

IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT
IN AND FOR PALM BEACH COUNTY, FLORIDA
CASE No. 502009 CA029903XXXXMBAG

FD DESTINY, LLC, et al.,

Plaintiffs,

-vs-

AVP DESTINY, LLC, et al.,
Defendants.

_____/

AVP DESTINY, LLC, et al.,

Plaintiffs,

-vs-

FREDERICK A. DELUCA,
individually, et al.

Defendants.

_____/

DEPOSITION OF FRANCES B. SAAVEDRA

VOLUME I

Tuesday, October 21, 2014
9:25 a.m. - 3:25 p.m.

200 E. Broward Boulevard
Suite 2100
Fort Lauderdale, Florida 33301

Stenographically Reported By
Pamela J. Sullivan, RPR, FPR, CLR
Notary Public, State of Florida
FLORIDA COURT REPORTING
(561) 689-0999

- - -

Florida Court Reporting
561-689-0999

1 APPEARANCES:

2
3 On behalf of the Pugliese Parties:

4 ANTHONY R. YANEZ, ESQUIRE
5 SHUTTS & BOWEN, LLP
6 201 S. Biscayne Boulevard
7 Suite 1500
8 Miami, Florida 33131
9 305.358.6300
10 ayanez@shutts.com

11 EDGAR BELAVAL, ESQUIRE
12 BELAVAL LAW FIRM, P.A.
13 101 NE 2nd Avenue
14 Suite 200
15 Delray Beach, Florida 33444
16 305.389.2882
17 attorneyfla@gmail.com

18
19 On behalf of the Frederick A. DeLuca:

20 RICK C. HUTCHISON, ESQUIRE
21 JOHN R. CHAPMAN, III, ESQUIRE
22 HOLLAND & KNIGHT
23 222 Lakeview Avenue
24 Suite 1000
25 West Palm Beach, Florida 33401
561.833.2000
rick.hutchison@hklaw.com
john.chapman@hklaw.com

Present:

Anthony Pugliese

- - -
I N D E X

FRANCES B. SAAVEDRA DIRECT CROSS REDIRECT
BY MR. YANEZ 4

- - -
E X H I B I T S M A R K E D

DESCRIPTION	PAGE
Deposition Exhibit No. 1 (8/3/2000 Email from Witness)	34
Deposition Exhibit No. 2 (10/10/200 Email from Worrolls)	39
Deposition Exhibit No. 3 (3/5/98 Fax from Witness)	43
Deposition Exhibit No. 4 (Email String 10/6/2000)	58
Deposition Exhibit No. 5 (Email String 10/6/2000)	69
Deposition Exhibit No. 6 (Email from Abess 9/5/01)	72
Deposition Exhibit No. 7 (Letter from LeLuca to Witness 12/20/2000)	73
Deposition Exhibit No. 8 (Letter to Witness from Dempsey 6/21/01)	75
Deposition Exhibit No. 9 (Email String 7/27/01)	77
Deposition Exhibit No. 10 (Accounts Ledger)	87
Deposition Exhibit No. 11 (Email String)	89

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

2 - - -

3 Deposition taken before Pamela J. Sullivan,
4 Registered Professional Court Reporter and Notary Public
5 in and for the State of Florida at Large, in the above
6 cause.

7 - - -

8 Thereupon,

9 FRANCES B. SAAVEDRA,
10 having been first duly sworn or affirmed, was examined
11 and testified as follows:

12 THE WITNESS: I do. Is that the correct
13 answer? Or is it, yes, I swear, dammit? Kidding.
14 Joke.

15 DIRECT EXAMINATION

16 BY MR. YANEZ:

17 Q. Good morning. Can I please have your full
18 name for the record.

19 A. Frances Saavedra. May I be called Fran?

20 Q. Sure.

21 A. My mother who passed away, she's the only one
22 who called me that, only when she was mad.

23 Q. I'd like to keep it proper. I'd like to call
24 you Ms. Saavedra, if that's okay.

25 A. That's fine.

1 Q. Can I please have your date of birth?

2 A. Shame on you. 2/16/57. Born in '57.

3 Q. What is your current address?

4 A. 1208 Northeast 1st Street, Fort Lauderdale,
5 33301.

6 Q. And who else lives there with you?

7 A. My husband, Peter Woolf, W-o-o-l-f.

8 Q. Have you ever been deposed before,
9 Ms. Saavedra?

10 A. No. But I had a prenup, which was pretty
11 harrowing, and -- does that count?

12 Q. Well, just to give you an idea of what we're
13 going to expect today, I'm going to be asking you a
14 series of questions on the record, and as you can see,
15 there is a Court Reporter here to take down your
16 testimony.

