9 Q You've been previously sworn. You are still under
10 oath. Okay? When we left off, I had asked you some
11 questions about Ido Or.

12 A Yes.

13 Q Ido Or was, as you understood, the president of
14 Fast Moving Van Lines?

15 A The owner. Yes.

16 Q Okay. So you didn't know what his official
17 capacity was; correct?

18 A No.

19 Q You had told us that, at some point, you stopped
20 trying to make contact with Ido Or. You would just go to
21 Roni; correct?

22 A Yes.

23 Q Did Ido's name continue to be used for many
24 different business purposes during that time?25 A I think it's still stated on the company and
26 everything it was on.27 Q I'd like to show you Exhibit 202, which is a
28 photograph. And it has the Bates number Crime Lab ending in

1 52719. Do you recognize the person in that photograph?

2 A That looks like Ido.

3 Q And did you need to use these documents at all
4 during the time that you were working at Fast Moves?

5 A No.

6 Q You simply just recognize the photo, not the
7 credit card; correct?

8 A Yeah. No.

9 Q Showing you Exhibit 203, did you have occasion to
10 deal with Pay Pal?

11 A Yes.

12 Q What was the purpose of dealing with Pay Pal?

13 A It was because one of our customers was really
14 upset that we couldn't accept credit card. And they,
15 actually, like, requested that we accept Pay Pal.

16 Q Was it arranged to accept Pay Pal --

17 A Yes.

18 Q -- by the company?

19 A Yes.

20 Q Who did you get authorization from to do that?

21 A Roni.

22 Q Roni? I'd like to show you Exhibit 203. Is this
23 a contact to set up a Pay Pal account, or had it already
24 been set up at that time?

25 A I don't know. Maybe.

26 Q And do you see the name on it is Sally Green?

27 A Uh-huh.

28 Q Is that the name you used when you were working

1 for the company?

2 A Yes.

3 Q When you were working for Fast Moves?

4 A Yes.

5 Q If you were working for ASAP, you would use your
6 real name; correct?

7 A Yes.

8 Q And then, at the bottom of that document, do you
9 see Ido Or's driver's license?

10 A I do.

11 Q Okay. Do see Ido Or's driver's license?

12 A Yes.

13 Q Did you ever have occasion to sign Ido's driver's
14 license to Pay Pal?

15 A I really don't remember. I don't know.

16 Q Did you have copies of Ido's driver's license
17 available to you?

18 A I don't think so. But I'm sure, if I asked for
19 it, they would have given it. I'm not sure why I would need
20 it.

21 Q And do you know the reason why the Pay Pal account
22 would change from your contact information to Ido's name?

23 A Because it should have been his name the entire
24 time.

25 Q Were you the one that initially set up the Pay Pal
26 account?

27 A I think I found the information for them.

28 Q Do you know whether you set up the Pay Pal

1 account?

2 A I really can't remember. That's four plus years
3 ago.

4 Q I'd like to show you an e-mail that is dated
5 June 4th of 2008. And this is Exhibit 204. The bottom of
6 that e-mail chain says: Hello, Ido. Just was wondering
7 when was the last time you checked Fast Move mail. Would
8 you send e-mails like that to Ido?

9 A Yeah, I would, until he was uncooperative like
10 this.

11 Q In June of 2008, were you asking whether he had
12 gone to get the mail?

13 A Yes.

14 Q And where was he to get the mail from?

15 A From Balentine.

16 Q Did Ido respond to you?

17 A It looks though as he did.

18 Q Did he tell you that Roni was the owner of the
19 company, not himself?

20 A It clearly says that in the e-mail. So I'm not
21 sure why you are asking me. It's in writing.

22 Q Did you know that Ido would use that e-mail
23 address which is listed here as Ido Or 13 at g-mail dot com?

24 A I guess at the time I did because I sent him an
25 e-mail. I wouldn't know that today.

26 Q That's the address you used to communicate with
27 him?

28 A I believe so.

1 Q Do you believe at this time he was in the United
2 States?

3 A I wouldn't know. Like I said, he was always
4 coming and going. So I don't know.

5 Q If you were asking him to check the mail, would
6 you expect him to be in the United States?

7 A I would assume so. But does it mean he was?

8 Q I'd like to mark as Exhibit 205 a batch of
9 e-mails. First one is dated December 15th of 2008. Showing
10 you the bottom of that e-mail where it says: Hi, Sally.
11 Can you please find all the e-mails I received at info at
12 fast move?

13 A It says forward. Yes.

14 Q Okay. Can you please forward all the e-mails I
15 received into my info at fast move?

16 A Yes, it does say that.

17 Q And can you tell us what info at fast move was?

18 A It's just another e-mail for Fast Move. I'm
19 assuming that's probably the one that he used for Fast Move.

20 Q Who had access to info at fast move?

21 A I would say I do.

22 Q Did you have access to that account as well?

23 A No.

24 Q You did not?

25 A I had access to -- they gave me, eventually, the
26 password for all the e-mail accounts, but I didn't use info
27 at fast move.

28 Q You didn't use info at fast move?

1 A No.

2 Q And then were you able to respond to his request
3 that you forward him all of the e-mails?

4 A Sure. I can barely -- I'm trying to read all of
5 it.

6 Q Okay. I'm going to show it to you.

7 A Okay. It says --

8 Q I'm going to stop you.

9 A Okay.

10 Q Have you refreshed your recollection by reading
11 the first page of Exhibit 205?

12 A I mean, as much as possible. I just read it. I'm
13 going to have to go with what happened. It says that there
14 were no e-mails in the area and that I put it onto my
15 computer and forwarded it from that point on.

16 Q At that time, do you believe Ido was in the
17 country?

18 A I don't know. I would have to assume he isn't if
19 he is asking me to forward e-mails because I don't
20 understand why he wouldn't just come in and --

21 Q Does it appear from the content of that e-mail
22 that he had been away from the office for some period of
23 time?

24 A It does appear.

25 Q And you were trying to catch him up on what was
26 going on?

27 A Yeah. Looks like it.

28 Q Was he trying to manage the company from afar?

1 A That's what I was told, that he was in charge. So
2 yes.

3 Q At some point, did he stop managing the company
4 from afar?

5 A He did try to say in that e-mail he did not want
6 to do anything. So I would just go directly to Roni for
7 Roni to deal with him, because he was giving me a lot of
8 attitude.

9 Q And, showing you an e-mail which is included in
10 Exhibit 205, is this a follow-up e-mail regarding the fact
11 that his e-mails had disappeared -- Ido's e-mails had
12 disappeared?

13 A Yeah.

14 Q Showing you an e-mail dated December 26th of 2008,
15 also part of Exhibit 205, was this Ido asking you if you
16 needed help with any issues such as insurance or anything
17 else?

18 A It looks like it. Yes.

19 Q Was he also asking how many books had occurred
20 since December 26th?

21 A Yes.

22 Q Does it appear from the content of the e-mail that
23 he hadn't been around for some period of time?

24 A It does appear that way.

25 Q It does look that way?

26 A Uh-huh.

27 Q Do you recall having these e-mail exchanges with
28 him?

1 A Yeah, because he was barely in the office ever.

2 Q Do you recall seeing him after December of 2008?

3 A Like I said, that's way too long ago for me to
4 remember when he came and went. He did as he pleased.

5 Q If you had further contact with him -- e-mail
6 contact -- would you expect that there would be a record of
7 that e-mail contact?

8 A Yeah, I would assume so.

9 Q At some point, you stopped e-mailing Ido?

10 A I don't even remember, to be honest. I would
11 think I would keep on trying until he just didn't answer
12 back and I would just ask Roni.

13 Q You know for a fact at some point you just asked
14 Roni?

15 A Yeah. I asked Roni to deal with him because he
16 wouldn't respond to me.

17 Q Showing you the last e-mail of Exhibit 205, which
18 is dated December 26, 2008, do you see there where it says
19 that what you are saying -- what Ido says is -- what you are
20 saying is, on the month I've been there, we had 14 books,
21 and, on the next 20 days, we only had three?

22 A That's what he is saying.

23 Q Did you respond to him: Yes. That's exactly what
24 I'm saying. But don't give yourself so much credit. It's
25 called depression and the holidays on top of it all?

26 A Yeah.

27 Q Do you recall if he ever came back to the business
28 after you told him that the bookings were as low as three?

1 A I don't know. I don't remember, to be honest.

2 Q I'd like to show you Exhibit 206. This is an
3 e-mail dated February 2nd of 2009. Do you see an entry
4 there that says: I'm not sure but I can change or whenever
5 nothing has come in the mailbox anyway I could forward it to
6 you. By the way, we had a household goods review with DOT?

7 A Uh-huh. That's what it says.

8 Q And was this the first time that you were telling
9 Ido that there had been a review by DOT?

10 A Probably. I don't know. I mean, I can't
11 remember.

12 Q If he was the owner of the company, how come he
13 was not appearing for household goods review with DOT?

14 A Because he was constantly out of the country. I'm
15 not sure why I was the one dealing with it, though.

16 Q You were the one that actually dealt with --

17 A I had to meet with him. Nico was there. We've
18 discussed this, I believe, last Friday.

19 Q We had not yet discussed it before the jury.

20 A You asked me about this last time I was here.

21 Q Okay. We are going to review some more documents
22 relating to the visit with the Department of Transportation.

23 A Okay.

24 Q All right. So was Ido wanting to get information
25 about that DOT review?

26 A Looks like he says let me know when you get the
27 report.

28 Q Do you know if you ever sent him the report?

1 A I don't know. I don't think I ever did. If
2 anything, Roni probably did.

3 Q You were expecting Roni would do that?

4 A Yeah.

5 Q Do you believe that Ido was out of the country
6 during that entire timeframe from December of 2008 to after
7 the DOT review?

8 A More than likely, yes.

9 Q Can you think of any incident where Ido was back
10 at Fast Moves or at ASAP after the DOT review?

11 A I really cannot place, like I said, I can't place
12 what happened before or after. It's just so long ago. It
13 really is.

14 Q I'd like to show you Exhibit 207, which is a
15 Secretary of State document. Do you see a document dated
16 February 5th of '09?

17 A Uh-huh.

18 Q Do you know whether that is Ido Or's signature on
19 that document?

20 A More than likely.

21 Q Didn't you just indicate that you believed that,
22 at the time of the DOT audit, he was not in the country?

23 A That wasn't at the time of the DOT audit. That
24 was another paper they asked us to fill out for their
25 information. It actually looks like BBB paper. I don't
26 remember anything like that being used for DOT.

27 Q It says State of California Secretary of State.

28 A Yeah. That's still not the paper that we -- that

1 has nothing to do with the audit.

2 Q All right. But do you recall a document being
3 filed with the Secretary of State for Fast Moving Van Lines?

4 A Uh-huh.

5 Q Do you recognize the handwriting on that document?

6 A Most of it is mine.

7 Q So what parts of it is in your handwriting?

8 A I, obviously, didn't sign it. So, I mean, I
9 filled out the address at the top, Newark, California.

10 Q So the Balentine address?

11 A Yes.

12 Q And does it indicate: Do not abbreviate the name
13 of the city. Item three and four cannot be post office
14 boxes?

15 A Yeah. It looks like it says that.

16 Q Was Balentine essentially a post office box?

17 A No. It was actually an office. There was a
18 little lady who actually received the mail -- a live
19 person -- there.

20 Q Was she a Fast Moves employee?

21 A No.

22 Q No?

23 A No.

24 Q All right. The information as to Ido Or and the
25 address for Ido Or, who wrote that?

26 A I don't really know. I know that, at one point,
27 they gave me a copy of the first thing they had turned in to
28 the Secretary of State and I was told to copy it.

1 Q Who told you to do that?

2 A Roni or Ido. I'm not sure at that point.

3 Q So this e-mail is dated February 2nd of 2009. And
4 this is where you are talking about that there had been that
5 DOT review. Correct?

6 A I'm assuming so because it says that there was a
7 review with the DOT prior to that because of him saying it
8 had already happened.

9 Q In early February of 2009, do you believe, based
10 on your communications with Ido Or, that he was not around?

11 A I believe so. I mean --

12 Q So, when this document is dated February 5th of
13 2009 and you are the one who's filled out the other parts of
14 the document, do you believe that is Ido Or's signature?

15 A Yes, I do. There's still fax machines, and
16 there's still mailings. It doesn't mean I would forge
17 signatures.

18 Q Where would you --

19 A That's ridiculous.

20 Q Where would you fax to Ido Or?

21 A I wouldn't. I would have to ask Roni to do
22 everything. I would give the paper to Roni, and I would
23 receive it signed or not signed. That's pretty much it.

24 Q You filled in the rest of the document but you do
25 not fill in Ido Or's signature?

26 A No. I wouldn't sign anything that --

27 Q Do you recognize the handwriting that says
28 president?

1 A Yeah. I filled out everything except for the
2 signature.

3 Q All right. I'd like to show you Exhibit 208. Is
4 this another document entitled Service Network LLC
5 authorization form?

6 A Yes.

7 Q You know what Service Network is?

8 A I think it might be a lead provider.

9 Q Is that something you would rely upon in the
10 course of the work for Fast Moving Van Lines?

11 A Yes.

12 Q Do you recognize any of the handwriting on that
13 document?

14 A That's my handwriting.

15 Q Did you give the account holder's name and the
16 account holder's phone number?

17 A I just -- I got the information from them, and
18 they gave me the information to put on any form we received.

19 Q Do you know that number (877) 682-4546?

20 A Yeah. I believe that was the Fast Move's number.

21 Q So that would be to the Ringwood address?

22 A Yes.

23 Q And it would be answered at Ringwood?

24 A Yes.

25 Q Do you recognize the handwriting in the request
26 for leads?

27 A Yeah. It looks kind of the same as my writing.

28 Q Your writing?

1 A I think.

2 Q Do you see the signature information? It's dated
3 2/5/09?

4 A Yes.

5 Q Whose handwriting is that?

6 A That still looks like Ido's signature. That looks
7 exactly like Ido's signature.

8 Q It's not your handwriting?

9 A It is not.

10 Q Did you write the name and title of the account
11 holder?

12 A No.

13 Q You did not write that?

14 A I don't think so.

15 Q Did you have any way of faxing it to Ido?

16 A Yeah. We had a fax machine there. But I would
17 always give all documents to Roni because, like I said, Ido
18 wouldn't respond to me after a certain amount of time.

19 Q All right. I'd like to show you Exhibit 209. Do
20 you see AMSA mover member update form?

21 A Yes.

22 Q What's AMSA?

23 A American Moving and Storage Association.

24 Q Is that an organization Fast Moves was a member of
25 at some point?

26 A Yes. I believe so.

27 Q Does it have information filled in there regarding
28 Ido Or being the president for Fast Moving Van Lines?

1 A Yes.

2 Q Does it indicate the person completing the form?

3 A It says Ido Or.

4 Q Whose handwriting is that?

5 A It's his signature. It was just the simple
6 signature.

7 Q All right. And did you know Ido Or to be in the
8 United States in May of 2009?

9 A I don't remember what dates he was or wasn't. But
10 I can keep on answering it the same way if you'd like me to.
11 I just don't remember. It was a very, very long time ago.

12 Q I'd like to show you Exhibit 210. Is this an AMSA
13 mover member update form?

14 A It looks like the same form.

15 Q All right. Does it indicate the person completing
16 the form as Jennifer Salazares?

17 A Yeah.

18 Q And this is dated June 21st of 2010?

19 A Uh-huh.

20 Q Why is it that Ido Or did not complete that form?

21 A I wouldn't know. I'm guessing he wasn't there.

22 Q Is that your handwriting on the form?

23 A It looks like it.

24 Q I'd like to show you the fourth page of
25 Exhibit 210 which has the Bates number of 049145. Do you
26 recognize that Fast Move Van Lines check?

27 A Uh-huh.

28 Q Did you see many of this type of checks?

1 A Not many. Sometimes they would have me mail forms
2 like that for them and then I would see the check.

3 Q Is that check in your handwriting?

4 A No, that's not my writing.

5 Q Do you recognize the handwriting on that check?

6 A I don't. It doesn't look like Ido's. It looks
7 different.

8 Q It's not Ido's?

9 A It doesn't look like it. But it has been a long
10 time. His signature looks different.

11 Q You don't believe that's Ido's signature?

12 A No.

13 Q All right. And I'd like to show you Exhibit 211.
14 Do you see a motor carrier identification report?

15 A Uh-huh.

16 Q Is the upper part of that form, for instance,
17 Box 2 where it says Fast Move Van Lines, is that your
18 handwriting?

19 A Looks like it.

20 Q And, showing you the signature at the bottom,
21 dated 8/14/09, is that Ido's signature?

22 A It might be. I don't know why it's in cursive.
23 That's weird.

24 Q Does that look anything like Ido Or's signature
25 you were familiar with?

26 A He would always write it out. I don't know why he
27 would do it in cursive.

28 Q Did you know Ido or to be in the country in

1 August 2009?

2 A I couldn't tell you. I really don't remember,
3 like I said.

4 Q Did you sign documents for Ido Or at his request?

5 A No.

6 Q Did you ever have permission to sign his name to
7 documents?

8 A No. I believe Roni tried to tell me one time to
9 do that and I refused. So --

10 Q So Roni asked you to sign documents at times with
11 Ido's name?

12 A Yes. But I wouldn't.

13 Q Did he have someone else who was willing to sign
14 documents?

15 A I don't know. I gave him the document and it was
16 returned to me signed.

17 Q Did you ever hear anyone else being asked to sign
18 documents in the name of other people at the office?

19 A No.

20 Q Showing you Exhibit 212, this is another document
21 entitled movers dot com.

22 A Uh-huh.

23 Q What was movers dot com?

24 A It's another lead source.

25 Q Is that document in your handwriting?

26 A Yeah, it looks like it.

27 Q And did you initial it at the bottom?

28 A Yeah.

1 Q Showing you the last page of Exhibit 212, do you
2 see the vendor name listed there as Fast Move Van Lines?

3 A Uh-huh.

4 Q Is that your handwriting?

5 A Uh-huh.

6 Q Do you see the signature there?

7 A Yeah.

8 Q Who signed that?

9 A I'm not sure. But I really hope I didn't. I did
10 write Sally Green on the bottom because that kind of looks
11 like my writing. But it also looks like something was
12 erased at the top under "Fast." There's a "J."

13 Q So you put the name Sally Green there; correct?

14 A For sure.

15 Q So you were contracting for some services on
16 behalf of the company, using the name Sally Green?

17 A It looks like it. Yes.

18 Q Why weren't you using the name Jennifer Salazares?

19 A Because that's what they told me to do.

20 Q Who told you to do that?

21 A Roni.

22 Q Roni?

23 Showing you Exhibit 213, do you recognize this as
24 a communication with someone named Vidya?

25 A It looks like it.

26 Q Do you know who Vidya is?

27 A I couldn't tell you.

28 Q Is it dated February 10th of 2010?

1 A It is.

2 Q Is this a type of fax coversheet you would use
3 when communicating with people regarding the business?

4 A Yeah.

5 Q Did you routinely use the name Sally to
6 communicate on behalf of the business?

7 A Yes.

8 Q Showing you the next page, do you see your
9 handwriting on that page?

10 A Uh-huh.

11 Q What parts of the document are in your
12 handwriting?

13 A Everything but the signature.

14 Q So the signature where it says Ido Or,
15 February 10th of 2010?

16 A Uh-huh.

17 Q Is that in your handwriting?

18 A No.

19 Q Do you recognize the handwriting?

20 A I don't. I mean, I thought it was Ido's. But I
21 don't know if he was there or not.

22 Q You recall seeing Ido in 2010?

23 A I don't remember when he was there or when he
24 wasn't there.

25 Q Did he ever come in and sign documents for you?

26 A I mean, like, when he was first there, I'm sure he
27 did. But, like I said, I don't really remember because it
28 was a very long time ago. I know that he was often not

1 available and I would have to go through Roni.

2 Q Did you have to do everyday activities relating to
3 the business that involve the signature of Ido Or?

4 A I don't think so. I just had to fill out a lot of
5 forms. He only had to do the signature.

6 Q When you had to fill out a form and you needed
7 Ido's signature, where did you go to get his signature?

8 A I would ask Roni to get it for me.

9 Q You would drop it off with Roni. And how would
10 you get that document back?

11 A He would give it to me in a couple days back for
12 me to mail out.

13 Q Every time you needed Ido's signature?

14 A I believe so. I don't remember if every time it
15 took a couple days or not. I just know I had to go through
16 Roni.

17 Q I'd like to show you a group of documents. The
18 first one is dated November 30th of 2009. Do you recall
19 having dealings with the man by the name of Alexander Krem?

20 A Yes.

21 Q What do you remember about Mr. Krem?

22 A He was a customer that there was a problem with.

23 Q Were you involved in resolving that problem?

24 A I did the best I could with who I was working for.

25 Q What were the things you did in regard to the Alex
26 Krem matter?

27 A I was constantly asking Roni when we were going to
28 get his items out. I told him -- because what happened was

1 he didn't tell us, at first, that there was a time
2 constraint on his items. Then he told us when they were
3 already in route or had already been picked up. So I tried
4 to inform dispatch so there wouldn't be a problem. But they
5 didn't make it. I don't think they made it there on time.
6 It was like a huge issue.