17 A. Uh-huh.

18 Q. I would just like to ask you to please answer
19 all of my questions to the best of your ability. Please
20 don't speculate. If you don't understand the answer to
21 my question, please ask me, and I'll rephrase it. Also,
22 because I see you shaking or nodding your head, that's
23 not going to come out on the record, so I would just
24 like you to say "yes" or "no," to the extent that the
25 answer to the question calls for it.

1 A. Yes, I understand you what just you said.

2 Q. Okay. Great. And any time you need to take
3 a break, please let us know, and we'll be happy to do
4 so.

5 A. Okay. Do you need me to say, "I understand,"
6 instead of "okay"?

7 Q. "Okay" is just fine. We just need you to
8 make sure you speak your answers, so they can make it on
9 the record.

10 A. Okay.

11 Q. Are you currently under any form of medicine
12 that might affect your testimony today?

13 A. I take three medications in the morning and
14 at night, there -- I had four TIA's, so I take Aggrenox,
15 which is antistroke. Propranolol, I have really bad
16 migraines, so that's for migraines. And Topamax. Those
17 are maintenance medications for migraines.

18 Q. And you said you took them earlier this
19 morning?

20 A. Yes, but they shouldn't affect my testimony,
21 because I've been on them for years. I had my first TIA
22 at 40.

23 Q. Did you discuss this deposition with anybody
24 at Holland & Knight?

25 A. No. I was just going to say, who is

1 Holland & Knight?

2 Q. How long have you been married to Mr. Woolf?

3 A. It will be six years in December, but we've
4 been together 12 years.

5 Q. Have you been divorced?

6 A. Yes. This is my third husband.

7 Q. Who was your second husband?

8 A. Mike Emerson.

9 Q. And how long were you married to Mr. Emerson?

10 A. We were married a very short time, two years,
11 but we lived together six years. And then we got
12 married. That will do it.

13 And I'm sure you want the first husband?
14 That's where I got Saavedra.

15 Q. Sure. What is his name?

16 A. Patricio Ajano Saavedra. It's like Patricia,
17 but with an O.

18 Q. Uh-huh. And how long were you married to
19 Mr. Saavedra?

20 A. I was 20, and then I was 26 when I left. And
21 that's where I got my son. And that's why I kept
22 Saavedra, because my son looks nothing like me. He's
23 very dark. And when I picked him up at school it wasn't
24 stranger danger.

25 Q. From what years were you living and married

1 to Mr. Emerson?

2 (Mr. Belaval joined the proceedings.)

3 THE WITNESS: May I ask a question? Why is
4 that any -- he's so inconsequential.

5 BY MR. YANEZ:

6 Q. Well, I just wanted to get the time frame
7 here.

8 A. Oh.

9 Q. Yeah.

10 A. Oh, I can tell you exactly when I got
11 divorced. December 2nd, 1997.

12 Q. Okay.

13 A. And you can back seven years, 1990.

14 Q. So you met him in 1990?

15 A. Uh-huh.

16 Q. Started to live together shortly thereafter;
17 right?

18 A. Right.

19 Q. Okay.

20 A. Because I met Fred DeLuca three weeks after.

21 Q. Do you have any -- I believe you mentioned
22 you have a son, Nicholas; correct?

23 A. Uh-huh.

24 (Discussion held off the record.)

25 THE WITNESS: Oh, yes. Sorry. I do have a

1 son. Nicholas Saavedra.

2 BY MR. YANEZ:

3 Q. How old is he?

4 A. Thirty-three.

5 Q. And where does he live?

6 A. Near Fort Lauderdale. Well, actually,
7 Pompano. I don't know his ad -- he just moved there. I
8 don't know his address off the top of my head. I can
9 call him if you need me to.

10 Q. No, thank you.

11 What is the highest level of education you've
12 completed?

13 A. High school and some college. I kept going
14 back and back and back to college, because I got married
15 at 20 the first time.

16 Q. So did you complete two years of college?

17 A. I completed like a hundred years of college,
18 but I never got a degree.

19 Q. Do you have any certifications or
20 specializations?

21 A. Banking. I started at 20.

22 Q. Okay. After you started college and got
23 married at 20, did you enter the workforce?

24 A. Yes. Well, I had -- I've been working since
25 I was 14.

1 Q. What did you do when you were 20? What was
2 your first job once you left college?

3 A. But I worked before then.

4 Q. Understood. I just wanted to focus on what
5 you did after college.

6 A. I did construction cleaning, which is a
7 terrible job. At Bonaventure. And if you did that,
8 you'd know that you wanted to do something else. So I
9 immediately contacted my neighbor when I was married to
10 Patrick. That's what I called him, my first husband.
11 And she worked at a bank, which turned out to be
12 First Federal of Broward, which morphed into Glendale,
13 which morphed into a lot -- it ended up being
14 Bank of America.