7 Q When you had those problems with Mr. Krem and his
8 shipment, who did you deal with?

9 A I dealt with Roni. But I feel like I think Ido
10 came back at one point during that because I believe he
11 actually released Mr. Krem's goods to, I think, his family
12 members. I don't think he was in town.

13 Q So you believed, during the time that you were
14 dealing with Mr. Krem, that Ido was actually involved in
15 releasing the goods to Mr. Krem or Mr. Krem's family?

16 A I think so. Yeah.

17 Q Would that be one of the last times that you saw
18 Ido?

19 A Probably.

20 Q I'd like to show you an e-mail dated November 30th
21 of 2009. Let me back up here. I am going to show you
22 the -- do you see the bottom where it says November 30th of
23 2009 info at fast move van lines dot com wrote?

24 A Uh-huh.

25 Q Who would be info at fast move van lines dot com?

26 A I don't know. It could be Ido. It could be me
27 because it says that I set it up on that computer. I don't
28 know.

1 Q So it's possible you also used that e-mail
2 address?

3 A It went to my computer, but I believe I normally
4 used Sally.

5 Q The substance of the e-mail where it says: I'm
6 checking in the envelope. I don't see anything. Just a
7 signature on the bill of lading for the items being picked
8 up. Do you know who was writing that?

9 A I don't know. I can't remember if I wrote that.

10 Q The second page of it. Does it refresh your
11 recollection to see Relocations Consultant Sally?

12 A I guess so. Yeah.

13 Q Prior to that, was Roni asking you if there had
14 been a release settlement or something?

15 A Yeah. It looks like it.

16 Q What is Roni referring to when he's asking if Ido
17 signed him up on a release settlement or something?

18 A I think there was a document, when there were
19 issues, if they gave someone a discount or anything like
20 that, that would release them from, you know, like suing or
21 anything like that after, because they were receiving a
22 discount or something like that.

23 Q Was a release document commonly used in the course
24 of the business at Fast Move and ASAP?

25 A I mean, I don't really know. I'm not really sure.
26 But I'm guessing, if people had their stuff in the storage
27 for a while, they would, in fact, have to sign that.

28 Q If Roni was negotiating with someone to give their

1 goods back after there was a dispute, did you know him
2 routinely to use release documents?

3 A I think so. But, I mean, I didn't have to use
4 them that much. So, I mean, I believe that he had a form.
5 He had a lot of, like, legal forms that he would get from
6 his lawyer. He seemed very well prepared for problems.

7 Q Who was his lawyer?

8 A Michael something. I don't remember the last
9 name.

10 Q Are you familiar with the name Michael Garcia?

11 A Yeah, that's him.

12 Q That's the name of his lawyer?

13 A I believe so.

14 Q All right. The upper part of the first page dated
15 November 30th of 2009, are you communicating to Roni
16 regarding the Krem matter again?

17 A It looks like it.

18 Q And were you telling him that the inventories were
19 signed?

20 A Uh-huh.

21 Q What e-mail address were you using to communicate
22 with Roni?

23 A It looks like the info one.

24 Q So you were using info. And you were
25 communicating with Roni at what address?

26 A It looks like Roni underscore H 13 at yahoo dot
27 com.

28 Q What e-mail address was that for Roni?

1 A I don't know if that's a personal one. I'm
2 assuming maybe he's out of the country if I'm using this
3 one.

4 Q You would use this e-mail when he was out of the
5 country?

6 A I would think so. I don't see why else I would
7 use it if he was in the office. Probably just use the ASAP
8 one.

9 Q What was his ASAP one?

10 A It was like sales or info. And he had a Roni one.
11 He had a few.

12 Q He had a few different e-mails at ASAP?

13 A Uh-huh.

14 Q And, showing you an e-mail that's also part of
15 Exhibit 214, this one is dated December 2nd of 2009. Did
16 you prepare a paperwork related to the Alex Krem document
17 and send it to Roni Hayon?

18 A He had me -- this was the most devastating ever --
19 he had like -- I don't even know what it's called but it's
20 like a response to one that he had previously used in
21 another case or something -- and he wanted me to apply the
22 Krem situation. So it's kind of like fill in the blanks
23 with his information instead. But it was like ridiculous.
24 It was all in, like, legal terminology, and I didn't really
25 know half of it. So yeah.

26 Q So who asked you to create legal document using
27 Alex Krem's information?

28 A Roni.

1 Q And what was the purpose of doing that?

2 A They had to go to small claims court for -- it was
3 like a response to what he was claiming in his thing, I
4 think.

5 Q Why were you dealing with Roni about this and not
6 Ido Or?

7 A Because, like I told you, Ido Or wasn't available
8 half the time. When he wasn't, I would go to Roni.

9 Q When you say Ido was not available half the time,
10 at some point, was he not available at all?

11 A Yeah.

12 Q And do you think, by this time you were going to
13 small claims court about Alex Krem, that Ido Or was not
14 available at all?

15 A I don't remember, to be honest with you. Like I
16 said, I don't remember.

17 Q Why is it that you were corresponding with Roni
18 and not Ido Or about the Alex Krem matter?

19 A Because, like I said, I would talk to Roni about
20 anything and everything.

21 MS. DONOHOE: Okay. We are at 10:40. Let's take a
22 15-minute break. And we will come back and finish, I
23 expect, by the noon time.

24 (Recess.)

25 Q (BY MS. DONOHOE) Ms. Salazares, we are back from
26 the break. You are still under oath.

27 I am going to return to the Krem matter. And I'd
28 like to show you another e-mail that's part of Exhibit 214.

1 Is this where you had mentioned that you were trying to fill
2 in a legal document that Roni gave you as a sample?

3 A Yes.

4 Q You were asking Roni questions about how to do
5 that?

6 A Yes.

7 Q Did you, in fact, create a document called Alex
8 Krem small claims document for Roni Hayon?

9 A I think there was already a copy. I just edited
10 it.

11 Q You were editing it?

12 A Yeah.

13 Q You were using the Krem documents that were in the
14 office in order to complete that legal document?

15 A Yes.

16 Q I'd like to show you that e-mail that we are
17 referring to where you are having communications. It says
18 Exhibit A will be the contract. Exhibit B will be the
19 e-mail he sent to cancel. Are you asking Roni whether
20 that's what you should do?

21 A Yeah. I'm telling him what I think I'm supposed
22 to do and if it's right.

23 Q And did he, in fact, ask you what is Exhibit 1 and
24 what is Exhibit 2?

25 A Yeah. It looks like it.

26 Q I'd like to show you the last e-mail of
27 Exhibit 214, which is an e-mail dated February 18th of 2010.
28 Do you recall sending an e-mail from info at fast moves to

1 Roni Hayon that included defendant's trial brief?

2 A Yeah. I believe that's the document that we were
3 editing.

4 Q You believe that's the document you were involved
5 in creating?

6 A I think so, yeah.

7 Q So you were sending this to Roni's address at his
8 personal e-mail?

9 A Looks like it.

10 Q I'll show you that at the top.

11 A Yeah.

12 Q And you believe you were communicating with him at
13 his personal e-mail because he was out of the country or did
14 he routinely use that personal e-mail when he was dealing
15 with Fast Moves?

16 A I don't know. I feel like -- I don't know that
17 now that you say it like that. I'm not sure. Maybe he did
18 use that. But I don't recall that.

19 Q Did Roni Hayon have an e-mail for his Fast Moves
20 side of the business?

21 A I don't think so. But I don't remember. He might
22 have.

23 Q So was Roni satisfied with your work on the Alex
24 Krem legal matter?

25 A It looks like he was.

26 Q I'd like to show you Exhibit 6. Do you recognize
27 the person in that photo?

28 A Yeah. It's Ido.

1 Q And do you recognize that signature?

2 A It says his name. So I'm assuming it's his
3 signature.

4 Q Do you recognize that signature?

5 A It says his name. So I guess that's his
6 signature.

7 Q Does it look like any of the signatures we looked
8 at today?

9 A No.

10 Q I'd like to show you the signature from
11 Exhibit 207. Does it look like that signature?

12 A Slightly.

13 Q You think that's possibly Ido's signature?

14 A It looks like it could be.

15 Q I'd like to show you Exhibit 209. And you are
16 comparing with Exhibit 6. Does that look to be the
17 signature of Ido Or?

18 A It doesn't look the same as the other one.

19 Q Showing you Exhibit 211, does that look at all
20 like Ido's signature on Exhibit 6?

21 A No.

22 Q Do you know who would have been signing all these
23 things?

24 A I don't know. I gave them to Roni to get signed
25 by Ido. So I'm not sure.

26 Q Were you ever troubled by the fact that Ido's
27 signatures seemed to change so frequently?

28 A I didn't really pay attention, to be honest. I

1 already didn't want to be doing what they were asking me to
2 do. So I was just like whatever. I sent it by the time
3 they gave it back.

4 Q If you didn't like doing what they were asking you
5 to do, why were you doing it?

6 A Because they told me I had to, because that was my
7 job.

8 Q I'd like to show you Exhibit 215. Do you
9 recognize the signature on that document?

10 A No. I mean, it looks like it might be his. The
11 "I" and the "O" looks right.

12 Q So that's the last page of Exhibit 215 that you
13 are looking at, his signature block. It says Ido Or and it
14 has a signature below it.

15 A Uh-huh.

16 Q And would you expect -- were you familiar with the
17 Washington Mutual account for Fast Move Van Lines?

18 A Familiar? No. I'm sure you got documents that I
19 had to file that were from there.

20 Q All right. Did you know Fast Move Van Lines to
21 have a checking account at Washington Mutual Bank?

22 A Only because you showed me. I wouldn't have
23 remembered the bank had you not shown me the paper of it.

24 Q Okay. Referring you to Exhibit 210, do you see a
25 check there that says Chase?

26 A Yeah.

27 Q And did you know Washington Mutual/Chase to have a
28 Washington Mutual branch that Fast Moves used?

1 A Only because you are showing me on the overhead.
2 I really don't remember.

3 Q You don't remember that?

4 A No.

5 Q But you do recognize this type of check for Fast
6 Moving Van Lines?

7 A Yeah. It looks like a Fast Move check.

8 Q Okay. I'd like to show you Exhibit 216. Do you
9 recognize this document?

10 A Looks like whatever was used for going to court
11 with Alex Krem.

12 Q Do you recognize the handwriting on the first page
13 of Exhibit 216?

14 A It looks like it might be mine although it's in
15 capitals. It's not my style.

16 Q I'm having trouble hearing your --

17 A It looks close to my writing. Yes.

18 Q But you are not sure?

19 A No. I don't know. I don't usually do that.

20 Q Were you involved in a small claims action?

21 A Yes.

22 Q Going to court for Alex Krem?

23 A Yeah, I had to go to court.

24 Q And did you take a folder of documents with you
25 when you went?

26 A Yeah. It was probably that folder.

27 Q Do you recall where you got the folder from when
28 you went to court?

1 A Probably from the office somewhere.

2 Q Showing you the second page of Exhibit 216, is
3 this the trial brief that you were involved in preparing?

4 A It looks like it. Yeah.

5 Q I'm going to show you the page ending in 54493 of
6 Exhibit 216. Do you see the proof of service page there and
7 the name Sally Green?

8 A Uh-huh.

9 Q Does it say Sally Green doing business as Fast
10 Moving Van Lines, Inc.?

11 A Yeah. That's what Alex Krem thought the situation
12 was.

13 Q Why was the name Sally Green on there?

14 A Because Alex Krem, when I talked to him on the
15 phone, my name is Sally Green. So, obviously, when he's
16 going to try to do something legal, he put Sally Green on
17 there.

18 Q All right. So you believed this was not --

19 I see. This was something that Alex Krem put on.
20 It's a plaintiff's claim in order to go to small claims
21 court?

22 A Looks like it.

23 Q So he was listing your name Sally Green?

24 A Uh-huh.

25 Q That's because he didn't know your true name was
26 Jennifer Salazares?

27 A Yes.

28 Q Were you concerned when legal documents would come

1 in with that name Sally Green?

2 A Yeah. I was concerned with the whole thing.
3 That's why I didn't last too long with the company after
4 that.

5 Q I'd like to show you the page ending in 54507.
6 This is a request to postpone small claims hearing?

7 A Uh-huh.

8 Q Is it signed by Ido Or?

9 A It's signed. But not exactly like his signature.
10 Doesn't have that thing at the top of his "I."

11 Q That does not look like Ido Or's signature;
12 correct?

13 A Uh-uh.

14 Q Was this a request to postpone the small claims
15 action?

16 A It looks like it.

17 Q And is it dated September 8th of 2009?

18 A That's the date on there.

19 Q Does it indicate there that he would be out of the
20 country until the middle of November?

21 A Yeah, that's what it says.

22 Q And was Alex Krem -- excuse me -- was Ido Or
23 around at the time this document was being prepared?

24 A I don't know. I mean, it looks like he would be
25 here. He was out of the country or going out of the
26 country. So I'm not sure.

27 Q Did you have any dealings with Ido Or when you
28 were handling the Alex Krem matter for small claims court?

1 A I don't feel like he was around during the small
2 claims court. But he was around previously to release the
3 goods to him.

4 Q So he was around when Alex Krem had to get his
5 goods back?

6 A Uh-huh.

7 Q Do you recall approximately when that was?

8 A No. But I'm assuming it's before the court
9 because I think that he waited until he had his goods to
10 take them to court. But I'm not a hundred percent sure.
11 But I'm pretty sure.

12 Q Does it refresh your recollection that the third
13 page of Exhibit 216, the legal brief -- this ends in 54457
14 -- does it indicate that the move was in October of 2008?

15 A Yeah, that's what it says.

16 Q So do you believe it's around that time Ido Or was
17 available to return goods to Alex Krem?

18 A I would have to say it would have to be sometime
19 after that because he still had to miss his entire date that
20 he wanted it to be in there by. And then it wasn't like the
21 next day or anything. He didn't pick up that quickly.

22 Q It would have been sometime October or November of
23 2008?

24 A It might have even been further down the line. It
25 might have gone on for months. I don't really remember. I
26 do remember it drawing out, though. It wasn't quick.

27 Q All right. But it was not September of 2009 that
28 Ido Or was involved with Alex Krem; correct?

1 A I don't think so.

2 Q I'd like to show you check number 1266 which is
3 part of Exhibit 216. Do you recognize this signature for
4 Ido Or?

5 A No. It looks like a lot of the other signatures.

6 Q You know whose writing that signature is on that
7 check?

8 A I don't.

9 Q Where would you get checks to pay small claims
10 court?

11 A I'd always get everything from Roni.

12 Q Do you believe this is Roni's handwriting?

13 A I don't know. I don't remember what his
14 handwriting is. I see that I wrote the case number on
15 there.

16 Q So you wrote the case number and you got the check
17 from Roni Hayon; correct?

18 A Uh-huh.

19 Q You are not sure whether that's Roni Hayon's
20 handwriting on the check?

21 A No. I don't really remember. I didn't get a lot
22 of written things from him.

23 Q When you needed a check, how long would Roni take
24 to give you the check?

25 A A few days.

26 Q Did he have a checkbook in his office?

27 A I don't know.

28 Q I'd like to refer you to page number 54599 of

1 Exhibit 216. Do you see a document there a notice of filing
2 of notice of appeal?

3 A Uh-huh.

4 Q And does it have a name below that which says Ido
5 Or?

6 A Uh-huh.

7 Q Who signed for the appellant?

8 A I have no idea.

9 Q Were you a dispatcher?

10 A I was a dispatcher, but I never signed it
11 dispatch.

12 Q You wouldn't sign it dispatch? So you don't know
13 whose writing that is?

14 A I don't know whose writing that is.

15 Q Were you involved at all in preparing the notice
16 of appeal on the Krem matter?

17 A No.

18 Q You were not involved?

19 A I don't think so.

20 Q I'm going to show you another check number 1308.
21 This is part of Exhibit 216. Do you recognize the signature
22 of Ido Or on that check?

23 A It looks different than even the other ones. They
24 all kind of look a little different.

25 Q That does not look like Ido Or's signature that
26 you are familiar with?

27 A Not the document that had his face on.

28 Q So it doesn't match his DMV signature; correct?

1 A Uh-uh.

2 Q Do you recognize any of the other handwriting on
3 that check?

4 A Uh-uh.

5 Q Is your handwriting on that check at all?

6 A No, that's not my handwriting.

7 Q Referring you to a page number 54607 of
8 Exhibit 216, do you see a signature above the date 11/30/09?
9 Not a signature but something in the signature block?

10 A Yes. It says Fast Moving Van Lines, Inc.

11 Q Do you know who wrote Fast Moving Van Lines on
12 that document.

13 A I'm guessing I did.

14 Q That appears to be your handwriting?

15 A Uh-huh.

16 Q And why did you write Fast Moving Van Lines
17 instead of signing your name?

18 A Because I wasn't on the -- brief period.

19 Q You were not what?

20 A Because I wasn't on any of the paperwork, and I
21 didn't want to be. I didn't feel like I had to be.

22 Q Do you recall going to court for the small claims
23 matter?

24 A Uh-huh.

25 Q What happened when you went to court on the Alex
26 Krem matter?

27 A We went twice. The first time, I remember there
28 was like an issue. I think that Roni had gone too and then

1 the guy was trying to take Roni's picture. We ended up
2 going back to the courthouse for another day just because
3 there was an altercation between Roni and Krem. And so we
4 went back.

5 Q You said there was an altercation between Roni and
6 who?

7 A And Alex Krem.

8 Q Did you witness that altercation?

9 A Yeah.

10 Q And what happened?

11 A Like I said, he was trying to take Roni's picture.
12 Roni put his hand out in front and that's it. I think his
13 phone fell. He was trying to say Roni shoved him, but he
14 just blocked the picture.

15 Q So did you understand why Alex Krem was trying to
16 take Roni's picture?

17 A I didn't really get it at the time. No. But he
18 was really -- I don't know -- he was really, like, looking
19 for conspiracy theory and seemed like when I talked to
20 him -- Mr. Krem -- so I would assume he was trying to figure
21 out who that was. He probably thought it was Ido.

22 Q You just mentioned the conspiracy theory.
23 Wouldn't it be normal for Mr. Krem to want to know who is
24 representing the business?

25 A Yeah. But he was, like, sitting in the audience.
26 He wasn't sitting up front.

27 Q So Roni Hayon was trying to stay away from what
28 was happening in front of the court?

1 A Yeah. He wasn't sitting up there. He had me and
2 another worker from Fast Move sitting up there.

3 Q So you were representing the company; correct?

4 A Uh-huh.

5 Q So you were representing the company with the
6 judge; correct?

7 A Yeah.

8 Q And why were you representing the company with the
9 judge when Roni Hayon was there?

10 A Because he told me I had to.

11 Q And why didn't Roni want to make representations
12 to the court?

13 A I have no idea.

14 Q Who else was with you during this incident?

15 A Margarita.

16 Q Why was margarita there?

17 A Because -- I have no idea, actually, to be honest.
18 But I didn't really want to do it at all. And then he tried
19 to make me feel better about it by sending margarita with me
20 which didn't make me feel better. It made me kind of
21 annoyed because he wasn't doing it.

22 Q You say he wasn't doing it. You are talking about
23 Roni?

24 A Roni or Ido. I don't see why I had to do it.

25 Q Did that make you suspicious about what Roni --

26 A It made me very uncomfortable.

27 Q So, when you appeared before the court, what name
28 were you using?

1 A I used my own name.

2 Q You used the name Jennifer Salazares?

3 A Uh-huh.

4 Q So you didn't use the name Sally Green at that
5 point?

6 A Uh-uh.

7 Q All right. Did you have to make the presentation
8 to the court?

9 A I don't think -- I think it was just they read
10 that and they asked a few questions.

11 Q Were you successful in representing the company
12 before the court?

13 A I don't know what you mean by successful. But I
14 was there and I represented them. They actually lost the
15 case.

16 Q So the company lost the case; correct?

17 A Uh-huh.

18 Q And how did you get to court that day?

19 A I don't know if it was Roni or Nico that drove.
20 The second time I definitely went with Nico. But, that
21 time, I think they both went, and I'm not sure who drove.

22 Q Which vehicle did you go in to go to court?

23 A The second time I know for sure was Nico's BMW,
24 but I don't remember the first time if it was Roni's
25 Mercedes or the BMW.

26 Q When you say Nico, you mean Noam Israeli?

27 A Yes.

28 Q You believe the first time you went for the

1 hearing it was you, Noam Israeli, Roni Hayon, and Margarita
2 Janini?

3 A Uh-huh.

4 Q Is that a yes answer?

5 A Yes. Sorry.

6 Q And so, after you were finished at the court, what
7 did you do?

8 A We went back to the office.

9 Q Were you, at that time, contacted about giving a
10 statement about the altercation involving Alex Krem?

11 A Yes.

12 Q So it was while you were still at the courthouse
13 you had to talk to somebody?

14 A No. Actually, they gave us a call, and we had to
15 go back there another day.

16 Q Where was this court appearance taking place?

17 A In Oakland, I believe. Or Berkeley. I think it's
18 the same courthouse for both or something.

19 Q In the same courthouse where?

20 A In Oakland. But it was supposed to be Berkeley.
21 But they don't have their own court. So is it Oakland?

22 Q Okay. You said there was second occasion when you
23 had to go to court regarding Alex Krem. Why was that?

24 A They did an appeal.

25 Q When you say they, who did an appeal?

26 A Roni. I'd say and Nico but because he went with
27 me. They appealed the decision. They wanted to do an
28 appeal and see if they could, you know, win.

1 Q Why didn't they want to pay Mr. Krem after they
2 lost?

3 A Because they weren't really into that. They
4 weren't really into helping the customers which was really
5 frustrating.

6 Q Well, did Mr. Or come back in the middle of
7 November at any point to handle the small claims matter?

8 A No.

9 Q So, when there was a representation made to the
10 court that Mr. Or was going to be out of the country until
11 the middle of November, was that true?

12 A That seems so. Yeah. He wasn't there.

13 Q He was never there; correct? In connection with
14 the Krem matter as to small claims court?

15 A I don't think so. No.

16 Q I'd like to ask you some questions about your
17 knowledge on banking matters regarding Fast Moves Van Line.
18 Showing you Exhibit 217, the first is an e-mail dated
19 August 5th of 2009. And was it your responsibility to take
20 care of matters where there were bounced checks from
21 customers?

22 A Only with regard to actually telling the customer
23 that their check bounced.

24 Q In this instance, this e-mail, it's forwarded from
25 Cassidy at ASAP Relocations to you. And would you have to
26 resolve issues relating to the customer's bounced check?

27 A Well, I mean, I would have to tell the customer
28 that their check bounced and they would have to use another

1 form of payment.

2 Q In this instance, who was Cassidy at ASAP?

3 A It looks like Linda.

4 Q So Linda was using the Cassidy e-mail address?

5 A I don't really know because it's -- I don't know.

6 Q Would she e-mail you regarding ASAP bounced checks
7 or just Fast Moves?

8 A Just Fast Move.

9 Q That was the only time you had to deal with the
10 customers about --

11 A Yeah. I didn't deal with any ASAP customers.

12 Q All right. So your responsibility was only as to
13 Fast Moves to contact the customer, let them know their
14 check had bounced?

15 A Uh-huh.

16 Q Showing you the next page of Exhibit 217, does
17 this indicate that Roni was sending the e-mail to Noam
18 Israeli and to Cassidy regarding a bounced check for Fast
19 Moves?

20 A Looks like it. Yeah.

21 Q So he would be concerned with any bounced checks
22 relating to Fast Moves?

23 A Appears so.

24 Q Is Ido Or in that e-mail chain at all?

25 A No, he isn't.

26 Q You know why not?

27 A No.

28 Q Showing you the next e-mail in Exhibit 217, this

1 is an e-mail dated September 22nd, 2009, and it's the last
2 page of Exhibit 217. In this e-mail, were you trying to
3 communicate with Roni regarding the bounced check for
4 Jennifer Smith?

5 A Uh-huh.

6 Q And why were you communicating with Roni about
7 that bounced check?

8 A Because, like I said, I communicated with Roni
9 about everything because, after a while, I do did not respond
10 to me. I had given up on getting an answer from him because
11 I was tired of getting attitude from him when I'm asking him
12 to do stuff for his own damn company.

13 Q For his own damn company?

14 A Uh-huh.

15 Q Did you ever conclude that Roni was in control?

16 A It really seemed that way, but that would be
17 something I would be assuming and not know.

18 Q Well, why is it that you didn't know when you went
19 to Roni every day to talk about things or e-mailed him every
20 day and asked him all the matters relating to banking, to
21 customers?

22 A Because he would always tell me he was not. So --

23 Q So Roni would tell you he was not responsible for
24 Fast Moves?

25 A Uh-huh. Yes.

26 Q And is that what you were to tell the customers as
27 well?

28 A I don't understand why the customers would have

1 asked about Roni at all.

2 Q Right. Because his name wasn't on any of the
3 official documents; correct?

4 A Yeah.

5 Q All right. So, in this instance, you were asking
6 because the customer had been made some promise as to when
7 her check would be deposited and, in fact, that promise was
8 not kept?

9 A She had told the foreman if they could hold the
10 money or hold the check, and the foreman told her that they
11 would, and then they deposited it anyway.

12 Q And that's because Roni's policy was they would
13 not hold any check for a customer; correct?

14 A That's what he says.

15 Q All right. I'd like to show you document dated
16 January 27, 2009, from Department of Transportation. Do you
17 see that letter notifying Fast Moving Van Lines of a
18 compliance review that was going to occur?

19 A Uh-huh.

20 Q And you are saying --

21 A Yes.

22 Q Your answer is yes?

23 A Yes.

24 Q Was there a list of items that was requested in
25 preparation for that compliance review?

26 A There is a list there.

27 Q Were you involved in getting together the
28 information to prepare for the compliance review?

1 A If I had it, yes.

2 Q Under what circumstances were you involved with
3 the compliance review?

4 A I had to go and give them all that stuff they were
5 requiring. They made me go. That's another thing I did not
6 want to do.

7 Q When you say they, who?

8 A Roni made me go.

9 Q Was there anyone else involved?

10 A Nico had to go.

11 Q So Nico, meaning Noam Israeli, had to go with you?

12 A Yes.

13 Q And what was his role in meeting with the
14 Department of Transportation?

15 A We both just sat there as they reviewed all the
16 documents.

17 Q Now, when you were preparing for this, how did you
18 go about preparing it?

19 A I would ask what half of the documents were and if
20 they had them, because we filed stuff. So, normally, we had
21 all that stuff filed.

22 Q All right. Were you involved in filing documents
23 for the company?

24 A No. I mean, like we had -- you mean in the file
25 system? I had already stated I did.

26 Q You would be responsible for filing documents in
27 company files; correct?

28 A Yes.

1 Q And, when you first became aware of this
2 compliance review, who told you about it?

3 A I'm imagining it was Roni.

4 Q And were you given any preparation by Roni or
5 anyone else on how you were to handle this compliance
6 review?

7 A I was to go there and provide them the information
8 and that's it.

9 Q How were you to represent yourself at the
10 compliance review?

11 A I believe they wanted me to be Sally, but they
12 didn't really care who I was. They just told me not to sign
13 anything.

14 Q Who told you not to sign anything?

15 A Roni.

16 Q Did he say why you shouldn't sign something?

17 A No. But I was happy not to, to be honest.

18 Q Okay. How were you to handle yourself if they
19 asked you to sign something?

20 A Refuse to sign it.

21 Q Who told you to refuse to sign it?

22 A Roni.

23 Q For the record, I'm referring to Exhibit 218,
24 which is a letter dated January 27th of 2009.

25 And the address where you were going to meet with
26 the Department of Transportation investigator, where was
27 that?

28 A It was at the Balentine address.

1 Q Had you been to Balentine before?

2 A No. That was the first time.

3 Q That was the first time you went to the address?

4 A Uh-huh.

5 Q What arrangements did you make in order to meet
6 with the Department of Transportation at that address?

7 A They had a room where we could have meetings in
8 there, and we told them we would need a room.

9 Q Did you have to call in advance?

10 A I don't know if I had to do it, but I know that
11 was the situation. There was a room there at the office
12 that they got.

13 Q So you and you said Noam Israeli went to that
14 office on Balentine, went into a conference room and waited
15 for the Department of Transportation investigator to come?

16 A Uh-huh.

17 Q Showing you Exhibit 219 --

18 Let me refer back a moment to Exhibit 218. Was
19 the first item that you were requested to bring any
20 independent contractors subcontractors that you used?

21 A It looks like it. Yes.

22 Q Showing you Exhibit 219, is this an example of a
23 hauling agreement for independent contractors?

24 A Yeah. It says right there.

25 Q Is part of this document in your handwriting?

26 A The company? Yeah.

27 Q So the part where it says Fast Move Van Lines,
28 that's your handwriting?

1 A Looks like it.

2 Q How about at the bottom where it says DOT number?

3 A Uh-uh. That's not my writing.

4 Q Were you involved in the preparation of this form?

5 A No. I just filled out the top.

6 Q And were you asked to do anything with this form?

7 A I think I had to fax it sometimes to other

8 companies or carriers or whatever.

9 Q Why would you fax it to them?

10 A So that they could fill it out.

11 Q Were they to send it back to you?

12 A Yes.

13 Q Referring you to the last page of Exhibit 219, do
14 you recognize the signature block?

15 A Yeah.

16 Q You do?

17 A Uh-huh.

18 Q Is your handwriting in that signature block?

19 A Yes, it is.

20 Q Can you tell me what's in your handwriting?

21 A It says Sally Green.

22 Q And the Fast Move Van Lines, is that your
23 handwriting?

24 A Uh-huh.

25 Q How about the signature Sally Green?

26 A It looks like my cursive.

27 Q It looks like your cursive?

28 A Kind of.

1 Q So you believe that you put your name for the
2 company as Sally Green on these hauling agreements?

3 A I mean, I would hope not. But it looks kind of
4 like my cursive.

5 Q I'd like to show you another hauling agreement.
6 This would be Exhibit 220. Do you recognize any of the
7 handwriting on that form?

8 A It's the same form just copied.

9 Q All right. Is the Northwest Relocations a company
10 that Fast Moves would subcontract with?

11 A Yes.

12 Q And is that in your handwriting?

13 A No.

14 Q Showing you the last page of Exhibit 220, do you
15 recognize the handwriting on that signature block?

16 A Yeah. But, on the first one, I don't know. My
17 last name I don't write it like that.

18 Q You don't write like that?

19 A My signature is pretty clear and easy to read.

20 Q Can you repeat that please?

21 A My signature is more clear, like, easy, like,
22 legible.

23 Q Is the handwritten part where it says Sally
24 Salazares under print name, is that in your handwriting?

25 A It looks like it, yes. I don't know why I would
26 say Sally Salazares.

27 Q Is that a name you would use?

28 A No. I would either use my real name or Sally

1 Green.

2 Q So you never used the name Sally Salazares?

3 A I don't know why that says that.

4 Q But it is in your handwriting; correct?

5 A Yeah.

6 Q And then the signature block where it says Sally
7 Salazares, is any of that in your handwriting?

8 A Looks like the first one may be. The Sally part
9 looks like my name or my writing. But the Salazares looks
10 all whacky.

11 Q Did you have any contact with Ido Or about this
12 compliance review before it happened?

13 A I don't know. I mean, I really don't remember.

14 Q I'd like to show you Exhibit 221. You know what
15 the result of the compliance review was?

16 A They had, like, a fine to pay or something.
17 That's it.

18 Q At the time when you met with the Department of
19 Transportation representative, were you asked to sign
20 documents?

21 A No. I was asked not to sign documents, like I
22 said earlier.

23 Q Did the Department of Transportation
24 representative ask you to sign any documents?

25 A Yes.

26 Q And what happened when he asked you to sign
27 documents?

28 A I refused, like I was told to do.

1 Q What did you say to him when you refused?

2 A I said I wasn't going to sign, period.

3 Q Were you asked who you were?

4 A I don't remember. I'm not even sure.

5 Q Did you use the name Jennifer Salazares when you
6 spoke with the Department of Transportation representative?

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

8 Q Do you recall using the name Sally Green?

9 A I don't know. I might have, because it was on the
10 documents.

11 Q And why would you represent yourself as Sally
12 Green with the Department of Transportation?

13 A Because everything I did I was told to do by Roni.
14 He was very intimidating. I really didn't have any job or
15 prospects. I was constantly looking for jobs because I
16 hated the way they forced me to do things, didn't think they
17 cared about anyone -- not their clients, not their people
18 working for them -- not anyone but the people inside their
19 little circle. And they were really, really intimidating,
20 period.

21 Q So you felt, unless you did these things, you
22 wouldn't have a job?

23 A I not only felt like I wouldn't have a job I was
24 also scared of him.

25 Q Did they ever threaten you?

26 A No, they didn't. But I was just intimidated by
27 Roni, period. He is like six-foot whatever and not a small
28 guy and not a very nice guy to other people. He was very

1 intimidating. I don't know if you ever met him.

2 Q You were doing this job and using different names
3 and going to court and meeting with Department of
4 Transportation investigators. And you were doing that for
5 how much an hour?

6 A I don't even remember. Not enough.

7 Q Was it \$15 an hour?

8 A No. Less.

9 Q Did you get extra money if you went to court for
10 Roni Hayon?

11 A No.

12 Q Did you get extra money if you met with a
13 Department of Transportation investigator?

14 A No.

15 Q Showing you Exhibit 222, do you recall a
16 settlement agreement being entered into Federal Motor
17 Carrier Safety Administration after that meeting with the
18 Department of Transportation?

19 A Not really. I remember them sending us like
20 vouchers to make payments.

21 Q Did you have to make numerous payments relating to
22 that particular compliance review?

23 A I think they would give me, like, money orders to
24 send them.

25 Q Showing you --

26 A With little coupons that they had given us.

27 Q I'm going to show you page number 63922 of
28 Exhibit 222, do you recall a group of payments that were in

1 small amounts? \$335 for June 1st of 2009 and then a series
2 of \$333 payments monthly until November of 2009?

3 A Yeah, I remember.

4 Q That refreshes your recollection about making
5 payments after that compliance review?

6 A Yeah, of course. I told you right off the bat
7 that I --

8 Q Could you repeat that?

9 A I told you right off the bat that I remember them
10 having to make payments.

11 Q These would be the money orders obtained?

12 A Yes.

13 Q Who obtained the money orders?

14 A I was given them from Nico and Roni.

15 Q And then you sent them on to the Federal Motor
16 Carrier Safety Administration?

17 A I wrote to the address.

18 Q Showing you the last page of Exhibit 222, does
19 that appear that Ido Or signed the settlement agreement?

20 A It looks different again.

21 Q So that does not appear to be your memory of Ido
22 Or's signature?

23 A Well, I mean, I remember this signature more than
24 I remember the one from his license. You showed me his
25 license but I had never seen before.

26 Q So you were more familiar with this type of
27 signature --

28 A Yeah.

1 Q -- than you were with the signature that appears
2 on Ido Or's driver's license?

3 A Yes.

4 Q So you saw this type of signature more frequently
5 than you did the one that was on Ido Or's driver's license?

6 A Yeah.

7 Q Is that right?

8 A Yes.

9 Q I'd like to show you Exhibit 223. Do you
10 recognize the letterhead on that letter?

11 A It's the same letterhead we've seen a million
12 times. But yes.

13 Q That's for Fast Move Van Lines?

14 A Uh-huh.

15 Q Is this a letter dated August 8th of 2008?

16 A Uh-huh.

17 Q Were you familiar with an employee by the name of
18 Augustin Reyes Mata?

19 A No. But I was asked to write this letter. He was
20 one of the foremen.

21 Q Why were you asked to write it?

22 A He needed it for his landlord.

23 Q He needed it for what?

24 A For his landlord, I believe.

25 Q His landlord?

26 A Yes.

27 Q Was he moving or something?

28 A I don't know. Possibly. I'm assuming so.

1 Probably for a new landlord. I don't know.

2 Q And then it's signed, best regards, Roni Hayon,
3 president. Can you tell us why it would be signed Ron
4 Hayon, president?

5 A I don't know.

6 Q Did anyone direct you to prepare it that way?

7 A Probably. I mean, everything that I did I was
8 told to do. I mean, I didn't make up anything there. I was
9 always told to do stuff.

10 Q So, at least, for this purpose, Roni Hayon was
11 willing to be the president of Fast Moves?

12 A It appears so.

13 Q Did you have responsibility for forwarding tax
14 information to others about Fast Moving Van Lines?

15 A Sometimes when they needed it, yeah, I would have
16 to get like a 1099 or something like that.

17 Q What were the 1099's for?

18 A I don't know. Like, I only remember I think it
19 was to give to -- it was like a company. I think it was
20 like an auto transport company maybe, and they sent
21 commission checks so they needed one.

22 Q Who would ask you to send the 1099's?

23 A Always Roni.

24 Q Showing you Exhibit 224, I'm going to show you a
25 fax coversheet. Do you recognize a fax coversheet to
26 someone named Shahar, dated February 23rd, 2010?

27 A I don't really recognize that. I don't even
28 remember who Shahar is.

1 Q You don't know who Shahar is?

2 A I can't remember off the top of my head.

3 Q Do you recognize the sales manager dispatcher
4 Sally fax coversheet?

5 A Yes.

6 Q Is that the type of coversheet you would use?

7 A Yes.

8 Q Do you recall sending a check summary for 2009?

9 A No. Does it mean I didn't send him?

10 Q Did you have access to what employees at Fast
11 Moves had been paid?

12 A I think that they were provided. They provided me
13 that information.

14 Q Who provided you with that information?

15 A Roni.

16 Q So would you have been involved in preparing that
17 information?

18 A I think I made like the template to send it so
19 that it was all on one piece of paper.

20 Q So this table that's shown here with paid to and
21 total for the year, is that something you put together?

22 A Yeah. Probably did.

23 Q And so it has the names of various people that
24 were working for Fast Moves?

25 A I guess. It looks like it. Yeah.

26 Q Did you include Roni Hayon as getting money from
27 Fast Moves for two thousand --

28 A He's listed on there. So yes.

1 Q Did you also provide employee details including
2 social security numbers?

3 A Whatever I was provided with and asked to send I
4 did. So, if it's there, I probably did it.

5 Q Did you create that table?

6 A I'm sure I did.

7 Q Showing you the checks listed in Exhibit 224, did
8 you list out all the checks that had been paid to staff?

9 A It looks like I did.

10 Q What would you have worked from to create that
11 document?

12 A I have no idea. I don't remember. I'm guessing
13 bank statements or I don't even know.

14 Q Did you have access to see the checks?

15 A No. I never had access to the checkbook, period.

16 Q You never saw the check registerer?

17 A Uh-uh.

18 Q Where would you get the information to fill out
19 this type of form?

20 A They might have had it and wanted me to put it in
21 a form.

22 Q They asked you to put it into this Word table?

23 A Yeah, to organize it into a table.

24 Q Did you know all these people to work for Fast
25 Moving Van Lines?

26 A I didn't really deal with the movers or anything.
27 So I don't know. I just wrote what they gave me.

28 Q Do you know Augustin Reyes?

1 A I feel like he was there for a long time. But, I
2 mean, I don't know. He was -- all the workers, kind of,
3 went together.

4 Q Did you know Jesus Leon?

5 A Not really. The movers I knew by name were mostly
6 the Israeli ones that came into the office all the time.

7 Q You mentioned previously Elazar.

8 A Uh-huh.

9 Q Is there anybody else that came into the office?

10 A Like, Nico. Those are the main two. There were
11 other Israeli workers that would come on vacation here and
12 worked for three months. I don't really remember their
13 names or anything.

14 Q Did you know Leonardo Martinez?

15 A Like, if you put any of these people in front of
16 me, I probably couldn't tell you who's who. I'm sorry.

17 Q How about Mario Perez?

18 A No. I didn't have to deal with him.

19 Q How about Raul Segura?

20 A I'm not so good with names. I don't know if
21 you've noticed.

22 Q Do you know what Fast Moves was paying Champions
23 Movers for?

24 A No.

25 Q How about what they would have paid ASAP
26 Relocations for?

27 A No. Like I said, I just wrote down and organized
28 the information they gave me.

1 Q I'd like to show you two bank statements for Fast
2 Moving Van Lines from Chase. The first one has the Bates
3 number of 49211 and it's from May 1st, 2010, through May 28,
4 2010. Did you ever have occasion to see the bank statements
5 that came in from Chase?

6 A Just to file them.

7 Q All right. So that was part of your job to file
8 bank statements?

9 A So I would have to hole punch them and put them in
10 a folder.

11 Q Referring you to the third page of Exhibit 225, do
12 you see the entries there for my fax, Bay Business Center,
13 Granot?

14 A Yeah.

15 Q Are those all companies that you had to deal with
16 in the course of your work?

17 A Yeah, I believe.

18 Q And was Granot the web system that was used to --

19 A It was a software. Yeah.

20 Q How about entries for Planet Hollywood, Las Vegas?
21 Do you know who would be using the account to pay items for
22 Planet Hollywood in Las Vegas?

23 A No.

24 Q Did you know anything about Roni's leisure
25 activities?

26 A I did know Roni liked to gamble.

27 Q Where would he go to gamble?

28 A A lot of places. I'm sure Vegas is one of them.

1 He did go to Vegas.

2 Q Did you know him to go on trips to Vegas?

3 A Yes.

4 Q Would he take employees on trips to Vegas?

5 A Not that I know of. He wouldn't really tell us if
6 he was going to go on a trip to Vegas. We would eventually
7 find out on accident because he would call the office or
8 something. We would never be pre-informed about anything.