15 Q. So when did you start at First Federal, what
16 year approximately?

17 A. 1978.

18 Q. Okay.

19 A. I was in banking 33 years. Enough that my
20 education didn't matter. I made six figures.

21 Q. Now, just to talk about the history,
22 First Federal, you said, became?

23 A. Glendale Federal.

24 Q. And what did it become after
25 Glendale Federal?

1 A. Well, it later became Barnett, but I had left
2 before it became Barnett.

3 Q. And did Barnett become NationsBank?

4 A. Yes. And I was at CNS then, but they ended
5 up grandfathering my time, so I went to CNS in '89.

6 Q. What does CNS stand for?

7 A. They used to say "cheat'n steel," but it's
8 Citizens & Southern.

9 Sorry. I'll try not to make jokes. I will
10 try my hardest.

11 Q. So how long were you at CNS for?

12 A. They grandfathered my time in. Altogether,
13 15 years, but if they were accurate, it would have been
14 another five.

15 Q. So what year did you leave CNS to go back to
16 Bank of America or its predecessors by merger?

17 A. Well, no, I stayed at CNS and then they
18 morphed into Nations, and then they became a couple of
19 other banks and then they changed into Bank of America.

20 Q. So just to clarify, CNS, then, was acquired
21 by NationsBank or --

22 A. I understood, I could be wrong, that they
23 merged with NationsBank. And then they finally merged
24 with Barnett, which gave me access to my Glendale years.

25 Q. Okay.

1 A. And then I left Bank of America.

2 Q. Well, before, that, when you were there, when
3 did it become Bank of America? About what year was
4 that?

5 A. Gosh, if I would have known, I would have
6 brought my résumé. Let's see. Before the year 2000,
7 like a couple of years before the year 2000. I'm sure
8 we can look this up.

9 You want me to get my phone out and look it
10 up?

11 Q. No. It's okay. It's okay. Thank you,
12 though.

13 A. Because they had very different, weird
14 policies from California, where you had to do -- you had
15 to find polishing points and good points and bad points
16 about your coworkers. And I thought that was not an
17 effective way to guide policies.

18 Q. Did you work as a personal banker or
19 relationship manager at some point in your career?

20 A. Yes. Well, actually, I worked as
21 vice president in commercial real estate lending.

22 Q. Before that, what were your positions with --

23 A. Bank officer.

24 Q. Okay. And how long were you a bank officer?

25 A. My first job I ever had was as an auditor in

1 loans. I audited the loans for any mistakes in
2 documentation. I never started as a teller; I started
3 as that. And then I did loan servicing, escrow
4 analysis. Then I progressed to residential. I did
5 residential forever. I was a lender in residential.

6 Q. You were a -- you were like a broker or a --

7 A. No. I was a lender. They didn't need
8 licenses back then.

9 Q. Okay.

10 A. But I did get one, and then I let it lapse,
11 and now they need them again. So in 1989, I switched
12 and became -- I moved to the commercial area, because I
13 never saw my son. I was always working. I had goals --
14 they don't tell you about that -- but the goals are
15 huge, and you don't get to see your child -- I was a
16 single parent. I left my ex-husband when my son was 18
17 months old.

18 Q. So when exactly did you become a relationship
19 manager with either --

20 A. I've never been given that exact title. It
21 was always commercial lender or vice president
22 commercial -- of commercial lending.

23 Is that what you're looking for?

24 Q. Well, I just wanted to know what your
25 business card said or what your title was.

1 A. My business card said "vice president,
2 commercial real estate lender."

3 Q. Okay.

4 A. And I worked at Great Florida Bank,
5 City National Bank and BB&T. And those jobs all said
6 that.

7 Q. And we'll get to those --

8 A. Okay.

9 Q. -- shortly.

10 A. Okay.

11 Q. I just want to get an idea for the job duties
12 and responsibilities of your position.

13 A. Okay.

14 Q. Can you expand on that, please?

15 A. Yes.

16 Q. Okay.

17 A. When I was at Bank of America, I worked on a
18 team, and the team gave you a portfolio.

19 (Cell phone ringing.)

20 THE WITNESS: Does somebody need to get that?

21 And my portfolio existed of like 30 to 40
22 clients. And I had to cross-sell products,
23 treasury management, see if they needed any other
24 products, CDs, loans. I had to keep up with
25 their -- they called them day-late overdrafts, but

1 every morning -- do you guys know what that is;
2 right?

3 BY MR. YANEZ:

4 Q. Please testify.

5 A. Oh, I'm sorry. I'm sorry.

6 Q. No. No problem.

7 A. I'm new to this.

8 Anyways, that's if their accounts are
9 overdrawn in the morning, you call up your special
10 customers and say -- wow, I was just going to say Fred,
11 but I don't mean him. I was just pulling that name
12 out -- Walter, your account's overdrawn. Get over to
13 the bank and make a deposit right now. And that's only
14 for your special few clients.