9 Q I see. But do you believe based on that entry
10 that this was Roni using the company account?

11 A I wouldn't doubt it.

12 Q You don't doubt it?

13 A I wouldn't doubt it. No.

14 Q I'd like to show you an account statement for
15 July 1st through July 30th of 2010, which is also part of
16 Exhibit 225. It is an account statement for Fast Moving Van
17 Lines. Referring you to Bates page 49201, does this also
18 include items that you are familiar with such as Budget
19 Truck Rental and movers dot com?

20 A Uh-huh.

21 Q And does it include payments for Harrah's Las
22 Vegas -- two entries for Harrah's Las Vegas?

23 A Yes, it does.

24 Q Again, do you believe this would be Roni Hayon
25 using the company account for payments in Las Vegas?

26 A Roni or Ido. But, I mean, Roni was the one that
27 liked to go to Vegas all the time.

28 Q Did you ever have any conversation with Ido while

1 he was in Las Vegas?

2 A No. But Ido barely got back to me half the time
3 anyway. He never told me where he was or what he was doing.

4 Q Did you have any contact with Ido in 2010?

5 A I feel like, by that time, he was already -- I
6 didn't even deal with him. I just dealt with Roni.

7 Q Did you know Ido to go back to Israel as of
8 December 2008?

9 A Maybe. I don't know. I couldn't exactly say yes
10 or no. I don't remember the dates he left or came, like I
11 said. I didn't write that down.

12 Q Showing you Exhibit 226, which is an e-mail dated
13 February 8, 2010, entitled reputation management. Is that
14 an e-mail to you at Fast Moving Van Lines?

15 A Uh-huh.

16 Q Was one of your jobs having to deal with the bad
17 business reputation of Fast Moving Van Lines?

18 A It was to talk to anyone who contacted Fast Move
19 Van Lines. That is a company trying to make money by -- I
20 think they prioritize -- I don't know -- they, basically,
21 wanted money and they said they would make -- there was a
22 lot of people that would solicit, like, call and ask if we
23 needed their services. And this is an example of one of
24 them.

25 Q So this was a company that was soliciting you to
26 make the business reputation of Fast Moving Van Lines appear
27 better?

28 A Uh-huh.

1 Q Did you already have someone that Fast Moving Van
2 Lines was using regularly for that purpose?

3 A I don't think so. But I wouldn't know everything
4 that was going on. So --

5 Q Were you familiar with the company called Anthem
6 Claim Management?

7 A But that's our claims company. That's completely
8 different. I mean, they would deal with some complaints,
9 but they won't deal with anything off the Internet or
10 anything.

11 Q They weren't involved in trying to clean up your
12 reputation on the Internet?

13 A They responded to BBB complaints and stuff, but
14 they didn't try to remove things. They were a claims
15 company. I don't know how to explain it really because I
16 don't really know. But, whenever there was somebody who had
17 damage to their furniture, the same people would deal with
18 them.

19 Q Now, were you primarily the person that would have
20 to deal with trying to clean things up on the Internet
21 regarding, for instance, Yelp reviews?

22 A I would try to, if there was any slanderous
23 things, try to get them removed from Yelp. Or, if I thought
24 that -- like, one time, I had a customer who had a really
25 good move experience and said I am going to write a Yelp
26 review because I know you guys have some bad ones and I want
27 to show that you guys do good moves. And it was removed
28 within a day. I mean, I remember contacting Yelp saying why

1 is this being removed, you know, when it's a true statement?
2 Like, I didn't understand that.

3 Q Showing you Exhibit 227, this is an e-mail dated
4 June 22nd of 2009, addressed to Sally at Fast Moves. Do you
5 recall dealing with William Jackson at all?

6 A I believe he was somebody's son that didn't pay
7 their storage bill.

8 Q Were you dealing with him because his parent's
9 goods had been auctioned off?

10 A His mother I think he said was ill. But then he
11 would -- before the items were auctioned off, we talked to
12 him several times and he kept on saying he was going to send
13 the payment and he never did. And then he wouldn't call
14 back for like months. And he sent an e-mail or something
15 trying to ask about it. I told you already that it was
16 going to be auctioned and it was auctioned.

17 Q Did it concern you that the items for people who
18 were suddenly being overcharged out in the field and having
19 their goods brought back to ASAP were being auctioned off?

20 A Yeah. I mean, I felt bad for the people. But it
21 was their procedure. They had been doing it. I mean, I had
22 no control over it.

23 Q So you had no control over that procedure?

24 A I had no control over anything.

25 Q But you continued to work there?

26 A Yeah. I had no other prospects and I had bills to
27 pay.

28 Q Showing you Exhibit 228, do you recall this

1 correspondence, dated September 24th of 2009, with a man
2 named John?

3 A It looks like there's an e-mail from him. I don't
4 really remember who he is.

5 Q Do you recall people asking you for Ido's contact
6 information?

7 A Yeah.

8 Q And did you have an e-mail address to provide them
9 for Ido?

10 A No. I would just tell them send it to info and
11 forward it over to his other e-mail, like he had asked me
12 to.

13 Q Now, after December of 2008, were you able to do
14 that after his info at fast move e-mail was removed while
15 Margarita was using his computer?

16 A I still had -- that's why I had set it up on my
17 computer. So I forwarded it to him. If you saw the whole
18 chain thing, that's what that said.

19 Q So you continued to communicate with Ido in 2009?

20 A I mean, as long as he responded, I always tried to
21 communicate with Ido.

22 Q Was there any way for the customers to make
23 contact with Ido?

24 A No.

25 Q And who else was using the info at fast move
26 e-mail address?

27 A It would go to my computer.

28 Q So you were the only one receiving it?

1 A Yeah. And then I would forward it to whomever it
2 may concern.

3 Q Ido was not getting customer complaints via info
4 at fast moves e-mail?

5 A Not until they were forwarded to him because,
6 after the Margarita incident, it was taken off from that
7 computer. Margarita's computer exploded.

8 Q Did Ido read the same info at fast moves e-mail
9 account as you did?

10 A I don't know if he set it up. I was never with
11 him. So I don't know. Like, I cannot tell you what he did.

12 Q But you believed that, in order for him to read
13 those messages, you had to forward to another address?

14 A He had asked me in the e-mail you showed me. I
15 don't know if it was today or the other day. You showed me
16 an e-mail that literally said I'm saying I will forward you
17 these documents. So I am going to have to go with that
18 because I don't really remember and that's what's in
19 writing.

20 Q Showing you Exhibit 229, is this another customer
21 complaint that you were involved in from Renette Reilly to
22 Sally at fast moves?

23 A Yes. It appears it's a customer complaint written
24 to Sally.

25 Q Do you recall that customer complaint?

26 A Not really. (Pause.) It looks like she was upset
27 because she cannot pay with credit card.

28 Q Was she also upset because her mother was required

1 to sign documents in blank?

2 A I'd have to read it. (Pause.) Yes, that's what
3 she's stating.

4 Q Would this be consistent with numerous complaint
5 e-mails that you read over the course of the time that you
6 worked for Fast Moving Van Lines?

7 A A lot of people did complain about the amount of
8 documents they had to sign at pickup.

9 Q And were they reporting to you and to others that
10 they were being forced to sign things in blank?

11 A I don't think that -- I think this was like one of
12 the only times I've ever seen that. But I'm sure I would
13 directly go to Roni. The foreman was, obviously, not doing
14 his job correctly.

15 But some of the documents were blank and they were
16 supposed to be blank. They were like price list. They
17 cannot charge before having the person look at it. Some of
18 them were -- you couldn't fill them out before.

19 They were, literally, just like here's the
20 contract to move and the terms but not what you are going to
21 be charged because they would have to weigh the items. So
22 they would never have final price right there.

23 Q Were customers required, in your experience, to
24 sign documents in blank and the numbers were, then, filled
25 in afterwards?

26 A Some of them, yeah. With the weight and stuff,
27 there's no way they could have filled it out. They had to
28 go to a weigh station, get a weigh receipt, and fill it out.

1 Q And why would a customer have to sign the weigh
2 station ticket?

3 A The customer did not sign that. The CHP officer
4 at the weigh station will sign that. But we had to get that
5 in order to fill out the rest of the paperwork.

6 Q Are you saying that there would be pricing
7 information filled in later after a customer --

8 A There was pricing information there. It already
9 said how much per pound they were going to be charged. But
10 it didn't have the weight of their items because you cannot
11 weigh items with your brain. You have to take it to a
12 scale. So they take it to a scale once it was already on
13 the truck. They weren't going to put it on the truck unless
14 it was signed.

15 Q On a daily basis, were you having to go to Roni to
16 resolve customer complaints?

17 A Frequently. There was a lot of customer
18 complaints.

19 Q Was there any improvement in the handling of
20 customer complaints while you were there?

21 A No. I felt like he didn't really care about the
22 customers. And I felt like half the time I would be begging
23 him to give them discounts because I just -- I was the one
24 talking to them and I felt bad for them. Not because I
25 thought he would, but I sometimes, thankfully, got him to
26 give some discounts.

27 Q Under what circumstances did you end your
28 employment with Fast Move Van Lines or ASAP?

1 A Just I was supposed to be a sales person.

2 Q All right. You said you were just supposed to be
3 a sales person. Were you just supposed to be a sales person
4 for ASAP?

5 A Yes. I was offered \$1 to be the voice of Fast
6 Move. So just talk to everyone that came in. But then it
7 turned into, oh, now I need you to do this, now you need to
8 do this.

9 Q The person who was always telling you that, was
10 that Roni Hayon?

11 A Yes, it was.

12 Q And, under what circumstances, did you stop
13 working at the Ringwood address?

14 A Between all the customer complaints and the lack
15 of, you know, any, like, compassion from, you know, Roni or
16 any of management and with Linda's increasingly crazy
17 attitude with me, I had to leave. I had a discussion --
18 several discussions, actually -- with Roni about it and he
19 didn't do anything. And I finally got tired of it.

20 Q All right. So then you left. You went to another
21 job?

22 A Uh-huh. Well, actually, I left. I was
23 unemployed. I asked that he lay me off.

24 Q And did he?

25 A He said he was going to. But, after reading what
26 you had given me, it seems that he fought the unemployment
27 claim.

28 Q Excuse me?

1 A That he tried to deny my unemployment, that he
2 laid me off.

3 Q So you asked him to lay you off even though you
4 were quitting at that point?

5 A I was not quitting. I did not want to quit. I
6 couldn't afford to quit.

7 Q So you wanted him to lay you off so you could get
8 unemployment; correct?

9 A Yes.

10 Q So you had some sort of arrangement that he was
11 going to lay you off and --

12 A Well, yeah. Mainly because, not only was it that
13 I was upset and I felt like I was being mistreated, I was
14 also -- Linda was harassing me at work. Like, I would go
15 home every day crying because my boss wouldn't listen.

16 He would literally call us into his office. We
17 would argue. He would watch. He would send us back to our
18 desks nothing being resolved. Treated like shit for months
19 and months and months. I eventually was just like --

20 He, actually, fired me on the phone the second
21 time I tried to quit. One time, I realized I didn't have
22 enough money. I needed to pay my bills. And so I went back
23 to work. And then it lasted two weeks. He was out of the
24 country. I called.

25 Linda was going through fit of hers. She fired
26 two people for no reason or sent them home or whatever. And
27 then I was like, what are you doing? This is getting out of
28 control. And Roni called from Israel and told me to leave.

1 Q All right. Did you file for unemployment?

2 A Yeah.

3 Q Did you get unemployment?

4 A I did end up getting unemployment.

5 Q You did get unemployment?

6 A Uh-huh.

7 MS. DONOHOE: Thank you. I have no further questions.

8 Do the grand jurors have questions? Yes.

9 THE GRAND JUROR: I had one question. Actually, I
10 might have a couple. After Fast Moves was formed, to the
11 best of your recollection -- I know it's hard to remember --
12 how many times did Ido directly supervise you in person, on
13 the phone, and e-mail?

14 Q (BY MS. DONOHOE) Ms. Salazares, I have to ask the
15 question. After you started with Fast Moves, on how many
16 occasions did Ido Or supervise you in person?

17 A It's going to be hard to count. But, like I said,
18 he was rarely there.

19 Q And do you have any idea how many times he
20 supervised you via telephone?

21 A Mostly by phone and e-mail.

22 Q And do you have an approximation of how many
23 times? Is it 10, 20, 100?

24 A No. I mean, I would have to ask everything that
25 happened there. So I would always try to ask, I'm sure, him
26 in the beginning while he was answering me. And then I
27 don't know when. It's very long ago and I don't remember
28 stuff like that. Sorry. I don't have the best memory,

1 period.

2 Q Apart from -- you knew he was there for when Alex
3 Krem picked up his belongings. And you knew that, after
4 that time, there was a DOT audit that he was not involved
5 in.

6 A Uh-huh.

7 Q Do you recall any situation where Ido Or was
8 personally involved in supervising you?

9 A I was going to say, even when he was in the
10 country, he was barely in the office. So, I mean, I don't
11 feel like he's supervised much at all.

12 MS. DONOHOE: Any other questions? Yes.

13 THE GRAND JUROR: Based on the observation regarding
14 Ido's signature, her penmanship is consistent with Ido's
15 signature on the forms that she completed.

16 MS. DONOHOE: All right. I have to clarify. The last
17 question was asked by juror number one. And you are juror
18 number 12? Are you juror number 19?

19 THE GRAND JUROR: Yeah, 19.

20 MS. DONOHOE: So, juror number 19, do you have a
21 question you wish me to ask?

22 THE GRAND JUROR: Yes. Based on my observation
23 regarding the forms that the witness completed, it is
24 consistent with Ido's signature in those forms. So I wanted
25 to ask her if she can comment on that.

26 Q (BY MS. DONOHOE) All right. Ms. Salazares, you
27 have looked at a variety of different forms. I'll show you,
28 for instance, Exhibit 208, where there's a signature there

1 for Ido.

2 A Uh-huh.

3 Q And the upper part of that form, Exhibit 208, is
4 that in your handwriting?

5 A Yeah.

6 Q And is that your handwriting for signature of
7 account holder Ido Or?

8 A It does look similar.

9 Q Do you believe you may have signed that document?

10 A I would hope not. But I can't remember. So --

11 Q Did you feel you had permission to sign --

12 A I feel like, if I ever did sign anything, I was
13 forced to sign it, period.

14 Q And who forced you?

15 A Well, I was told to do so by Roni Hayon. Yes.

16 MS. DONOHOE: All right. Does that answer your
17 question?

18 THE GRAND JUROR: If she was forced, is she aware it's
19 illegal to forge signatures?

20 THE WITNESS: I was not comfortable.

21 Q (BY MS. DONOHOE) Let me ask the question.

22 A I'm sorry.

23 Q Again, from juror number 19.

24 Are you aware that, if you were to sign someone
25 else's name to a document that incurred contract, legal
26 liability, obligation to make payment, that would be a
27 forgery?

28 A I wasn't really aware that it was that serious. I

1 really don't think I was comfortable during that period. I
2 know, if I did, I was, definitely, instructed to do so.

3 Q And the person instructing you to do so --

4 A Roni Hayon.

5 MS. DONOHOE: Any other questions?

6 All right. Thank you. I have no further
7 questions. The foreperson is going to read you an
8 admonishment and then you are free to go.

9 (Witness admonished and excused.)

10 MS. DONOHOE: We can break until 1:30 p.m.

11 (Grand jury admonished by the
12 foreperson.)

13 (Recess.)

14 MS. DONOHOE: Our first witness is a record custodian
15 from Bank of the West.

16 (Witness sworn.)

17 TESTIMONY OF SARA DOMOE

18 EXAMINATION

19 BY MS. DONOHOE:

20 Q Good afternoon, Ms. Domoe. Could you please state
21 your name for the record and spell both your first name and
22 last name?

23 A Sarah Domoe. S-a-r-a D-o-m-o-e.

24 Q Ms. Domoe, can you tell us what your occupation
25 is?

26 A I'm a banker.

27 Q And what bank do you work for?

28 A Bank of the West.

1 Q How long have you worked for Bank of the West?

2 A 31 years.

3 Q What is your role at Bank of the West?

4 A Regional operations officer.

5 Q Regional operations --

6 A Regional operations officer.

7 Q And which branch or regional office --

8 A I work out of the downtown San Jose office.

9 Q Could you move that microphone a little closer?

10 Thank you. Did Bank of the West provide records in response
11 to a search warrant for an account called Quick Quotes for
12 Moving, Inc.?

13 A Yes, they did.

14 Q Did they provide records both for a checking
15 account and for a credit card account?

16 A Yes, they did.

17 Q I'd like to show you two documents. The first is
18 Exhibit 230. And it has a Bank of the West letter dated
19 August 21st of 2012. If you could just take a look at this
20 and tell me whether this is the package of documents that
21 were responsive to the search warrant for the Quick Quotes
22 for Moving checking accounts?

23 A Yes, it is.

24 Q And, showing you Exhibit 231, this is a Bank of
25 the West letter dated August 4th, 2012, on the first page.
26 Are these the documents that were responsive to the search
27 warrant for the credit card account?

28 A Yes, it is.

1 Q Now, are you a custodian of records for Bank of
2 the West?

3 A Yes, I am.

4 Q And, as a custodian of records, are you familiar
5 with how the records of the bank are created and maintained?

6 A Yes, I am.

7 Q Have you reviewed the contents of these two
8 exhibits, Exhibit 230 and 231, and confirmed that these are
9 the bank's records?

10 A Yes, I did.

11 Q Are these records the checking accounts records
12 created in the ordinary course of business?

13 A Yes, they are.

14 Q Are they done at or near the time that the
15 transactions occur?

16 A Yes, they are.

17 Q Are they relied upon as accurate in the ordinary
18 course of business?

19 A Yes, they are.

20 Q I'd like to show you as to the third page of
21 Exhibit 230, can you tell us whether you recognize this as a
22 business signature card?

23 A Yes, it is.

24 Q And would this be the business signature card for
25 Quick Quotes for Moving, Inc.?

26 A Yes.

27 Q And, at the time an account is opened, is a
28 signature card created?

1 A Yes, it is.

2 Q At that time, would the account holders' signature
3 be collected from them?

4 A Yes, it would.

5 Q And, in this case, were signatures obtained from
6 two individuals, Roni Hayon and Adii Karter?

7 A Yes.

8 Q Referring you to the next page of Exhibit 230,
9 which ends in Bates number 083, did Roni Hayon sign on the
10 declaration under penalty of perjury for Quick Quotes for
11 Moving?

12 A Yes, he did.

13 Q And was that on June 29th of 2008?

14 A Yes, it was.

15 Q And then, further down in the document, did Adii
16 Karter sign on behalf of Quick Quotes for Moving as the
17 office manager?

18 A Yes, she did.

19 Q And was that on April 29th of 2008?

20 A Yes, it was.

21 Q Was a copy of the articles of incorporation for
22 Quick Quotes for Moving collected at the time the account
23 was opened?

24 A Yes, they were.

25 Q Is that customary to obtain the articles of
26 incorporation when a business account is opened and it's a
27 corporation?

28 A Yes.

1 Q I'd like to draw your attention to a statement for
2 the period of June 1st through June 8th -- excuse me --
3 June 1st of 2008 through June 30th of 2008. Is this a
4 monthly account statement for the account number 022128462?

5 A Yes, it is.

6 Q And is that the signature card related to that
7 particular account?

8 A (Pause.)

9 Q The signature card we just looked at?

10 A Yes, it was.

11 Q In regards to this particular month, were there
12 two deposits equalling \$5,800?

13 A Yes.

14 Q And were there four additional credits of \$2,866?

15 A Yes.

16 Q On June 27th of that month of 2008, was there a
17 \$5,000 deposit made?

18 A Yes, there was.

19 Q And was there also a check on June 27th of \$7,500?

20 A Yes, there was.

21 Q I'd like to show you some of the detail supporting
22 the account. And I'm referring to Bates page number 3099 of
23 Exhibit 230. Does this show a \$5,000 cash deposit?

24 A Yes, it does.

25 Q For June 27th of 2008?

26 A Yes.

27 Q And are you able to see from there the person
28 who's identified as making that cash deposit?

1 A Yes. Adii Karter.

2 Q And the cash-in ticket below, does that tell
3 information about what the cash deposit comprised of?

4 A Yes. It has the breakdown of the bills.

5 Q Is that something a teller would fill out?

6 A Yes.

7 Q On that same date, June 27th of 2008, did Adii
8 Karter -- person identified as Adii Karter on the counter
9 check -- write a check for \$7,500?

10 A Yes, she did.

11 Q And is this a counter check, or is this a check
12 for that account?

13 A This is a counter check.

14 Q What is a counter check?

15 A A counter check is something that the branch has
16 so that, if a customer walking in doesn't have their
17 checkbook, they are able to ask for a counter check and
18 write a check on their account.

19 Q Does it appear that's what happened? Adii Karter
20 came in without a checkbook and wanted to handle a
21 transaction that required a check?

22 A Yes, it does.

23 Q And, showing you the next page which is Bates
24 number 63103, are you able to see an information regarding
25 the purchase of a cashier's check on June 27th of 2008?