15 Q. And --

16 A. And so I formed really deep relationships
17 with all of my clients.

18 Q. And I was just going to ask you, was
19 developing relationships an important part of that
20 position?

21 A. I was excellent at it. I have a file at home
22 full of commendations and letters written.

23 Q. Was your performance measured in terms of --

24 A. Yes.

25 Q. Okay. And again, just -- and I understand

1 you're new, and this is your first deposition.

2 A. I didn't mean to interrupt you. I'm sorry.

3 Q. No, no. Just wait until the question is
4 finished.

5 A. Okay.

6 Q. Because that way the record will be clear.

7 A. Okay.

8 Q. And then I'll wait until your answer is
9 completed until I ask the next question.

10 A. Okay.

11 Q. Was bringing in significant accounts an
12 important part of your position?

13 A. At that time, no. Maintaining them was more
14 important.

15 Q. And please expand on that, why maintaining
16 those accounts was important to the bank and to --

17 A. Because we don't want anyone leaving. And
18 they could produce more. And that was my job, was to
19 make them happy and to implement cross sales and to
20 introduce new products which brought the bank more
21 money.

22 Q. Would you also agree that matching up your
23 clients was an important part of your position?

24 A. By "matching up," what do you mean?

25 Q. Well, you have a portfolio of clients you

1 testified earlier; correct?

2 A. Uh-huh.

3 Q. Did you, in some capacity, introduce certain
4 clients within your portfolio?

5 A. Yes, but that wasn't until later, when I had
6 more power.

7 Q. And when did you acquire that power?

8 A. When I left Bank of America. Because they
9 wanted a college education. They wanted masters,
10 M.B.A., even though I was in school again.

11 Q. Do you know Fred Florio?

12 A. Yes.

13 Q. When did you first meet Fred Florio?

14 A. At the exact same time I met Fred DeLuca.
15 And then there's a caveat.

16 Q. I'll get to that in a minute. But where were
17 you working when you first met Fred Florio?

18 A. Bank of America.

19 Q. And how did you meet Fred Florio?

20 A. At a New Year's Eve party.

21 Q. What did he tell you that he did?

22 A. He didn't tell me anything on the initial
23 meeting. He just seemed to be the right-hand -- I made
24 a mistake. I met Fred DeLuca, and I called him
25 Fred Florio. So, initially, when I met Fred DeLuca, I

1 thought he was Fred Florio.

2 Q. Did you know who Fred DeLuca was at that
3 time?

4 A. I had had his accounts for a number of years
5 and nobody paid attention to them. I had brought it to
6 the attention of Jim Cassidy, who is -- I don't know if
7 anyone has heard that name, but he was way up at
8 Bank of America. He was -- and I said, Look at these
9 balances. We should be doing something with this guy.
10 We should be paying more attention. He has more
11 balances than anyone at the bank, and we should be
12 paying attention and kissing his hind end.

13 And they made some discursive comments
14 that -- I think they had him mixed up with Gus Houlis
15 (phonetic). And I said, We should really be visiting.
16 So I took it upon myself to go visit Joyce and Carolyn,
17 who I had already had -- established a relationship
18 with, at DAI.

19 Q. And who is Joyce?

20 A. Joyce Victor and Carolyn Bolton were at their
21 headquarters down here. It's not -- their main
22 headquarters is in Milford, but the main headquarters
23 down here, which used to be off of -- I don't know if
24 it's still there -- near the old Down Under, off of
25 Oakland, near Oakland and Bayview.

1 And I would go out there. They got free
2 checking accounts. And I would go visit. And I
3 remarked, you know, Nobody knows Fred DeLuca. He's like
4 the Easter Bunny or Santa Clause. Those were my exact
5 words. And I had met Bob Spuck a number of times. Not
6 that that's any exciting news.

7 Q. I'm sorry. I apologize. Let's go back
8 briefly on when you said they had headquarters down
9 here. Why did they have headquarters down here?

10 A. Well, I didn't know at the time, but later
11 on, Fred DeLuca told me it was because he lives here,
12 and the only account he kept up in Milford was the
13 payroll. Which made sense.