26 A I can see that it is a cashier's check and the
27 date shows June 27th of 2008.

28 Q I understand this check is difficult to read.

1 I'll show you a larger copy of it in a moment. So can you
2 also tell from the detail -- can you tell from the detail
3 underneath the check about the amount as \$5,000 and that it
4 was June 27th of 2008?

5 A Yes.

6 Q Are those records kept for each transaction that
7 occurs on account that would be additional information
8 that's placed underneath by the bank?

9 A Yes.

10 Q And, showing you the last page, is this an
11 enlarged copy of that earlier cashier's check that we
12 reviewed?

13 A Yes, it is.

14 Q And does this show the \$5,000 amount?

15 A Yes, it does.

16 Q Is this after the check has been transacted with
17 another bank?

18 A That's after it's cleared.

19 Q After it's cleared with another bank?

20 And can you tell what's identified as having
21 cleared on the check itself?

22 A The stamp in the center that has the name of the
23 other bank on it and the branch that it was negotiated at.

24 Q All right. In the center here where it says Bank
25 of Hopoalim, is that part of the other bank's stamp to clear
26 the check?

27 A Yes.

28 Q The notation here where it says 14 dash 72008, do

1 you know what that means?

2 A That was the date that the check would have been
3 negotiated at the other bank. July 14th of 2008.

4 Q Are you familiar with the Bank of Hopoalim?

5 A No, I'm not.

6 Q That's not something you commonly see in the
7 course of your work at Bank of the West?

8 A No. I've never seen that name of that bank.

9 Q All right. Have you compared the endorser
10 signature with the signature card for the Quick Quotes
11 account?

12 A Yes. It's signed by Roni.

13 Q So you recognized that as the signature of Roni
14 Hayon who had opened that Quick Quotes account?

15 A That is correct.

16 Q So, based on that, does it appear that Adii Karter
17 brought money to the bank and that she purchased a cashier's
18 check that was ultimately transacted by Roni Hayon at some
19 other bank?

20 A Yes, it does.

21 Q On that same day -- I'd like to show you another
22 transaction -- on that same day, do you see a cash-out
23 amount of \$2,500?

24 A Yes.

25 Q And so she wrote a check -- a counter check for --
26 I'll withdraw that.

27 She came to the bank with \$5,000 in cash which she
28 deposited; correct?

1 A That is correct.

2 Q And then she wrote a counter check for \$7,500; is
3 that right?

4 A Yes.

5 Q And then she purchased a Bank of the West
6 cashier's check payable to Roni Hayon for \$5,000; correct?

7 A That's correct.

8 Q And then she took \$2,500 cash back; is that right?

9 A Yes.

10 Q Is there any reason that you know of that someone
11 would need to come to the bank with \$5,000 in cash and then
12 take \$2,500 in cash after handling their transaction?

13 A It's not a normal course of business. No.

14 Q Okay. I have no further questions about that
15 account. And I just want to confirm that, as to
16 Exhibit 231, the Quick Quotes credit card account, were Roni
17 Hayon and Adii Karter granted \$10,000 credit limit in
18 connection with this particular credit card?

19 A Yes, they were.

20 Q Did Roni Hayon also prepare a signature card
21 relating to the credit card account?

22 A It's an application for the credit card.

23 Q That's an application?

24 A Yes.

25 Q I'm showing you page number 63116. And here,
26 again, would Roni Hayon have signed an agreement in
27 connection with that credit card?

28 A Yes.

1 Q And was that on April 29th of 2008?

2 A Yes, it was.

3 Q And the supporting documents that are with this
4 particular batch, with the top letter August 24th of 2012,
5 are these the monthly account statements that go with that
6 account?

7 A Yes, they are.

8 MS. DONOHOE: All right. Thank you. I have no further
9 questions. Do the grand jurors have any questions?

10 Okay. The foreperson is going to read you an
11 admonishment and then you are free to go.

12 (Witness admonished and excused.)

13 MS. DONOHOE: Our next witness is Investigator Gordie
14 Bowen.

15 (Witness sworn.)

16 TESTIMONY OF GORDON BOWEN

17 EXAMINATION

18 BY MS. DONOHOE:

19 Q Good afternoon, Investigator Bowen. Could you
20 please state your first and last name for the record and
21 spell both names?

22 A Gordon Bowen. G-o-r-d-o-n B-o-w-e-n.

23 Q Good afternoon, Investigator Bowen. Could you
24 please tell us what your occupation is?

25 A Criminal investigator for the district attorney's
26 office.

27 Q And how long have you worked with the district
28 attorney's office?

1 A Two and a half years.

2 Q Prior to that, where were you employed?

3 A City of San Jose at the police department.

4 Q What was your position there?

5 A Patrol lieutenant for 28 years.

6 Q 28 years?

7 A Yeah.

8 Q In connection with your duties with the district
9 attorney's office, have you worked on an investigation of
10 Roni Hayon and the operations of ASAP Relocations?

11 A Yes, I did.

12 Q And, during the course of your investigation, were
13 you involved in a search warrant that was served at the
14 Ringwood address in San Jose?

15 A Yes, I was.

16 Q Were you also involved in meetings after the
17 service of the search warrant with the representatives from
18 that business?

19 A Yes, I was.

20 Q And, drawing your attention to June 6th of 2011,
21 did you have a meeting with the attorney for Roni Hayon and
22 with Roni Hayon present?

23 A Yes, I did.

24 Q Can you tell us what was the purpose of that
25 meeting?

26 A The meeting was to meet with the attorneys to go
27 over the evidence which was seized from the ASAP business.

28 Q All right. That was, in response to the search

1 warrant, the attorneys were coming in to review the evidence
2 that had been seized?

3 A Yes.

4 Q Was there more than one attorney present?

5 A Yes, there was.

6 Q Was there more than one client present?

7 A Yes, there was.

8 Q Can you tell us the names of the attorneys and the
9 clients that were present?

10 A I need to refer to my report.

11 Q Would that refresh your recollection?

12 A Yes, it would.

13 Q You may refer to your report.

14 A Do you have a copy of that for me?

15 Q Oh, yes.

16 A Thank you. Could you repeat your question?

17 Q Yes. Can you tell me what attorneys and clients
18 were present please?

19 A Attorney Dennis Lempert was representing Roni
20 Hayon. Attorney Bill Chestnut was with defendant Adelinda
21 or Linda Reyna. Public Defender Alison Gomez was with
22 defendant Wayne Allen.

23 Q All right. At that time when you were there with
24 the attorneys and those three individuals, did they review
25 evidence and select evidence that they wished to have copies
26 of?

27 A Yes, they did.

28 Q And did you participate in making sure that they

1 got copies of the information that they were requesting?

2 A Yes, I did.

3 Q How did you go about doing that?

4 A As they went through the boxes, they would select
5 binders or particular folders. I would make note of what
6 they requested, put a sticky note on it. And then, when we
7 finished up that day, then I went ahead and pulled those
8 with the paralegal David Ocampo. We made copies and
9 disseminated to the attorneys.

10 Q So they went through the evidence that had been
11 seized during the search warrant and made specific
12 selections of the things that they wanted?

13 A Yes.

14 Q Do you recall approximately how many boxes of
15 evidence they reviewed during that process?

16 A Yes. Approximately 35 boxes of evidence.

17 Q And, when you say boxes, are you describing boxes
18 about the size of those blue buckets to my left?

19 A Typically referred to as banker boxes.

20 Q Approximately 35 banker's boxes?

21 A Yes.

22 Q Were any limitations put on the selection of
23 evidence in terms of what they told you in terms of how it
24 should be handled?

25 A Excuse me. I didn't follow your question.

26 Q Was there any limitation put by anyone? Did
27 anyone say only disseminate this when you make copies to
28 certain people? Was there any limitation put on the

1 evidence that was disclosed?

2 A No. Just that I was present while they were
3 viewing the evidence.

4 Q All right. And so, at their request, was one of
5 the binders that was copied labelled binder 13 B 1?

6 A Yes.

7 Q And, at their request, did you provide that binder
8 to David Ocampo for purposes of copying and Bates stamping
9 the evidence?

10 A Yes.

11 Q Was that with the goal of, ultimately, making sure
12 everyone that attended that meeting would have copies of
13 everything that was selected?

14 A Yes.

15 Q Have you reviewed documents that were contained in
16 13 B 1 after the date of the meeting with those attorneys on
17 June 6th of 2011?

18 A I have scanned through a lot of the evidence from
19 the binder. I didn't go page by page. Some of the
20 individual papers I did.

21 Q All right. I'd like to show you what is People's
22 Exhibit 232. Is this the outside of binder that was from 13
23 B 1? Can you see there?

24 A Yes, it is.

25 Q Did that binder have on the outside an entry for
26 ATK?

27 A Yes, it did.

28 Q Did you review information inside the binder that

1 included a retainer agreement for ATK Transportation, Inc.?

2 A I don't recall reviewing that particular document.

3 Q Have you reviewed it in preparation for your
4 testimony today?

5 A Yes, I have.

6 Q And so you are familiar with it?

7 A Yes, I am.

8 Q And you were familiar with having produced this in
9 connection with what they requested to you to provide;
10 correct?

11 A Yes.

12 Q And so you would have given this entire binder,
13 including this item, to David Ocampo for imaging and Bates
14 stamping and then providing to the defense and all the
15 attorneys?

16 A Yes.

17 Q Prior to that time, did you know who Adii Karter
18 was?

19 A Yes.

20 Q How did you know who Adii Karter was?

21 A Throughout the investigation, that name had come
22 up. And speaking with the other investigators -- Norm Levy
23 -- that name did come up.

24 Q All right. Did you know her relationship with any
25 of the people that were present at that meeting on June 6th
26 of 2011?

27 A Yes.

28 Q Do you know who she is?

1 A I think it's Roni's wife or ex-wife.

2 Q Do you know whether she's a current or ex-wife?

3 A I believe she's the ex-wife.

4 Q Okay. All right. So this document would have
5 been included with simply everything that was turned over in
6 response to what was requested at that meeting? It would
7 have been one among many documents; correct?

8 A Yes.

9 Q Also at that meeting, did you have occasion to
10 access a briefcase that had not yet been opened during the
11 search warrant?

12 A Yes, I did.

13 Q Under what circumstances was that briefcase
14 opened?

15 A It was requested by -- through Dennis Lempert --
16 from Roni Hayon to Dennis Lempert to me.

17 Q All right. Had the briefcase been accessed prior
18 to June 6th of 2011?

19 A No, it had not.

20 Q So January 2011 was what we've been told the
21 search warrant occurred. So five months had gone by and
22 this briefcase had been sitting in evidence unopened;
23 correct?

24 A Yes.

25 Q And so what happened in connection with accessing
26 the briefcase on June 6th of 2011?

27 A I set the briefcase on the table in front of Roni
28 Hayon. He looked at the numbers -- roller numbers -- or

1 combination. They were in some kind of sequence. And he
2 made a statement, oh, it hasn't been opened. And he
3 manipulated the combination wheels and then opened up the
4 case. And then it was moved over to his attorney
5 Mr. Lempert.

6 Q All right. Did you have an opportunity, after he
7 had opened the briefcase and passed it to his attorney, to
8 take a look at the contents of the briefcase?

9 A Yes, I did.

10 Q Did they request anything from the contents of the
11 briefcase?

12 A Let me refer to my report. I don't think anything
13 was requested out of that briefcase. They were concerned
14 about some moneys in it. But nothing was requested for
15 copy -- to make copies of for them.

16 Q But did you take an interest in the contents of
17 the briefcase once it had been opened?

18 A Yes, I did.

19 Q Why is that?

20 A If there's currency in it, it needs to be booked
21 in a particular fashion. It has to be counted and
22 collected. Currency is booked as evidence in a different
23 part of our evidence collection room.

24 Q All right. Was there currency inside the
25 briefcase?

26 A There was a small amount.

27 Q What is a small amount?

28 A There's a thousand dollars, in reading from my

1 report, a thousand dollars. There was 50 \$20 bills.
2 There's ten American Express traveller's checks. They were
3 in \$100 increments, which is about a thousand dollars.
4 There's a \$10 roll of quarters, a roll of dimes and nickles,
5 and a \$5 bill.

6 Q After you had met with the attorneys, did you have
7 an opportunity to go through the contents of the briefcase
8 more thoroughly?

9 A Yes. I thoroughly went through each folder. It
10 had like a little flap with folders. So I went through each
11 one individually.

12 Q And did the contents of the briefcase raise some
13 red flags for you?

14 A Yes. I saw some employee payroll checks or
15 ledgers which were more current. I don't remember the exact
16 dates, but they are more concurrent to our investigation.
17 Pay/owe sheets. And it was handwritten. It wasn't computer
18 generated. It was more handwritten. That interested me.
19 Along with some bank check receipts which were made out to
20 people with the same name of Hayon. But they were in dollar
21 amounts of seven thousand, eight thousand dollars which drew
22 my attention.

23 Q Did you discuss your concerns with anybody at the
24 office?

25 A Yes. Investigator Norm Levy spoke to -- he has
26 more experience in what I felt might be money laundering or
27 something to that effect.

28 Q All right. I'd like to show you Exhibit

1 Number 153. Do you recognize this as the batch -- a copy of
2 the batch of ledger pages that you saw inside the briefcase?

3 A Yes.

4 Q And I would like to refer you to a page of that
5 which is Bates numbered 017970. Did you also recover from
6 inside the briefcase a Chase receipt for an account ending
7 in 1045?

8 A Yes.

9 Q At that time, did you know the significance of
10 this Chase account?

11 A No.

12 Q No? Were there also receipts from Wells Fargo
13 bank for an account ending in 0429?

14 A Yes.

15 Q And these were just mixed in along with the ledger
16 sheets that you have described?

17 A Yes.

18 Q I'd like to show you Exhibit 233. You mentioned
19 that you saw some cashier's checks receipts. Would this be
20 an example of a cashier's check receipt that you saw?

21 A Yes.

22 Q And did you see that it was drawn for the amount
23 of \$7,000?

24 A Yes.

25 Q And that was to a person identified as Danielle
26 Hayon as the payee?

27 A Yes.

28 Q Showing you the next page, the third page of

1 Exhibit 233, was this another \$7,000 cashier's check payable
2 to a person by the name of Sharon Hayon?

3 A Yes.

4 Q And, showing you another page of Exhibit 233 which
5 ends in Bates number 18041, did you see a cashier's check
6 payable -- copy of a cashier's check -- payable to Elyahu
7 Hayon in the amount of \$8,000?

8 A Yes.

9 Q And then, referring you to Bates page ending in
10 18043 of Exhibit 233, did you see a copy of an official
11 check payable to Eti Hayon -- and that's spelled E-t-i -- in
12 the amount of \$5,540?

13 A Yes.

14 Q Did you believe that the combination of cash,
15 American Express traveller's checks, and these receipts for
16 cashier's checks were unusual?

17 A Yes.

18 Q And is that why you spoke with Norm Levy about
19 them?

20 A Yes.

21 Q I'd like to show you Exhibit 234. Is this a copy
22 of your property report from that day? I don't see a date
23 on it. Is that a copy of your property report about the
24 contents of the briefcase that were removed to a different
25 location?

26 A Yes. I don't recognize that as being my writing,
27 but that is what the contents were.

28 Q Does it have your signature on it?

1 A Yes, it does.

2 Q And do you believe someone else actually prepared
3 the property report and you signed it?

4 A I may have been inventorying. So, as I
5 inventoried to keep inventory, someone else wrote what I
6 verbally told them to write. And then I did sign it. Yes,
7 that's my signature at the bottom.

8 Q Okay. So this would have been your accounting for
9 the cash that was recovered and the American Express
10 traveller's checks?

11 A Yes.

12 Q And so attached with it are these copies of blank
13 American Express traveller's checks. Ten traveller's checks
14 were collected from inside the briefcase?

15 A Yes.

16 Q I'd like to show you Exhibit 235 and ask if you
17 recognize this stock certificate.

18 A Yes.

19 Q How do you recognize that?

20 A It has the name Krilix Incorporated and it --
21 where's the number of shares? It was quite high I believe.

22 Q 28,571?

23 A Yes. Yes.

24 Q So you recognize that as something that you saw
25 inside the briefcase?

26 A Yes.

27 Q And so was that also something that you considered
28 as potentially relating to the other financial transactions,

1 the cash, the traveller's checks, the cashier's checks, and
2 the stock certificate?

3 A Yes.

4 Q I'd like to show you Exhibit 236. The first page
5 has Bates number 17995. Does that appear to be a Garden
6 City Casino tournament receipt?

7 A Yes.

8 Q Did you find a number of gambling tournament
9 receipts in the briefcase as well?

10 A Yes.

11 Q So there's also receipts for Garden city, Lucky
12 Chances Casino, Bay 101, and Lucky Chances. So three
13 different gambling establishments?

14 A Yes.

15 Q Drawing your attention to four days later on
16 June 10th of 2011, did you happen to interview a person by
17 the name of Stevie Tausan?

18 A Yes, I did.

19 Q And why were you interviewing Stevie Tausan?

20 A I was interviewing Stevie as an employee or past
21 employee. I didn't know what her status was at the time. I
22 was contacting ex-employees to find out what they knew about
23 the business dealings of ASAP.

24 Q And was she willing to talk to you at that time?

25 A Yes, she was.

26 Q Did you talk to her in person or in some other
27 way?

28 A No. I called her which turned out to be her

1 cellphone. And she was at work. So she was on her break.
2 So I spoke to her during the break one time. And the next
3 day she called me back. Either later that day or the next
4 day. And we continued our conversation.

5 Q You had an interview over the telephone over the
6 course of two days?

7 A Yes.

8 Q And the first time that you spoke with her, did
9 she tell you where it was that she was working?

10 A Yes.

11 Q Where was it that she said she was working?

12 A She stated she was a bartender at Harry's Hofbrau
13 over on Saratoga Avenue.

14 Q How did you come by her cellphone number?

15 A Through the records that we had seized during the
16 search warrant. One of the boxes was employee records.
17 And, going through that file, it had her application for
18 employment.

19 Q And so you used the number that was in the
20 application in order to make contact with her?

21 A Yes.

22 Q Was she cooperative?

23 A Yes.

24 Q And, during that time that you spoke with her, did
25 she ever claim not to have a memory of what happened?

26 A No. She was very cooperative.

27 Q And did she ever say anything like I didn't hear
28 much, I kept my head down, the door was shut? Did she say

1 things like that?

2 A No, she did not.

3 Q During that conversation, did she tell you about
4 more than one company that operated at Ringwood?

5 A Yes, she did.

6 Q How many companies -- what company names did she
7 give you as have operated at the Ringwood address?

8 A I think she gave me two additional or three
9 additional. I'm referring to my report. The names were
10 Fast Moves Van Lines and ABM Van Lines. We might have
11 talked about another one, but I think it might have been the
12 full name of ABM.

13 Q ABM is America's Best Movers?

14 A Yes. They referred to it as ABM.

15 Q During the time you were interviewing her, both
16 interviews on the two separate days, were you also tape
17 recording her?

18 A Yes.

19 Q And, in preparation for testifying today, did I
20 tell you that Stevie Tausan had difficulty remembering
21 things when she testified before the grand jury?

22 A Yes.

23 Q And did you review her tape recorded interview in
24 preparation for testifying today?

25 A Yes, I did.

26 Q And have we selected certain clips regarding
27 things that she testified to play as to what she told you
28 back then on June 11th of 2011?

1 A Yes.

2 Q Are the recordings that we're using accurate
3 copies of your recorded interview with Stevie Tausan?

4 A Yes.

5 Q And are they simply not the entire recording, just
6 specific topics?

7 A The snippets. The excerpts.

8 Q We have selected certain snippets. I'm going to
9 ask you first, what if anything do you recall her saying
10 about not being able to hear what was going on during the
11 time that she was in the office? Did she ever say she
12 couldn't hear what was going on?

13 A No.

14 Q All right. And I am going to play clip number one
15 and ask you if this is a portion of your interview from
16 Stevie Tausan.

17 (Audio played and transcribed as
18 follows.)

19 SPEAKER: The two offices in the front were Roni's and
20 then Linda's. I mean, you would hear Linda all day, yelling
21 at people, I can't help you, I can't help you. You know,
22 she put the clients on speakerphone and they talk about how,
23 you know, they talk about one price and got another. Now
24 they are paying three times as much. And, yeah, you heard
25 the whole -- you heard the whole drama going on in there.

26 (End transcription.)

27 Q (BY MS. DONOHOE) Is that an accurate clip of what
28 she had to say about what she could hear from her

1 workstation?

2 A Yes.

3 Q Did she ever tell you she was relying on what
4 somebody else told her after the fact, or did you believe
5 that was based on her own personal experience?

6 A Based on her own personal experience.

7 Q Did you ask her questions about how customers were
8 handled by the staff?

9 A Yes, I did.

10 Q I'm going to play a clip and ask whether or not
11 this is an accurate statement or an accurate recording of
12 what she had to say.

13 (Audio played and transcribed as
14 follows.)