14 Q. So let's backtrack here, how did you meet
15 Fred DeLuca?

16 A. Bob Spuck was instrumental, he would come in
17 and complain about everything. And --

18 Q. Who would complain about everything?

19 A. Bob Spuck.

20 Q. All right.

21 A. And I said, after one of his many complaints,
22 I said, You know, no one's ever met, I mean, no one at
23 Bank of America had met Fred DeLuca, no higher-ups, no
24 one. And he -- am I allowed to say the balances he was
25 carrying, or is that --

1 Q. We don't have to get into that right now.

2 A. Well, they were huge. Am I allowed to say
3 that? No? Yes?

4 Q. So you did not meet Fred DeLuca at your
5 office in Fort Lauderdale?

6 A. No. He opened the accounts himself alone.
7 He told me that later.

8 Q. What year was that New Year's Eve party that
9 you met him at?

10 A. That was 1997 New Year's Eve, I know that,
11 because it was three weeks after my divorce.

12 Q. Where was that party?

13 A. At his house.

14 So Bob Spuck said to me, You could meet him.
15 He'd like you; you're his type.

16 And I said, But he's married. Because I was
17 being all high and mighty and prissy.

18 Q. So Bob Spuck told you he was a married man?

19 A. Yes.

20 Q. Okay. How would you describe your first
21 meeting with Fred DeLuca?

22 A. Humorous.

23 Q. What was humorous about it?

24 A. Well, he owned, since I've known him he had,
25 Fred DeLuca, he's had several houses, and the first one

1 was on Seven Isles, at the very end. And you walk in,
2 and there was no furniture. He had a pool table, which
3 you -- you know, it's a beautiful house, beautiful lot,
4 and there was a pool table in one room, and that's where
5 the party mostly was, and then there was a den way in
6 the back. I mean, absolutely no furniture.

7 And I brought with me my best friend,
8 Sandy Anderson, who Bob Spuck also new and said, Bring
9 Sandy along. And I was actually really terrified,
10 because my second husband was the love of my life, and I
11 was devastated. So me even getting out and about was,
12 like, big.

13 So I brought Sandy. We went in, and when
14 Fred came over to us, Fred DeLuca, he um -- I assumed he
15 was Fred Florio, so I said that to him, and he said, I'm
16 Fred DeLuca. So I felt terrible. And then he proceeded
17 to tell me that he had been charged \$1.50 at an ATM
18 machine, and he didn't like that. And I immediately
19 wanted to go into my purse and give him it back.

20 This is absolutely true, because I thought it
21 was hilarious. But you know what I found, is that a lot
22 of wealthy people are like that. There are exceptions.
23 One of them is sitting in the room.

24 Q. Let's backtrack a little bit. And you said
25 Bob Spock?

1 A. S-p-u-c-k.

2 Q. As in like Star Trek Spock?

3 A. No. S-p-u-c-k.

4 Q. What did he mean by you were his type, as in
5 you were Fred DeLuca's type?

6 MR. HUTCHISON: Objection as to form and
7 foundation.

8 THE WITNESS: Excuse me?

9 MR. YANEZ: You can answer the question.

10 MR. HUTCHISON: If you know. In other words,
11 don't speculate, but if you know.

12 THE WITNESS: Oh, well, I came to find out.

13 BY MR. YANEZ:

14 Q. And when did you first learn that Fred DeLuca
15 was romantically interested in you?

16 A. Well, amazingly enough, that weekend, I got a
17 phone call from Fred, which I never gave him my phone
18 number, my home or my cell. And...

19 Q. How did he get your phone number?

20 A. You know what, to this day I don't know.
21 Because I had my line -- my home line private, and, you
22 know, I don't know how you look up cells. But maybe it
23 was on the Internet, I don't know. But anyhow, he
24 called, and he asked if he could take Sandy and I to
25 dinner, that way, it sounds better, I guess, if you take

1 two people.

2 Q. Were you surprised to hear from him?

3 A. Yes, especially that quick a time. I mean,
4 we -- my friend and I had a lot of fun at that party,
5 but just between ourselves, I don't drink. And she kept
6 looking at me and saying, Are you sure you're not drunk?
7 And I said, Nope.

8 Q. Did Fred DeLuca tell you he was married?

9 A. Oh, yeah. He actually said he's the happiest
10 married man he knows.

11 Q. Did he tell you he had been married for about
12 30 years at that time?

13 A. Not that night. Not that, you know, that
14 came out over the course -- I -- am I allowed to say
15 that I went out with him?

16 Q. Well --

17 MR. HUTCHISON: I think there's been a
18 protective order on this issue. Unless you have
19 some relevance.

20 THE WITNESS: I have relevance with me.

21 MR. YANEZ: Pardon me, let me handle this.
22 Actually, Rick, the protective order was as to the
23 examination of Fred DeLuca.

24 MR. HUTCHISON: Well, that's right. But not
25 to get into personal relationships.

1 MR. YANEZ: But that's examining Fred DeLuca.
2 This is a nonparty witness whom Fred DeLuca has no
3 control over. She doesn't work for Fred DeLuca.
4 So the examination really has nothing to do with
5 other witnesses.

6 MR. HUTCHISON: Well, it does --

7 MR. YANEZ: It doesn't. That's not what the
8 protective order says. I looked at the protective
9 order --

10 MR. HUTCHISON: Well, you know, we're going
11 to have to go see the Judge. If you want to get
12 into other lines of questioning, that's fine, and
13 we'll go back --

14 MR. YANEZ: Let's see the protective order.
15 Let's read it on the record and see --

16 MR. HUTCHISON: No. Then I'm going to stop
17 this deposition, and we're going to go get a
18 protective order.

19 MR. YANEZ: Okay. Well, I -- okay.

20 MR. HUTCHISON: So you've got a choice. You
21 can question him on other topics, and we can go in
22 front of the judge on this. She does not have to
23 come in here and give her personal relationships or
24 other personal business. That's not what she's
25 here for. If you want to go in front of the Judge

1 on that, we'll do that. If you want to ask her
2 other topics first, that's fine. If you want to
3 continue this line of questioning, we're going to
4 stop this deposition and go in front of the Judge.

5 MR. YANEZ: Well, I mean, there's no standing
6 or basis to object to the this line of questioning.
7 She's not your witness.

8 MR. HUTCHISON: Well, I can file a motion for
9 protective order, according to the Rules of Civil
10 Procedure, and we can stop this and go see the
11 Judge. And that's what we're going to do if you
12 continue this line of questioning.

13 BY MR. YANEZ:

14 Q. Ms. Saavedra, would you feel comfortable
15 testifying about this subject matter?

16 A. Yes. Yes, I would feel fine. I have
17 pictures.

18 Q. Is Mr. Hutchison your attorney?

19 A. No.

20 Q. Is Mr. Chapman your attorney?

21 A. No.

22 Q. Are they here to object on your behalf?

23 A. No.

24 Q. Do you feel like you're being oppressed,
25 harassed, or annoyed by my line of questioning this

1 morning?

2 A. No.

3 MR. HUTCHISON: I suggest we take a break. I
4 mean, if you're going to continue this line of
5 questioning about her personal relationships --

6 MR. YANEZ: I've got a lot to cover, Rick.

7 MR. HUTCHISON: Okay. Well, then, you can
8 cover other topics. But if we're going to cover
9 this topic, we're going to take a break and go see
10 the Judge.

11 THE WITNESS: Am I allowed to ask a question?

12 MR. YANEZ: You know, I have my outline. I
13 have what I want to cover. The witness is
14 comfortable testifying.

15 MR. HUTCHISON: I made my statement, Anthony.
16 If you're going to continue in her personal
17 relationships, I'm making a motion for protective
18 order.

19 MR. YANEZ: Take the protective order out
20 that you're referring to. Let's see it, and let's
21 see if it has --

22 MR. HUTCHISON: No. I'm making an ore tenus
23 motion right now, Anthony, pursuant to the Rules of
24 Civil Procedure. I'm not letting you go forward
25 with this line of questioning. If the Judge says

1 you can, fine. We're either ceasing the deposition
2 if you're continuing this line of questioning, or
3 you can ask other topics, we can reserve this line
4 of questioning and resolve it with the Judge. We
5 can be as productive today as you choose to be, but
6 if you're going to go to this line of questioning,
7 we're going to go in front of the Judge.

8 MR. YANEZ: Let's take a five-minute break
9 and cool our heads, and then we'll come back.

10 MR. HUTCHISON: Well, I don't know about
11 cooling our heads. No one has raised their voice,
12 or no one is angry. I'm telling you what the Rules
13 of Civil Procedure say. So I don't have to cool my
14 head, but if you want a five minute break, that's
15 fine.

16 MR. YANEZ: And I'm clarifying that this is
17 not your client. She's comfortable testifying.
18 She has not moved for protective relief, and she
19 does not have an attorney here with her who is here
20 to object on her behalf.

21 MR. HUTCHISON: Well, that doesn't stop me
22 from moving for a protective order.

23 MR. YANEZ: We'll be right back.

24 THE WITNESS: Okay.

25 (A brief recess was taken.)

1 BY MR. YANEZ:

2 Q. When did you first meet Anthony Pugliese?

3 A. Oh, Anthony? God, years, years ago.

4 Q. Was it 2001 or 2002 or early 2000s?

5 A. Around 2000, because -- should I go into more
6 elaboration?

7 Q. Yeah, absolutely.

8 A. Okay. I'm not sure. That frightened me,
9 this -- going out there.

10 I had a good friend, Eric Laakso, who used to
11 play for the Miami Dolphins. And he was the
12 ex-son-in-law of one of my old clients, Jerry Bell, who
13 was with -- who started Lainhart Builders. And he
14 introduced Eric to me, and Eric passed away a couple of
15 Christmases ago. And he met -- I don't remember the
16 firm. Eric was -- they wear the purple jackets; they're
17 like a JP Morgan, but they're more like a multilevel
18 marketing type place. And they -- or red jackets -- and
19 they try to get you to invest your money.