15 SPEAKER: Was it broken down into like -- was it kept,
16 like -- okay. You did the sales part of it. But the
17 complaints, did one person handle the complaints? Or did
18 they keep it sectioned off? Or did you handle complaints
19 also? Or your job was just, hey, turn them over to
20 somebody?

21 SPEAKER: Yeah. I mean, basically, like, whoever will
22 pick up the phone. There was a receptionist, but she was,
23 basically, just there to assist Linda. And that was
24 Jasmine -- I don't even know her last name. But yeah. I
25 mean, she would be there. But, basically, she was just told
26 to tell them that, you know, Linda's not in the office and
27 that they need to keep calling back. Like, it was,
28 basically, the same thing over and over again. They would

1 tell you over and over again to call back or hang up on you
2 or they'd talk crap on you, just be completely rude. And
3 it's just crazy.

4 (End transcription.)

5 Q (BY MS. DONOHOE) Was that an accurate clip of the
6 interview about how the customers were handled?

7 A Yes.

8 Q Did she volunteer any information about an audit
9 during the course of the employment?

10 A Yes, she did.

11 Q I'd like to have you listen to this and tell me
12 whether or not this is an accurate clip of one of the
13 statements that she made about businesses and an audit.

14 (Audio played and transcribed as
15 follows.)

16 SPEAKER: One time, the DMV, actually, came in and Roni
17 Hayon had sent Fast Move home and, actually, took all the
18 files out of the back room and shut off the computers and
19 stuff and lied to the DMV, because they came and did an
20 audit, and told them that there's no -- you know, I mean,
21 they didn't tell them there was a Fast Move company,
22 obviously, because they would have been in big trouble for
23 using three companies on one insurance.

24 SPEAKER: Uh-huh.

25 SPEAKER: I mean, yeah.

26 SPEAKER: Do you remember when that was about?

27 SPEAKER: Maybe, like, October through, like, February.

28 SPEAKER: Okay. Of '09?

1 SPEAKER: '09, '10. Yeah. The beginning months -- the
2 end months and the beginning months of the year.

3 (End transcription.)

4 Q (BY MS. DONOHOE) At the time that she told you
5 about this audit and the company called Fast Moves, had you
6 known anything about the relationship between ASAP and Fast
7 Moves?

8 A I didn't know the relationship. I may have heard
9 the name. I didn't understand how it played into the whole
10 picture.

11 Q The fact that she started talking about Roni
12 hiding records, sending people home, did that, then, raise a
13 red flag for you about what was going on?

14 A Yes.

15 Q And was that something that you wanted to follow
16 up on in the course of your investigation?

17 A Yes.

18 Q And did she discuss, during her interview, at
19 least on one other occasion, information about the
20 relationship of these different companies?

21 A Yes.

22 Q I'd like to play another clip for you.

23 (Begin transcription.)

24 SPEAKER: There was Fast Move, ASAP, and ABM Van Lines
25 that were all running under the same insurance even though
26 that's not allowed because it's like monopolizing or
27 whatever.

28 SPEAKER: Uh-huh.

1 SPEAKER: But, yeah, basically, they were all like --

2 SPEAKER: But that was the same company? ASAP

3 Relocations included Fast and ABM?

4 SPEAKER: It included ABM Van Lines and Fast Move Van
5 Lines. Yes.

6 SPEAKER: And you gave quotes for those van lines also?

7 SPEAKER: Uh-huh. Just ABM Van Lines.

8 SPEAKER: Okay.

9 SPEAKER: Because ABM and ASAP were under the same
10 insurance. So, technically, they were the same company, but
11 we advertised them as two different companies. Not related.

12 (End transcription.)

13 Q (BY MS. DONOHOE) Did she make clear that she was
14 only working on ABM account and not on ASAP and Fast Moves?

15 A I thought she was working under ASAP. Maybe ASAP
16 and ABM. But I don't know exactly who she would give quotes
17 for.

18 Q All right. But, based on what she told you, did
19 she ever indicate that she worked on calling out for Fast
20 Moves?

21 A No.

22 Q And, after the time that you interviewed her, did
23 you, then, pursue the lead that you got about Fast Moves?

24 A Yes.

25 Q And did you seek additional records based on the
26 fact that she had told you about Fast Moves?

27 A Yes.

28 Q How did you go about doing that?

1 A Through bank records. Subpoenaed bank records to
2 find out what the relationship was.

3 Q Were additional search warrants prepared for
4 various accounts at different banks and using the name Fast
5 Moves in addition to ASAP Relocations?

6 A Yes.

7 Q Did she tell you information about her coworkers
8 during the interview?

9 A Yes.

10 Q Was one of the people that she talked about Wayne
11 Allen?

12 A Yes.

13 Q I'd like to play a clip for you as to what she
14 said about Wayne Allen. And please tell me if, in any way,
15 it's accurate.

16 (Audio played and paused.)

17 MS. DONOHOE: We are going to go back. I think I
18 played the wrong one.

19 (Begin transcription.)

20 SPEAKER: What's Wayne's last name.

21 SPEAKER: Oh, I hated that guy. Little weirdo.

22 SPEAKER: Okay. And hated him because --

23 SPEAKER: He was just a snake. He was like the worst
24 one. He was, like, the whole reason why -- he was one of
25 the reasons why the company had bad rating because he would
26 lie to customers. Really bad.

27 SPEAKER: Okay. When you say lied to them, lied to
28 them about what?

1 SPEAKER: About pricing. He would say I can give you
2 this deal without clearing it with the bosses. And then,
3 when the day comes to move the person, the price would be
4 inflated because, you know, he promised maybe \$500 or
5 something for a service when really it was supposed to be
6 \$750. So he was just screwing people over to get his money.

7 SPEAKER: Did he have to clear it with the boss? Who
8 was the boss he would have had to clear it with?

9 SPEAKER: Um, Nico or Roni. And, most of the time, no,
10 he wouldn't really clear it with anybody. He'd just do it.
11 Just do his own thing. And he, like, steals moves from
12 people and stuff.

13 (End transcription.)

14 Q (BY MS. DONOHOE) Did she talk about Roni Hayon's
15 attitude towards -- excuse me -- did she talk about the
16 business practices in general at the business?

17 A Yes, she did.

18 Q Is this a clip of her talking about that?

19 (Begin transcription.)

20 SPEAKER: How bad was it? Who do you think --

21 SPEAKER: Oh, my God. It was horrible. They used to
22 rape little old ladies. I mean, not like actually raped
23 them. But, I mean, it was -- it was so terrible. It was
24 disgusting. It was crazy. It was like --

25 SPEAKER: What are some examples of --

26 SPEAKER: It would be like a \$750 bid. And then it
27 would turn into like \$3,600.

28 SPEAKER: And how did it go from \$750, let's say, to

1 \$3,600.

2 SPEAKER: Well, because, maybe, like, it would have
3 extra couple hundred pounds of weight. And then, on top of
4 that, it would just be packing supplies. Like, literally,
5 just packing supplies.

6 (End transcription.)

7 Q (BY MS. DONOHOE) Was that an accurate portion of
8 the recording regarding their practices?

9 A Yes, it was.

10 Q Finally, did she talk, among other things, about
11 Roni Hayon's attitudes toward the customers and towards
12 doing business in the United States?

13 A Yes, she did.

14 (Begin transcription.)

15 SPEAKER: He just doesn't care. Like, he thinks that
16 America is really stupid and they are never going to catch
17 onto his bullshit. Like, they are never going to catch onto
18 him. Like, he really doesn't care. He just thinks he's,
19 like, the most untouchable human being on the planet. Like,
20 he really has, like, this demeanor, like, oh, you stupid
21 Americans, I'm just gonna take your money and go home with
22 it, basically.

23 (End transcription.)

24 Q (BY MS. DONOHOE) Now, that clip, we could hear in
25 the background there was car sound. Do you know whether,
26 during the second interview, she was no longer at work? She
27 was, you know, away from the office or away from her
28 workplace in a car?

1 A That's what it sounds like. I think maybe she was
2 on her cellphone in her car.

3 Q Okay. And did you then --

4 I'd like to mark as Exhibit Number 236. Is this
5 the first page of an affidavit -- let me withdraw that.

6 Exhibit 237 is described as Chase, Bates number
7 012722. Do you recognize your name below the word
8 affidavit?

9 A Yes.

10 Q Is that in your handwriting?

11 A Yes, it is.

12 Q And was this a search warrant that you prepared to
13 pursue the lead that Stevie Tausan gave you about Fast Move
14 Van Lines?

15 A Yes, it is.

16 Q And, in connection with that, were you seeking
17 records from Washington Mutual bank account?

18 A Yes.

19 Q And did that include records relating to account
20 number 3141331045?

21 A Yes.

22 Q And were you specifically interested in evidence
23 that may support money laundering allegations involving that
24 particular account?

25 A Yes.

26 Q Did it take a period of month to get this record
27 back?

28 A Yes.

1 Q Showing you the second page of Exhibit 237, is
2 this the return to that search warrant that was prepared?

3 A Yes.

4 Q So the search warrant was served on August 2nd,
5 2011. And then the documents were recovered by October 5th
6 of 2011?

7 A Yes.

8 Q And did it take a period of time after that to
9 review those records?

10 A Yes, it did.

11 Q And, during the course of analyzing the
12 information that came in, were you able to put together
13 information that showed that there had been crimes committed
14 that were associated with business called Fast Moving Van
15 Lines?

16 A Yes.

17 Q And so, prior to Stevie Tausan interview, did you
18 have any information that showed that Roni Hayon was
19 personally operating Fast Moving Van Lines?

20 A No.

21 Q Was Fast Moving Van Lines supposedly at a
22 different address in Newark, California?

23 A Yes.

24 MS. DONOHOE: All right. I have no further questions.
25 Do the grand jurors have any questions?

26 All right. Thank you. You are free to go. The
27 foreperson is going to read you an admonishment.

28 (Witness admonished and excused.)

1 MS. DONOHOE: Our next witness is Marty Lynn from State
2 Compensation Insurance Fund.

3 (Witness sworn.)

4 TESTIMONY OF MARTY LYNN

5 EXAMINATION

6 BY MS. DONOHOE:

7 Q Good afternoon, Ms. Lynn. Could you please state
8 your name for the record and spell both your first name and
9 last name?

10 A It's Marty M-a-r-t-y Lynn L-y-n-n.

11 Q What is your occupation, Ms. Lynn?

12 A I work for State Compensation Insurance Fund.

13 Q What is your current position?

14 A My current position is claims adjuster.

15 Q And, prior to being a claims adjuster, what did
16 you do for State Compensation Insurance Fund?

17 A I was a payroll auditor.

18 Q Does State Compensation Insurance Fund commonly go
19 by its acronym SCIF?

20 A Correct.

21 Q If I refer to it that way, you will know what I
22 mean?

23 A Yes.

24 Q And, in terms of being an auditor, can you tell us
25 what period of time that you worked as an auditor for SCIF?

26 A From February 2003 to November 2006.

27 Q During that time, did you have occasion to audit a
28 business called ASAP Relocations?

1 A Yes.

2 Q Why were you auditing that business?

3 A It was an annual audit.

4 Q Is that common to conduct an annual audit of a
5 business?

6 A Yes.

7 Q Did you go to a location in San Jose to conduct
8 that audit?

9 A I did.

10 Q Where was that location, if you know?

11 A Queens Street or something.

12 Q Queens Lane in San Jose?

13 A Yes.

14 Q And who did you meet when you went to that
15 location?

16 A Should I have a copy of my audit?

17 Q Okay. I'll show you the documents.

18 A Okay.

19 Q Would your audit records indicate who you met
20 with?

21 A Yes. And I do remember I met with the owner and
22 the bookkeeper.

23 Q All right. So, when you met with those
24 individuals, prior to going there, had you arranged what
25 information they were to have available for you?

26 A Yes.

27 Q Would that be typical, whenever you did an audit,
28 that you would request certain information be available?

1 A Correct.

2 Q What type of information do you want to look at
3 when you go out for an audit?

4 A The payroll records if they use a payroll service
5 or their own books, tax returns which are -- or the EDD
6 forms.

7 Q What types of EDD forms are you expecting to look
8 at?

9 A Those are called DE-6's.

10 Q What are DE-6's?

11 A Quarterly statements that companies usually send
12 to the State of California for quarterly taxes.

13 Q Do the DE-6's show the names of the people that
14 are working within the business and getting paid?

15 A Yeah. The ones that are on payroll. The ones
16 that get W-2's.

17 Q All right. Do some businesses have people that
18 work for them that do not get W-2's?

19 A Yes. They might get a 1099.

20 Q What is a 1099?

21 A That's report that goes to the government. But
22 it's not on a payroll. It wouldn't be in the regular
23 payroll records or be listed as 1099 versus a W-2.

24 Q Are payroll taxes collected from people who
25 receive 1099's?

26 A Not usually.

27 Q Someone who receives a 1099, would they be
28 typically referred to as a subcontractor or an independent

1 contractor?

2 A Yes.

3 Q And, when you are going out to visit a business
4 and audit that business, are you also interested in who
5 their subcontractors or independent contractors are?

6 A Yes.

7 Q Why are you interested in that?

8 A Because sometimes they may truly be a
9 subcontractor as in, like, construction workers. They may
10 actually have a business of their own and their own payroll
11 but they are subbing to a different person, and they have
12 their own workers' compensation policy.

13 Q When you are dealing with the existence of a
14 business that has subcontractors, do you request information
15 about the workers' compensation policies for the
16 subcontractors?

17 A Yes. I ask to see the certificate of insurance.

18 Q Why do you ask for that?

19 A To make sure they have coverage.

20 Q All right. If a business is dealing with
21 subcontractors that don't have certificates of insurance,
22 what happens?

23 A Then I would pick them up. I would include the
24 1099 in the audit as payroll so they could be covered under
25 the main business.

26 Q All right. And can you tell us what the goal is
27 in terms of making sure everyone is covered?

28 A Yeah. So that, when there's a claim, which is

1 what I do now, someone gets hurt, we have to process the
2 whole insurance claim. Then they are actually covered under
3 somebody's policy. If you don't pay the premium, you don't
4 have the coverage.

5 Q So the customer isn't paying premium based on what
6 their payroll that is reported; correct?

7 A Correct.

8 Q And, if their payroll does not include those 1099
9 staff who may not have their own workers' compensation
10 coverage, then the premium would be too low. Is that it?

11 A That would be no premium. Yeah.

12 Q And does that increase the liability for SCIF?

13 A Yes.

14 Q And --

15 A Or a person would actually -- yeah, because, if
16 the person that's not on the policy or there was no premium
17 paid for that person, are they truly covered? Well, I guess
18 we would have to pay if somebody said we did.

19 Q Okay. When you are going out to conduct an audit,
20 your goal, then, is to find out about every worker
21 associated with that business, who's working and is not, is
22 either covered under the employer's State Compensation
23 Insurance Fund policy or has their own workers'
24 compensation --

25 A Right.

26 Q -- certificate?

27 A Right.

28 Q If they are not under either of those categories,

1 they are going to come under the employer's responsibility?

2 A Probably.

3 Q Okay. And, when you went out to the Queens Lane
4 address for ASAP and reviewed their books, did you discover
5 that there were staff identified as subcontractors; they are
6 1099 staff for which there was no workers' compensation
7 certificates?

8 A Correct.

9 Q Did you bring that to the attention of the
10 principle of the business Roni Hayon?

11 A I did.

12 Q And did you also bring it to the attention of the
13 other person who was involved in the audit?

14 A Uh-huh. I did.

15 Q Okay. I'd like to show you a copy of your audit.
16 Description of operations is on the first page. And that is
17 Exhibit 238. Showing you Exhibit 238, do you recognize this
18 as a document that was generated by you in connection with
19 the audit of ASAP Relocations?

20 A Yes, it is.

21 Q Okay. I'm going to take it back and put it on the
22 display for the grand jurors.

23 A Okay.

24 Q Would the document such as 238, the audit report
25 that you do, be something that would be shared with the
26 employer after the audit?

27 A Yes.

28 Q Is that information relied upon in connection with

1 the subsequent actions that take place in regards to the
2 account?

3 A Yes.

4 Q All right. Showing you Exhibit 238, the first
5 page, does it identify you as the person performing the
6 audit?

7 A Correct.

8 Q Would that have been for the period of
9 October 1st, 2004, to October 1st, 2005?

10 A Correct.

11 Q Is there any reason why its period is October to
12 October, not January to December?

13 A That's when they bought the policy. So he bought
14 the policy in October. So it's for that year.

15 Q Okay. When you are doing the audit, are you also
16 planning what would be the premium for the following year?

17 A Yes.

18 Q And here the number of employees identified for
19 first quarter is four for people engaged in keeping the
20 books, records, and cash of the employer, and conducting
21 correspondence and general office work. Is that based upon
22 what you found or what they provided to you?

23 A It's what was in the payroll records.

24 Q All right. And that category there's a code there
25 that says 8810. What does that mean?

26 A That's office people sitting at the desk.

27 Q Is that the category that's maintained by SCIF in
28 terms of determining what the premium would be?

1 A Yes.

2 Q Is that category a low risk or high risk category?

3 A It's probably the lowest risk.

4 Q Does that mean premium for that category of staff
5 is less than somebody, say, a mover?

6 A Correct.

7 Q Referring you to the next group, employees engaged
8 in sales, customer service in and out of the office, and
9 devote the balance of the time to clerical work. Is that
10 what you found based on the payroll records?

11 A Uh-huh.

12 Q And the code 8742. What is that?

13 A That's sales.

14 Q How is that categorized?

15 A It's low. It's higher than 8810 because 8742 is a
16 little bit more physical. It might be \$0.50 more.

17 Q All right. 50 cents more per thousand?

18 A Per thousand of payroll.

19 Q Someone who is in that category would be somebody
20 who goes out and gives quotes by going to their homes?

21 A Yeah.

22 Q Okay. And the next group that you found for the
23 first quarter of 2003 is three employees engaged in placing
24 household items into boxes for shipment and loading them
25 onto moving trucks. Larger items are covered with moving
26 blankets. The goods are sent to customer's destination and
27 then unloaded. Is that the description of the movers that
28 you located on the payroll?

1 A Uh-huh.

2 Q Who gives these descriptions?

3 A They gave them to me.

4 Q All right. They told you how they performed their
5 work; correct?

6 A Yes.

7 Q And that was put into code number 8293?

8 A Uh-huh.

9 Q What is that code?

10 A It's a code for movers.

11 Q All right. And is that, of those three codes
12 above, is that the highest price premium code?

13 A It's pretty high. Not as high as roofers. That's
14 the highest code in occupational codes.

15 Q All right. Not as dangerous work as roofing, but
16 it's up there because it's a physical labor job?

17 A Correct.

18 Q Then there's the third quarter of 2005 listed
19 there with the number of employees as 20. Can you tell us
20 how you determined that, those 20 employees?

21 A I think that's the 1099's that I picked up.

22 Q All right. Employees are engaged in driving and
23 loading trucks. Is that the description that they gave to
24 you based on the 1099's?

25 A Yes.

26 Q All right. And were they also classified as code
27 8293?

28 A Yes.

1 Q So the most expensive premium class?

2 A Yes.

3 Q And then it says here Roni Hayon -- Hayton --
4 excluded officer oversees all ops and employees.

5 A Uh-huh.

6 Q Did he have to pay workers' compensation premium
7 for himself?

8 A No.

9 Q So he would be excluded?

10 A He's excluded. There was an endorsement.

11 Q He has to sign an endorsement?

12 A Yes.

13 Q The second page of Exhibit 238, are these the
14 questions that you asked of the person who's being
15 interviewed about the operations of the business?

16 A Yes.

17 Q And one of the questions that you asked: Is there
18 any board or lodging furnished in lieu of wages?

19 A Yes.

20 Q And there's an "N" to the right of that. What
21 does that mean?

22 A "No."

23 Q Does it also show the information that you were
24 relying upon to perform your audit?

25 A Uh-huh. Yes.

26 Q Did that include a payroll journal?

27 A Yes.

28 Q Did it include employee earnings records?

1 A Correct.

2 Q And did it include the DE-6's?

3 A Correct.

4 Q Was one of the questions that you asked any
5 contract work by others?

6 A That was one of my questions. Yes.

7 Q And was the answer yes?

8 A Yes.

9 Q Was that based on what someone from the company
10 told you or what you found in the payroll records?

11 A I always ask that question.

12 Q All right. Did they tell you yes or no?

13 A They said yes.

14 Q And so did you, then, look for the workers'
15 compensation certificates for those people that were
16 identified as 1099 staff?

17 A Yes.

18 Q And were you able to get workers' compensation
19 certificates for all of them?

20 A Some of them. It looks like I wrote certificates
21 check for interstate truckers and some 1099. So he had some
22 certificates for some people.

23 Q Okay. So your understanding was this business
24 didn't understand that they had to have certifications for
25 the people that were under 1099 payroll?

26 A Yes.

27 Q I'm going to refer you to the next page of that
28 audit report Exhibit 238. And this is Bates number ending

1 in 40629. Does it include your auditor's notes on the date
2 that you met with the company?

3 A Uh-huh.

4 Q Was it November 21st of 2005?

5 A Correct.

6 Q And who is it that you met with based on your
7 notes?

8 A The office manager had the books I looked at. And
9 Roni was there.

10 Q So the office manager that you worked with on the
11 audit, what was his name?

12 A Moaz.

13 Q Moaz?

14 A Yeah. Kadesh.

15 Q M-o-a-z is how you spell the first name?

16 A Correct.

17 Q And the last name is spelled K-a-d-e-s-h?

18 A Correct.

19 Q Did you spend more time with Moaz Kadesh or more
20 time with Roni Hayon?

21 A They were both there the whole time I did the
22 audit.

23 Q Okay. It indicates that your audit was three
24 hours plus extra visit for IC questions. What does that
25 mean?

26 A Independent contractors.

27 Q You spent three hours physically at the location
28 on Queens Lane. Did you have to go back, or did you have

1 follow-up questions by telephone?

2 A No, I didn't go back. I don't believe I went
3 back. The three hours, it takes that long because I take
4 all the information from the payroll and the tax records and
5 put it in my computer and do the whole, you know, the
6 worksheet, the Excel sheet and all that.

7 And then the extra time was just to ask them
8 questions about the independent contractors, make sure I saw
9 all their 1099's and also asked them questions about the
10 outside, the trucks. Kind of, a little bit of
11 investigation.

12 Q Were you concerned about what they were disclosing
13 in terms of how they operated their business?

14 A No. I just asked them where all the trucks were
15 kept and stuff like that.

16 Q Did their business seem unusual in any way?

17 A No. No.

18 Q Did you find that they were not reporting the 1099
19 staff to SCIF?

20 A Correct. On the spreadsheet that I go over with
21 the owner of the business, I show them -- on my computer --
22 that this is what I've -- the conclusions I've come to, what
23 classifications they are in, and then what they reported. I
24 always have a copy of -- every month they send in their
25 premium record. They send in who they reported. So, at the
26 end, I showed him. I compared that. You underreported your
27 payroll and this is why. I always explained before I left
28 in the audit.

1 Q Why do you do that?

2 A So they won't be shocked when they get a bill.
3 When I leave, they will get a letter saying, you know, this
4 is what you owe for this much payroll.

5 Q If they are doing something as a result of
6 mistake, are you concerned about educating them so they
7 won't commit the same mistake in the future?

8 A Yes. I had to tell many people that they were
9 reporting on net instead gross income. So they were using
10 the wrong line on their payroll records to fill out the
11 reports or wrong classifications. And so I try to educate
12 them on how to do it correctly next year.

13 Q Did you feel they were understanding what you told
14 them?

15 A Uh-huh. Yes.

16 Q Showing you the next page of Exhibit 238, is this
17 a list that you prepared?

18 A Correct.

19 Q And what is that a list of?

20 A Those were all the names of the people who
21 received 1099's for that pay period, and they were all in
22 the truck driver or loading code.

23 Q So this would have been people you picked up in
24 the course of looking at their paychecks, payroll records?

25 A Correct.

26 Q Were there approximately 16 people that were
27 listed under the category 1099?

28 A That's what I saw.

1 Q Were there any certificates for workers'
2 compensation insurance for these individuals?

3 A No.

4 Q Showing you the next page of Exhibit 238. This
5 ends in Bates page 40631. Can you tell us what this
6 document is?

7 A Yeah. That's the sheet that I listed the
8 subcontractors that actually did have certificates of their
9 own. And so there were three subcontractors that had,
10 apparently, their own businesses. They were in the moving
11 business, and they had their own workers' compensation
12 carriers. One with State Compensation Insurance Fund, two
13 with two other companies. And so I wrote down the policy
14 numbers and their expiration date to make sure it was
15 covering the same period.

16 Q All right. In regards to the payments being made
17 by the business to these different companies, everything was
18 fine; correct?

19 A Correct.

20 Q And they did understand the significance of having
21 certificates of insurance for their subcontractors?

22 A Correct.

23 Q After the audit, did you have occasion to send
24 them a notice that there would be additional amounts due
25 after there had been further review by an audit analyst?

26 A Yes. Even though I tell them when I leave the
27 audit -- I always tell everybody what the outcome of the
28 audit is -- but we always followed up with a letter so it's

1 in writing that the audit was done and that I checked on the
2 bottom. It was the premium change is going to be because
3 and I included employees that received 1099's.

4 Q Was the amount of the payroll that was being paid
5 to these 1099 employees or 1099 staff substantial?

6 A I'd say so. Yes.

7 MS. DONOHOE: I think we haven't taken our break. So
8 how about we take a 15-minute break? And we will resume
9 with this witness.

10 (Recess.)

11 Q (BY MS. DONOHOE) We are back on the record. You
12 are still under oath.

13 I'm going to show you Exhibit 239, which is a
14 letter dated 12/21/05. Do you recognize this as a follow-up
15 letter that you did after your November 22nd audit with ASAP
16 Relocations?

17 A I recognize the letter. I'm not sure I personally
18 sent it. Did I sign?

19 Q Oh, I'm sorry. Do you see that signature on that
20 letter?

21 A I apparently did. That was one of our standard
22 letters.

23 Q Did you send that letter to follow up with the
24 business because you needed more information?

25 A Yes.

26 Q Were you seeking specific information, payroll
27 journals, DE-6's, all 1099's in 2004 and 2005?

28 A Yes.

1 Q Were you concerned, after the meeting with the
2 company on November 22nd, 2005, that you still did not have
3 all the information you needed?

4 A Correct.

5 Q And do you know or do you recall whether you got
6 any additional information out of the company?

7 A I do believe I got a response.

8 Q I'd like to show you Exhibit 240 and ask whether
9 you recognize this as a summary that you prepared regarding
10 the different business classes based on the records that you
11 did review for the company.

12 A Yes. That's the sheet where I input the actual
13 amounts that I picked up.

14 Q All right. So where it has estimated exposure
15 zero and actual exposure total 490,000. Can you explain
16 what that means?

17 A Are you at the bottom?

18 Q Yes. I'm sorry. You can't see.

19 A Yeah. So the actual exposure with all the payroll
20 was the four ninety.

21 Q That's the total you calculated based on the visit
22 to the business?

23 A Correct.

24 Q And was that substantially less than what they had
25 actually reported to SCIF?

26 A Yes.

27 Q Was it on the same page, the amount that they had
28 reported to SCIF?

1 A The verification page that you are looking at now?

2 Q Yes.

3 A That was on the payroll.

4 Q So that was based on the payroll. And was there
5 anything else for you to review other than the payroll
6 records?

7 A Right. The 258,896, that's from the payroll. The
8 number above is including the 1099's.

9 Q Okay. So the verification total was what was
10 reported via the payroll, and the 490 was what would include
11 the 258 plus the 1099 income?

12 A Correct. I believe so. Yes.

13 Q Showing you Exhibit 241, is this a summary based
14 on the payroll reports?

15 A Correct. That's the dates on the left. October,
16 November, and then every month. The totals and then broken
17 down by classifications. So bottom says reported.

18 Q All right. What they reported was based on the
19 classifications -- the total class -- total of the entire
20 payroll they reported \$180,831?

21 A Uh-huh.

22 Q The audited amount was \$409,422?

23 A Correct.

24 Q The difference was \$309,590 that had not been
25 reported?

26 A Correct.

27 Q And then the subsequent columns, are they for the
28 different classes?

1 A Yes.

2 Q To show what was under -- what they were
3 underreporting?

4 A Correct.

5 Q Was the largest class that was underreported the
6 class for the movers, the 8293?

7 A Correct.

8 Q Was that amount \$240,234?

9 A Correct.

10 Q You mentioned earlier that you would look at the
11 payroll reports submitted by the company in preparation for
12 your audit and you would have those with you; correct?

13 A Yes.

14 Q And I'd like to show you Exhibit 161. Would this
15 be an example of what the company would submit to SCIF that
16 you would rely upon in determining what the company had
17 reported to SCIF?

18 A Yes.

19 Q So, in this instance, was Roni Hayon identified as
20 the president but someone else was completing the payroll
21 report?

22 A Correct.

23 Q And, in this instance, was that person identified
24 as Moaz?

25 A Correct.

26 Q And entitled dispatcher?

27 A Okay. It says dispatcher there.

28 Q All right. Moaz was one of the people you had met

1 with; correct?

2 A Yes. Office manager.

3 Q Office manager was what he called himself as?

4 A Uh-huh.

5 Q I'd like to show you --

6 A Martha, can you put that back up there?

7 Q All right. Do you have a question about

8 Exhibit 161?

9 A I was going to show you the rates up there.
10 Remember how I said the rate was a dollar fifty difference?
11 You see the dollar thirty-nine?

12 Q Okay. The rates are stated in this interim rate
13 column?

14 A Uh-huh.

15 Q For clerical office employee, the rate would be a
16 dollar thirty-nine per thousand dollars of payroll?

17 A Right.

18 Q Sales person outside would be a dollar fifty-four
19 premium per thousand dollars of payroll?

20 A Correct.

21 Q For a mover, it would be \$40.77 premium for a
22 thousand dollars of payroll?

23 A Correct.

24 Q It was a much more substantial amount for premium
25 for the movers?

26 A Yes.

27 Q Was it unusual to see a business like this that
28 was a moving business that had so much of the staff

1 allocated to clerical office employees?

2 A I found it unusual.

3 Q Did you discuss that with the business at all?

4 A I that's why I asked him where all the trucks and
5 truck drivers were, a little bit about the business. Like
6 most offices have one, two, three people at the moment if
7 they are actually having a business doing something else.

8 Q I see. That's the follow-up letter that you sent
9 where you asked for that additional information?

10 A Uh-huh.

11 Q Your answer's yes?

12 A Yes.

13 Q All right. I'd like to show you Exhibit 242. Did
14 I show you this 1099 federal tape detailed report for 2005?

15 A Yes.

16 Q Is this something that you would have liked to see
17 back when you were doing your audit in 2006?

18 A Yes.

19 Q Did you see this report back in 2006?

20 A I did not.

21 Q Does it have many more 1099 employees listed --
22 1099 staff listed -- than what you were able to uncover by
23 looking at their paychecks records?

24 A Yes. There was approximately 20 more people.

25 Q Do you believe that would have significantly
26 increased the -- would that have significantly increased the
27 amount of obligation for premium payments had you known
28 about these other 1099 staff?

1 A Yes.

2 Q So I believe you testified earlier as to
3 Exhibit 238 that you picked up 16 people that were paid
4 under the 1099 category.

5 A Correct.

6 Q And does Exhibit 242 seem to include 1099's for
7 many more people than that?

8 A Yes.

9 Q So pages of 1099's there.

10 A Uh-huh. Yes.

11 Q So do you believe that your calculation of the
12 unreported payroll was actually substantially more than what
13 you picked up in 2006 based on this additional record?

14 A I'm sorry.

15 Q Okay. If you had known that, instead of 16 1099
16 employees, there were 20 more 1099 employees, do you think
17 that would have increased the amount of unreported payroll
18 that was subject to workers' compensation premium?

19 A Quite a bit more.

20 Q During the course of your interview with the
21 company, you stated that one of the questions you asked is
22 was any board or lodging furnished in lieu of wages; is that
23 correct?

24 A Yes.

25 Q And they said no?

26 A Correct.

27 Q Did they ever show you -- I'll show you
28 Exhibit 243, which has a Bates number ending in 011669. Did

1 they ever show you a file called company apartment?

2 A No.

3 Q Were you aware of any company agreement that
4 allowed ASAP to deduct from a person's salary rent for a
5 Boynton Avenue apartment?

6 A No.

7 Q Did you know that there was a Boynton Avenue
8 apartment?

9 A No.

10 Q I'd like to show you Exhibit 244, which is a batch
11 of checks related to Boynton Brooks Apartment and Garden
12 Oaks Associates. Showing you Exhibit 244, which has Bates
13 page of 31400, does this appear to be a payment for the
14 Boynton Brooks apartment?

15 A Never saw it.

16 Q Never saw that?

17 A Uh-huh.

18 Q If you had seen a check for Boynton Brooks
19 apartment and knew that employees were receiving
20 reimbursement in part through payment of their rent, would
21 that be something you'd include in your audit?

22 A Yes.

23 Q Would that also increase the amount of payments
24 that were subject to premium?

25 A Yes.

26 Q So none of these checks were ever disclosed to you
27 in terms of paying for Boynton Apartment?

28 A No.

1 Q Showing you Exhibit 245, were you aware of an
2 agreement that they would pay the phone bill for employees
3 but deduct that amount from their weekly pay?

4 A Did not know.

5 Q Okay. And did you ever see a copy of a company
6 agreement that agree to \$155 per paycheck?

7 A No.

8 Q If you had been aware of this type of deductions
9 from person's pay, would that have been something that would
10 be added back to payroll amount?

11 A Yes.

12 Q I'd like to show you Exhibit 246. This exhibit is
13 an e-mail that is dated November 15th of 2006 from Avegale
14 -- and that's spelled A-v-e-g-a-l-e -- excuse me -- from
15 Jocelyn to someone named Avegale. Do you know those people?

16 A I do not.

17 Q Do you know whether, based upon the audit you did,
18 there was premiums collected from ASAP for the premiums that
19 had not been paid for the 2004/2005 pay period?

20 A I do not know if they were paid. They were billed
21 I'm sure.

22 Q Does this e-mail reflect the amount that you
23 captured during the course of your audit as an underpayment
24 \$309,590?

25 A Uh-huh.

26 Q Yes?

27 A Yes.

28 Q I'd like to show you Exhibit 5. Do you recognize

1 this individual?

2 A I do. Yes.

3 Q Who is that?

4 A That's Roni, the owner.

5 Q Is that Roni or is that --

6 A They look similar.

7 Q I'd like to show you Exhibit 133. Do you
8 recognize this individual?

9 A Uh-huh. They both look the same to me. They were
10 both there, and they looked like brothers almost.

11 Q You don't recognize him specifically?

12 A The first one I definitely recognize. He was in
13 the office.

14 Q But do you know --

15 A I don't know who it was. I don't remember which
16 was which.

17 Q Showing you Exhibit 5, this is the individual that
18 you recognize as present during the audit interview?

19 A Uh-huh.

20 Q But you don't know him specifically by name. And
21 that was back in 2006 or 2005?

22 A Yeah.

23 Q Okay. Thank you.

24 Based on your experience with SCIF, do you believe
25 that the underpayment of a minimum of \$309,000 --
26 underreporting of a minimum of three hundred -- let me
27 withdraw that.

28 Do you believe, based on your experience with

1 SCIF, that the underpayment of over \$309,000 reporting of
2 payroll would result in a significant underpayment of the
3 workers' compensation premiums?

4 A Yes.

5 Q And would the failure to report the most expensive
6 class of employees, the movers, result in a significant
7 underpayment of workers' compensation premiums?

8 A Yes.

9 MS. DONOHOE: Thank you. I have no further questions.
10 Do the grand jurors have any questions? Yes. Jury number
11 five.

12 THE GRAND JUROR: It's more, sort of, a procedural
13 question as an auditor. And I have a couple questions. Is
14 an audit performed each year? And, when she initially went
15 for the audit, was that with the business name in hand? And
16 so then the follow-up would be, at that time, were other
17 businesses under that roof to have reported similar
18 information?

19 Q (BY MS. DONOHOE) All right. Ms. Lynn, first of
20 all, when you went to do the audit, were you auditing a
21 specific business?

22 A Yes. ASAP Moving.

23 Q And, at that time, when you were conducting an
24 audit, are you also trying to find out if there is multiple
25 enterprise payroll?

26 A Yes.

27 Q What is multiple enterprise payroll?

28 A You mean like they have couple businesses? They

1 might have two businesses and two different sets of books.

2 Q Do you also check to see if there's more than one
3 business being operated at the same location?

4 A If it doesn't look like there is and they don't
5 offer that information, I don't know that I ask that there
6 was other businesses.

7 Q All right. In this specific instance, did you ask
8 any questions about were they operating another business
9 other than ASAP?

10 A I cannot recall that. I probably did not ask
11 that.

12 MS. DONOHOE: All right. Does that answer your
13 question?

14 THE WITNESS: I mean, the office was pretty small when
15 I was there.

16 MS. DONOHOE: All right.

17 THE WITNESS: I mean, it was probably not any bigger
18 than this area where we are now. So two and three desks.
19 And it appeared to be one business.

20 Q (BY MS. DONOHOE) And this was at Queens Lane?

21 A It was at Queens Lane. I went there.

22 THE GRAND JUROR: So the business names, then, that the
23 SCIF would be auditing, where are those names generated
24 from? And would they -- that's all.

25 Q (BY MS. DONOHOE) All right. Were you relying upon
26 specific records provided by the business in order to
27 identify those names of 1099 subcontractors?

28 A (Pause.)

1 Q You got names --

2 A If you go back to my audit.

3 Q Yes.

4 A Okay. I think I know what your question is. We
5 did use, to do audits every single year --

6 Q Wait. I have to pose a question. I'm sorry.

7 A Okay.

8 Q I'm going to refer you to the exhibit.

9 A Okay.

10 Q You came up with a list of people. And I'm
11 referring you to Exhibit 238. How did you get the people
12 that are listed there? How did you come up with their
13 names?

14 A Well, they gave me the 1099's. I saw 1099's for
15 those people.

16 Q Did you also have their payroll records to refer
17 to?

18 A I had their 1099's.

19 Q Okay. So you didn't have paycheck records listing
20 1099 payments?

21 A Just 1099's with their names on it. But what I
22 was going to say is at the top of that page or all the pages
23 on the audit, on the very right-hand side of the bottom, it
24 says policy number WC zero zero zero. That's their policy
25 number. So ASAP had to go and apply for a policy to start a
26 policy. And, once they paid the first premium, they go in
27 and they say this is our business. We are a moving
28 business, and we have six employees or whatever. And they

1 pay a premium. And they get a policy number. Based on the
2 policy number, they get audited every year.

3 Q So your audit was limited to that particular
4 entity identified as ASAP that had that particular policy?

5 A Correct. And this one -- some don't have an
6 insurance agent -- this one has an agent.

7 Q And policy documents, their payroll, if they have
8 paychecks or ADP payroll service, you would look at their
9 payroll information. You said you looked at his DE-6
10 information, so what they were reporting to EDD as an
11 employer. All of those things were things that you were
12 looking at?

13 A Correct.

14 Q If, let's say, they were paying cash to people.
15 Did you have any way of determining whether they were paying
16 cash to workers?

17 A Not unless I looked at their checkbook, which I
18 did not.

19 Q So you didn't ask them for their checkbook?

20 A Probably not.

21 Q So the fact that you didn't see all the 1099's --
22 did you ever have a copy of their tax return?

23 A The ASAP tax return?

24 Q Yes.

25 A No.

26 MS. DONOHOE: Does that answer your question?

27 THE GRAND JUROR: It does. Can I ask one more?

28 MS. DONOHOE: Yes.

1 THE GRAND JUROR: Sorry. So is there a record of that
2 over \$300,000 discrepancy amount ever being paid by the
3 company? She was referring to a bill and then there was an
4 e-mail. But is there a record of that amount ever being
5 paid? And, if not, what is the subsequent penalty?

6 Q (BY MS. DONOHOE) All right. Your audit determined
7 that there was payroll not reported of over \$309,000 based
8 on the records that you reviewed.

9 A Correct.

10 Q Does something happen with the fact that that
11 payroll was unreported? Does it, then, go to someone else
12 who conducts a review to determine what premium is owed?

13 A Correct.

14 Q And does someone else determine what amount is
15 going to be owed?

16 A The billing. Yeah. The billing department.

17 Q So that's not something that you'd do; correct?

18 A Correct.

19 Q And so someone else calculates what the premium is
20 owed. Is it expected that, in order for the SCIF policy to
21 continue, that the premiums are going to be paid?

22 A Yes.

23 Q And so is there, then, a subsequent audit for the
24 following year to determine whether everything is okay at
25 that point?

26 A I believe there was. I did not do any more audits
27 for them.

28 MS. DONOHOE: Okay. Does that answer your question?

1 THE GRAND JUROR: Yes. Thank you.

2 MS. DONOHOE: Yes.

3 THE GRAND JUROR: I'm number three. How often do this
4 type of small businesses try to cheat on the workers'
5 compensation insurance?

6 Q (BY MS. DONOHOE) Can you offer any opinion, based
7 on your years of experience, whether it's common for
8 employers who have a payroll that may involve expensive
9 premium categories to underreport the number of employees or
10 the amount of payroll that's in the most expensive category?

11 A I can't give you any statistics, but I think a lot
12 of companies make mistakes not so much on purpose. Of a lot
13 of the audits I did, I wouldn't say there were very many,
14 when I got done, they were perfectly what they paid and what
15 payroll was, unless it was really small and pretty simple.
16 And I think the more complicated ones, sometimes there were
17 mistakes that were made by the bookkeepers. But I do have
18 to say there were, probably more often than not,
19 construction, roofing, this type of business, lots of
20 1099's, subcontractors. They try to get away with as much
21 as they can. Yes. It's just my opinion. Yeah.