20 Anyways, he met Anthony at -- I don't know
21 how he met Anthony. But he met Anthony, and he called
22 me and said, Fran, Franny, I have this guy, he's a real
23 estate developer, and we all went to lunch. And Anthony
24 had everything I needed for a good client. And I called
25 on him, and I was so lucky that Anthony followed me

1 through a trail of -- of jobs, because one of the worst
2 ones was BB&T.

3 But that's how I met Anthony, was...

4 Q. So you were at BB&T at the time?

5 A. No. It was -- it had to be BB&T, because
6 then I went to -- no, it was BB&T, then City National,
7 then Great Florida Bank.

8 Q. Well, let me ask you this before you -- we
9 clarified --

10 A. No, City National, BB&T, then great Florida.
11 Sorry.

12 Q. Were you ever in a romantic relationship with
13 Anthony Pugliese?

14 A. No.

15 Q. Were you ever in a romantic relationship with
16 Fred DeLuca?

17 A. Yes.

18 MR. HUTCHISON: Again, Anthony, I'm going
19 to --

20 BY MR. YANEZ:

21 Q. For how long?

22 MR. HUTCHISON: Anthony, anything more on
23 this topic, the deposition is over. I'm going to
24 make an ore tenus motion for protective order.
25 We're going to go in front of Judge Hafele. If you

1 want to get into other topics in the more relevant
2 subject matters, I'll sit here, and we can finish
3 this deposition. But it's your call.

4 MR. YANEZ: Can you please step out for one
5 second, please --

6 THE WITNESS: Sure.

7 MR. YANEZ: -- while we put something on the
8 record.

9 (Discussion held off the record.)

10 MR. YANEZ: The relevance of the line of
11 questioning is to establish Ms. Saavedra's
12 relationship with Fred DeLuca, which then segued
13 into a business relationship, which then leads to a
14 potential bias of the witness.

15 The protective order is as to examination of
16 Fred DeLuca. There was never a protective order
17 entered as to any other witness that may testify
18 about Fred DeLuca and whatever relationships he may
19 have had.

20 So we maintain that the line of questioning
21 is relevant. It's a discovery deposition. She is
22 not your client. There's no attorney-client
23 privilege. There's no basis to object and limit
24 our line of questioning in this discovery
25 deposition.

1 MR. HUTCHISON: Well, what's the potential
2 bias?

3 MR. YANEZ: Well, the potential bias --

4 MR. HUTCHISON: I mean, I understand the term
5 "potential bias," but she obviously doesn't have a
6 potential bias for Fred DeLuca. So what's the
7 potential bias?

8 MR. YANEZ: Well, at the time she met
9 Fred DeLuca there was a significant amount of
10 banking business that traveled with Fran Saavedra
11 to additional employers, Bank of America, then
12 City National, and then other banks.

13 And then, also, it's important to note that
14 Fred DeLuca and Fran Saavedra were in a romantic
15 relationship, probably around the time that she
16 met -- that Fred DeLuca met Anthony Pugliese. And
17 there was a possibility that Fran Saavedra was
18 aware of the circumstances by which Fred DeLuca
19 wanted to take advantage of our client.

20 So that's why this line of questioning is
21 relevant.

22 MR. HUTCHISON: If she's aware of some
23 circumstances or facts, that's fine, but the
24 romantic relationship is not needed to establish
25 that. I let you ask the question, if there was

1 one. That's all I'm going to let you go into. And
2 no more details about it.

3 And if you want to get in to establish all
4 those other facts, which has nothing to do with
5 their -- Fran Saavedra's and Fred DeLuca's personal
6 relationship, I have no problem with that. All
7 those other facts can be established without going
8 into a personal relationship.

9 MR. YANEZ: Are you saying that there was a
10 protective order entered as to other witnesses --

11 MR. HUTCHISON: No.

12 MR. YANEZ: -- to testify as to Fred DeLuca?

13 MR. HUTCHISON: I'm saying this subject
14 matter is harassing and embarrassing to somebody;
15 whether it's Fred DeLuca or whether it's
16 Fran Saavedra, or whomever.

17 MR. YANEZ: She said on the record it's not
18 as to her.

19 MR. HUTCHISON: What about Fred DeLuca? I
20 mean, he's still a party here. And it's certainly
21 irrelevant, and we certainly understand the intent
22 of your questioning is to embarrass and to harass
23 Fred DeLuca. And it was tried during Fred DeLuca's
24 deposition numerous times, and during Bobby Ray's
25 and David Freedman's on other topics. And it's not

1 going to happen today, and if you want to go to the
2 Judge, we'll go to the Judge; it's your choice.