22 Q Is three hundred nine thousand -- minimum of three
23 hundred nine thousand -- unreported payroll a significant
24 amount based on your experience of performing audits?

25 A That was pretty substantial. Yeah.

26 MS. DONOHOE: Does that answer your questions?

27 THE GRAND JUROR: Yes.

28 MS. DONOHOE: I have no further questions. The foreman

1 is going to read you an admonishment and then you are free
2 to go.

3 (Witness admonished and excused.)

4 MS. DONOHOE: Our next witness is Linh Vuong.

5 (Witness sworn.)

6 TESTIMONY OF LINH VUONG

7 EXAMINATION

8 BY MS. DONOHOE:

9 Q (BY MS. DONOHOE) Good afternoon, Ms. Vuong. Could
10 you please state your name for the record and spell both
11 your first and last name?

12 A My name is Lynn Vuong. L-i-n-h V-u-o-n-g.

13 Q What is your occupation, Ms. Vuong?

14 A I'm the senior auditor for State Compensation
15 Insurance Fund.

16 Q And how long have you been an auditor?

17 A Over 20 years.

18 Q Drawing your attention to October -- excuse me --
19 March 18, 2009, did you conduct an audit of ASAP Relocations
20 in San Jose?

21 A Yes, I did.

22 Q Was that at their address on Ringwood in San Jose?

23 A Yes.

24 Q Did you physically go to the office in order to
25 conduct the audit?

26 A Yes, I did.

27 Q Who did you meet with when you went there?

28 A I believe I met with an office manager. A lady

1 who --

2 Q You met with a lady office manager. You recall
3 her name?

4 A Linda.

5 Q Linda? All right. When you met with Linda, at
6 that time, were you aware of any prior problems with audits
7 that had been conducted at that business?

8 A Yes.

9 Q How were you aware of that?

10 A I saw -- we have a practice to review previous
11 audit -- and I believe I saw Darlene's audit.

12 Q Is Darlene Darlene Rainville?

13 A Yes.

14 Q Had you reviewed the audit that she had prepared
15 prior to your audit period?

16 A I just look at the audit. Do not have a
17 conversation with her. That's how we do. Just go out and
18 do the audit. In the back of my mind that I'm aware of
19 1099's on payroll.

20 Q So you were particularly concerned, when you were
21 going out for this audit, that there might be a 1099 staff
22 that had not been reported in the payroll that was reported
23 to SCIF?

24 A Not in the sense that not report. But I did
25 remember Darlene picked up the 1099's and I was surprised to
26 see they pay regular payroll.

27 Q The 1099's were actually showing up on the payroll
28 journal?

1 A Uh-huh.

2 Q Is the payroll journal something you rely upon
3 when you perform an audit?

4 A Yes.

5 Q Were you performing audit between October 2007 and
6 October 2008?

7 A I believe so.

8 Q I'd like to show you Exhibit 247, which is a
9 letter dated February 3rd of 2009. And I'll show you the
10 first page of this letter dated February 3rd, 2009. Do you
11 recognize the form of this letter?

12 A Yes.

13 Q Is that a standard letter used by SCIF in order to
14 prepare for a payroll audit?

15 A Yes.

16 Q And does the second page of that letter indicate
17 that you were the person sending the audit letter?

18 A We have a clerical staff who send out letters.

19 Q So a member of the clerical staff would have sent
20 this letter to the business at ASAP Relocations in San Jose?

21 A Yes.

22 Q Does it request the information that you are going
23 to need in order to perform your audit?

24 A Yes.

25 Q And would that information include the payroll
26 journals with monthly and quarterly summaries?

27 A Yes. That's the payroll journals that they
28 provided, I believe. Weekly or biweekly payroll.

1 Q And also the state unemployment reports for the
2 DE-6?

3 A Uh-huh.

4 Q And the State Compensation Insurance Fund workers'
5 compensation payroll reports?

6 A Yes.

7 Q Do you need the name and duties for all employees
8 classified under clerical or outside sales?

9 A Yes.

10 Q And do you need the 1099 information including the
11 license numbers and certificates of workers' compensation
12 insurance?

13 A That item I don't believe was provided.

14 Q Did you request it?

15 A I don't remember, because I see the 1099's on the
16 payroll journals already. That I may not have asked or I
17 may have asked. I don't remember.

18 Q In preparation for your visit on February 20th of
19 2009, was this information requested of the business, to
20 provide you with both the 1099 payments and also the
21 certificates of insurance for any 1099 staff?

22 A No.

23 Q Did you receive anything?

24 A No.

25 Q Did you ask for cash disbursement journal?

26 A I don't recall.

27 Q Does this letter dated February 3rd of 2009
28 request that the business provide a cash disbursement

1 journal?

2 A Yes, it does. But I don't believe that took place
3 in the audit because they provided the payroll journals.
4 And I believe they were missing DE-6, which is the EDD.

5 Q Okay. And did they, to your knowledge, did they
6 ever provide you with cash disbursement journal?

7 A No.

8 Q I'd like to show you Exhibit 248. Do you
9 recognize this document as the auditor's report that you
10 prepared during the course of your visit with ASAP
11 Relocations?

12 A That's the audit worksheet that I did.

13 Q Is that something that you use during the course
14 of your audit of a business?

15 A Yes.

16 Q Did you share this information with the business
17 once the audit has been completed?

18 A Yes, we do.

19 Q So does it include notes about the date of the
20 audit having occurred on March 16th of 2009?

21 A The date that they sent the letter. That's the
22 date we were out there.

23 Q Are you able to see that far?

24 A 18?

25 Q Does it show March 18th of 2009 as the date of the
26 audit?

27 A Yes.

28 Q Is that when you went to the business?

1 A Yes.

2 Q Let me see if I can focus this a little better.
3 And does it also include information as to who you met with
4 during the audit?

5 A Yes.

6 Q Your answer is yes?

7 A Yes.

8 Q Who was it that you met with?

9 A I believe I met with Linda and Roni.

10 Q What was Roni's role with the company?

11 A He was the president. He came in later. He
12 wasn't there the whole time.

13 Q Who did you spend most of your time with?

14 A They just gave me the books, and Linda went back
15 to her office. So I keep running back and forth, asking her
16 job title, more stuff.

17 Q So you had to do follow-up questions with Linda by
18 going to her office after she turned over the books to you?

19 A Yeah.

20 Q What was Linda's role with the company as you
21 understood it?

22 A I thought she was having to do with payroll.
23 That's why she gave me the payroll book.

24 Q Was she able to answer questions when you had
25 them?

26 A Here and there. Not completely. That's why I
27 asked, you know, when is Roni coming. And, later, towards
28 the end, he came in.

1 Q All right. Were you able to get your questions
2 answered by Roni?

3 A Yes.

4 Q During the course of your audit, did you gather
5 information, again, about 1099 staff based on the records
6 that you reviewed?

7 A Yes. I did notice the 1099's, and I believe I
8 mentioned to him that these need to be included in the
9 audit.

10 Q Did you conduct a physical examination of their
11 business?

12 A Yes.

13 Q Why did you do that?

14 A Because I've noticed a lot of clerical employees
15 and not a lot of movers.

16 Q Did you think that was unusual for the business?

17 A Yes.

18 Q Were the movers in the most expensive premium
19 class?

20 A Yes.

21 Q So did you take a look around --

22 A I believe so. I said, do you mind if I walk
23 around, can you show me the location? So he walked me
24 through, I believe, two offices with three desks in a small
25 office. He did have people sitting back to back.

26 Q And so the offices were full?

27 A Not completely full. But you do see desks and
28 paperwork.

1 Q All right. Did he take you into his storage area?

2 A Yes.

3 Q And what did you observe there?

4 A I saw, like, a warehouse with big crates. And so
5 I ask him what's inside? He said furniture or belongings to
6 the customer.

7 Q Did he tell you about keeping any documents in
8 those crates that pertained to his business?

9 A None.

10 Q Did you see any movers or trucks?

11 A I don't think I see anybody there except for me
12 and him.

13 Q All right. And the staff in the office, did they
14 appear to be clerical staff?

15 A Yes. They put me in Roni's office and no one is
16 there. So the office staff, you have to walk out and into
17 different office.

18 Q All right. Did he tell you about the different
19 staff that worked in the different individual offices that
20 you described that had like three desks in each?

21 A No, I wasn't aware of that.

22 Q One of the questions that you asked, did it
23 include whether there were any employees performing more
24 than one duty?

25 A I believe I asked because I see a lot of clerical.
26 So I said what else do they do or if they perform more than
27 one duty. I believe he only said they are strictly
28 clerical.

1 Q Did you ask if he had any miscellaneous employees?

2 A I don't recall asking that. I don't recall.

3 Q All right. Did you ask about any multiple
4 enterprise payroll?

5 A No.

6 Q Okay. The form here says there's an "N" to the
7 left of that question. Do you know why there's an "N"
8 there?

9 A That means no.

10 Q Okay. And so the fact that it says any multiple
11 enterprise payroll and the "N" is there, does that have any
12 meaning if they tell you anything or did you presume that
13 there was no multiple enterprise --

14 A I presumed.

15 Q So you never specifically asked?

16 A Because what we look at is tradenames. If they
17 listed with us other tradenames, that we would ask and see
18 if they have other operations other than what they have
19 there. So I believe I don't recall asking him that.

20 Q Did you ever -- were you ever aware of a business
21 called Fast Moves being located at Ringwood?

22 A No.

23 Q So did you have any ability to ask for payroll
24 relating to a company called Fast Move Van Lines?

25 A No.

26 Q So you never analyzed it in terms of who was
27 working under the business Fast Move Van Lines?

28 A No idea.

1 Q And they never shared with you that there was this
2 other company that was operating under that name at that
3 location?

4 A Never brought up.

5 Q Did you ask specifically whether there was
6 contract by others with 1099's issued?

7 A I don't recall exactly, but I do mention that
8 1099's, if they are unlicensed, they will be his workers.
9 And he has no. He didn't say yes or no. I said the audit
10 will need to be included.

11 Q Did he tell you that there are any people that
12 were not included under his payroll that had been issued
13 1099's?

14 A No, he didn't mention it.

15 Q All right. If he had said, yes, there are people
16 that received 1099's, would you have requested those -- that
17 list of names from him?

18 A Yes.

19 Q And would you have asked to see the 1099's as
20 well?

21 A Yes, yes.

22 Q Is this a summary of what you found to be the
23 status of the business in terms of what people were doing
24 during the course of your audit review back in March of
25 2009?

26 A Yes.

27 Q And so did he have, according to your review, 25
28 employees engaged in office, giving quotes via the Internet?

1 A Well, that's a combination of all the office
2 employees right there.

3 Q Okay. So that's the total office staff?

4 A Yes.

5 Q And then it has three employees engaged in outside
6 sales, promoting business, estimates, and paperwork;
7 correct?

8 A Uh-huh.

9 Q Was that based on what they told you or based on
10 what you found?

11 A Based on what they tell me. And I believe, as we
12 go through the payroll with the names, Roni told me, this is
13 sales, this is clerical.

14 Q All right. And then there's the final category
15 that says six employees engaged in warehouse, moving
16 furniture, drivers, operate trucks, move household goods.
17 Where did you get that information from?

18 A That's the -- we have a class code for that --
19 that's the warehouse furniture. The description is more or
20 less what I have discussed with him, and he told me what
21 they do.

22 Q So he gave you the description and you put them
23 under the class code for warehouse person?

24 A That's what we assign for him in the policy.

25 Q And how did you get the number six?

26 A That's estimated, at that point, I believe, as we
27 went through payroll. And that's how their name came up.
28 And, if I remember right, he went back and disputed my

1 audit.

2 Q So you said --

3 A Yeah. Warehouse got moved to outside sales.

4 Q Did you think there was anything unusual about
5 this business given the number of people engaged in sales
6 and the number of people engaged in actually moving?

7 A Yes.

8 Q Why?

9 A Because it doesn't make logical sense with only
10 two or three movers versus a whole bunch of people in the
11 office.

12 Q Based on the information that was reported, did
13 that make the premium lower than it would have been had the
14 number of movers increased?

15 A Yes.

16 Q Showing you the last page of Exhibit 248, is this
17 an example of a payroll report that was prepared by the
18 business? And, showing you the bottom of that document, do
19 you recognize that as a document from ASAP?

20 A I have not seen that document.

21 Q All right. So this wouldn't have been something
22 that you would have been relying upon in the course of your
23 work?

24 A No.

25 Q Do you recognize the name Linda Reyna that appears
26 on that document dated October 29th of 2009?

27 A Yes.

28 Q How do you recognize that name?

1 A Because that's who I've been communicating back
2 and forth regarding missing documents and then the dispute
3 of the audit.

4 Q All right. I'd like to show you Exhibit 249. Do
5 you recognize this as a payroll journal?

6 A Yes.

7 Q And are you familiar with the name Severiano Reyes
8 spelled S-e-v-e-r-i-a-n-o? You are shaking your head yes.
9 How are you familiar with that name?

10 A That name was one of the 1099 employees I have
11 listed in the audit.

12 Q And this payroll journal, is this an example of an
13 ASAP payroll journal?

14 A Uh-huh.

15 Q Is that the type of information you collected from
16 the business in order to conduct your payroll --

17 A Yes.

18 Q -- audit?

19 A Yes.

20 Q So would this have been a payroll journal for a
21 specific period of September 7th to September 22nd of 2008?

22 A Yes.

23 Q And does it show an amount of pay for that person
24 Severiano Reyes under a category of 1099?

25 A Uh-huh.

26 Q And you are shaking your head yes.

27 A That's what I did in the audit, I believe.

28 Q So you picked up, as an example, unreported 1099

1 amounts. To your knowledge, did Severiano Reyes have any
2 workers' compensation certificate for him based on his pay
3 by ASAP Relocations?

4 A I included him because, when I went through the
5 payroll with name and job duties, I believe I saw the name.
6 And, later on, that name become not a 1099 but as W-2. So
7 that give me more of a reason to include that in my audit.

8 Q All right. So this was information that you felt
9 would increase the amount of payroll that should be under
10 the workers' compensation insurance coverage?

11 A This amount should have been paid through normal
12 payroll rather than a 1099.

13 Q All right. Did you see many pay periods where
14 Severiano Reyes was listed under 1099?

15 A Uh-huh.

16 Q And did you eventually also see that there was
17 another person who was in that same category --

18 A Yes.

19 Q -- 1099 that was not included in the premium
20 coverage by SCIF for ASAP?

21 A Yes.

22 Q Showing you a payroll journal, is this a payroll
23 journal that shows a person by the name of Antonio Rafael
24 Garcia and for the pay period April 30th of '08 to April 7th
25 of '08?

26 A Yes.

27 Q And is Severiano Reyes also during that same
28 payroll period, and did both receive compensation during

1 that period?

2 A Yes.

3 Q So were you also picking up amounts that were paid
4 to this person Rafael Garcia?

5 A Yes.

6 Q And was he the second worker that you identified
7 that you believed that there was premium owed for a payroll
8 that was paid to those two workers Rafael Garcia and
9 Severiano Reyes?

10 A Yes.

11 Q Did they tell you anything about having staff that
12 were paid by another business that operated right there at
13 Ringwood and that received checks directly from that other
14 business?

15 A No.

16 Q Did you know anything about workers going out on
17 trucks and being asked to change from one T-shirt to the
18 next to show which moving company they were working for?

19 A Not at all.

20 Q If you had known that that sort of thing was
21 happening, would you have wanted to see the payroll that was
22 being paid to those workers?

23 A We would. We would. Definitely.

24 Q I'd like to show you Exhibit 250. The first page
25 is a SCIF letter dated July 8th of 2009. And do you recall
26 whether, after you had done your audit, it was disputed by
27 ASAP?

28 A Yes.

1 Q And, referring you to the bottom, does it indicate
2 that you were the person sending this letter dated July 8th
3 of 2009?

4 A We have clerical staff help us to do the letter
5 and send the letters.

6 Q All right. Was that sent at your direction?

7 A Yes.

8 Q I'd like to refer you to a page of Exhibit 250,
9 which has a Bates number of 3880. Does this appear to be a
10 letter dated May 12th of 2009?

11 A Yes.

12 Q Is this a letter that you signed?

13 A Yes.

14 Q Does it notify the company that they had failed to
15 include the amount of subcontractors in the total wages that
16 was reported as subject to premium?

17 A Yes.

18 Q Was the total amount that you uncovered \$36,958?

19 A Yes.

20 Q And so they owed premiums based on that amount of
21 payroll?

22 A Yes.

23 Q And so was that in the most expensive class of
24 warehousemen?

25 A Yes.

26 Q Did you, in the course of your audit, list out all
27 the employees that you had identified?

28 A Yes.

1 Q Did you list on the second page -- and this is a
2 page ending in Bates number 53882 -- payments that were owed
3 for Rafael Garcia and Severiano Reyes?

4 A Yes.

5 Q Did you, after sending that letter in May of 2009,
6 receive a letter from the business dated June 5th of 2009,
7 disputing your audit?

8 A Yes.

9 Q Did that letter dispute how Rafael Garcia and
10 Severiano Reyes were classified?

11 A Yes. They disputed that these two employees were
12 not in that category.

13 Q Did they say that the employees were supposed to
14 be in a different category?

15 A Yeah, in a cheaper-rated class.

16 Q Which rate did they wish them to be in?

17 A Based on their description, it would be under
18 outside sales.

19 Q And so that was a lower premium rate?

20 A Way lower.

21 Q Did you later get a letter dated July 7th of 2009
22 from the person identified as Linda Reyna from ASAP?

23 A Yes.

24 Q And was this more information where she sought to
25 re-categorize those two workers Severiano Reyes and Rafael
26 Garcia?

27 A Yes.

28 Q Did she provide a further description of their job

1 duties?

2 A That's what she provided.

3 Q Based on what she provided, did it change anything
4 for your audit?

5 A At that point of that letter, we didn't change.

6 Q Why not?

7 A Because that still involved moving and lifting.

8 Q So would not change their category?

9 A Yes.

10 Q Did she subsequently send another letter dated
11 July 10th of 2009 to, again, dispute how much those
12 employees or how those employees should be classified?

13 A Right.

14 Q And did she represent at that time that she had
15 made a mistake about their job descriptions?

16 A Yes.

17 Q Did she indicate that they no longer worked there?

18 A Yes.

19 Q And did she give a further description that
20 described how they did their work?

21 A Uh-huh.

22 Q And did it delete any reference to moving?

23 A Yes.

24 Q Based on the new description of these two people,
25 was there a change in the audit?

26 A Yes. We have to change the audit.

27 Q Okay. So did that result in reduction of the
28 amount that they owed?

1 A Yes.

2 Q If, in fact, those individuals were actually
3 movers and moving customer goods, not just doing sales work,
4 would that have substantially increased the amount that they
5 owed for unreported payroll?

6 A Yes.

7 Q I showed you or I'd like to show you Exhibit 3.
8 Do you recognize this individual?

9 A (Pause.) That might be Linda.

10 Q But you are not certain?

11 A Not sure.

12 MS. DONOHOE: All right. I have no further questions.
13 Do the grand jurors have any questions?

14 The foreperson is going to read you an
15 admonishment and you are free to go.

16 (Witness admonished and excused.)

17 MS. DONOHOE: Okay. We are going to finish early today
18 because the other witness I had was going to cover some of
19 the things we already covered here. So I decided to let him
20 go. So we will resume tomorrow at nine o'clock.

21 And everybody should have a newly-revised list of
22 witnesses. Some of the witnesses that have been added
23 pertain to, for instance, the custodian of records, so, for
24 instance, Sarah Domoe was added but that's because, at the
25 time we created the initial list, we didn't know who was
26 going to testify.

27 I believe we have completed our victim testimony
28 as of today. We are going to have a witness tomorrow

1 Jasmine Carpio who is an extensive witness, just as Jennifer
2 Salazares was, about the business and how things operated.
3 And we also have, I believe, a witness who was an insurance
4 broker.

5 I believe we have two insurance brokers for the
6 business. So we are getting through it. We have moved
7 pretty much from the areas related to the victim thefts to
8 more of the insurance fraud and the tax and the money
9 laundering. So that's the witnesses that we have that are
10 remaining. So we will see you tomorrow at nine o'clock.
11 Thank you.

12 (Grand jury admonished by the
13 foreperson.)

14 (Adjourned.)

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STATE OF CALIFORNIA)
) ss
COUNTY OF SANTA CLARA)

I, ASHLEY PARROTT, do hereby certify that foregoing is a full, true and correct transcript of the proceedings had in the within-entitled action on FEBRUARY 19, 2013.

That, I reported the same in stenotype being the qualified and acting official court reporter of the Superior Court of the State of California, in and for the County of Santa Clara, appointed to said court, and thereafter had the same transcribed into typewriting as herein appears.

I further certify that I have complied with CCP Section 237(a)(2), in that all personal juror identifying information has been redacted, if applicable.

Ashley Parrott, CSR No. 13157