3 MR. BELAVAL: Let's go to the Judge.

4 MR. HUTCHISON: Okay. Let's go to the Judge.

5 MR. BELAVAL: Let's go to the Judge. I can
6 pay for the new one.

7 MR. YANEZ: Okay. I can cover -- I can cover
8 most of it today, or we can go to the Judge and --

9 MR. HUTCHISON: Yes, you can. And I would
10 suggest that you cover all of the other topics --

11 MR. YANEZ: Can I speak with my clients
12 outside while we think about this?

13 MR. HUTCHISON: Yes. My suggestion is, while
14 we're on the record, cover all the other topics,
15 and then if we have to go to the Judge, we'll go to
16 the Judge on the relationship topic alone.

17 MR. YANEZ: Okay.

18 (A brief recess was taken.)

19 MR. YANEZ: Back on the record.

20 THE WITNESS: So where are we at with the
21 scary stuff?

22 MR. YANEZ: We're going to move on. We're
23 going to be productive today.

24 THE WITNESS: Well, I can't be reproductive.
25 I'm 57.

1 Sorry. It's just my sense of humor. I'm
2 trying to make things a little bit less tense.
3 Thank God for that, though.

4 MR. YANEZ: Moving on, I'm going to show you
5 a document I'd like marked as Exhibit 1. And I'd
6 like you to take a look at it. It's an e-mail that
7 you sent to David Worroll from your City National
8 e-mail account, on or about August 3rd, 2000.

9 (Deposition Exhibit No. 1 was marked for
10 identification.)

11 BY MR. YANEZ:

12 Q. Do you see it?

13 A. Yes, I do see it.

14 Q. Okay. So --

15 A. Unless I'm blind.

16 Q. Did you leave Bank of America for
17 City National before you sent this e-mail?

18 A. Yes.

19 Q. Okay. When did you officially start working
20 for City National?

21 A. I started in May.

22 Q. May of 2000?

23 A. Yes. Like May 1st.

24 Q. What was your title at City National at the
25 time you sent that e-mail?

1 A. Assistant vice president.

2 Q. Who did you report to?

3 A. Wally Howard.

4 Q. And what were your job duties and
5 responsibilities?

6 A. I worked with Lynda Napolitano. Do you want
7 me to spell that? N-a-p-o-l-i-t-a-n-o.

8 And then I was supposed to produce business.

9 Q. Is that how your performance was measured,
10 producing business?

11 A. Yes. And what am I supposed to do with this
12 (indicating)?

13 Q. You can hold onto it, and take a look at it.
14 Who is David Worroll?

15 A. David was -- well, I don't think he was the
16 top dog at that time; I think Tom Hislop was, at
17 Doctors Associates, Inc., which is the main company of
18 Subway. It's the --

19 Q. Is that what DAI stands for in the e-mail?

20 A. Yes. Doctors Associates, Inc.; right.

21 Q. What did David Worroll do for Fred DeLuca?

22 A. Probably anything he asked.

23 Q. Did you meet or deal with David Worroll when
24 you were at --

25 A. Yes, many times, at --

1 Q. I apologize. Let me finish the question.

2 A. I'm sorry. It's a bad habit. I'm really
3 sorry.

4 Q. Did you meet or deal with David Worroll when
5 you were at Bank of America?

6 A. Yes. That's what I was going to say.

7 Q. Okay. What is the subject of the e-mail
8 you're holding?

9 A. The moving of Doctors Associates relationship
10 from Bank of America to City National.

11 Q. Do you see that you sent it with high
12 importance?

13 A. Yes.

14 Q. At that time, were you trying to convince
15 Fred DeLuca to move his accounts to City National?

16 A. Will I get in trouble if I say the next
17 sentence?

18 Q. No. Please, please.

19 A. I'm afraid of the gentleman to my left with
20 the white hair.

21 MR. HUTCHISON: Don't be afraid of me. I
22 just object. I don't do anything but object.
23 Don't worry.

24 BY MR. YANEZ:

25 Q. Please answer the question.

1 A. Fred said when we were out one evening, he
2 said, I think you should take the job, and I think you
3 should try to take my accounts with you.

4 Q. Where were you when he said that?

5 A. In his car.

6 Q. Were you on a date?

7 MR. HUTCHISON: Again, the relevance?

8 THE WITNESS: If I say "yes," will I get in
9 trouble?

10 BY MR. YANEZ:

11 Q. Well, was it a business meeting or a social
12 meeting?

13 A. It was a social meeting.

14 Q. So, socially, he told you, I think you should
15 take the job.

16 Was he referring to City National?

17 A. Yes.

18 Q. And when he says "his accounts," was he
19 referring to his business and personal accounts?

20 A. Yes.

21 Q. And how much were those accounts at the time?

22 A. Oh, multimillions.

23 Q. Can you quantify it with some specificity?

24 A. I have something -- am I allowed to bring it
25 out?

1 Q. Please, testify. Just answer the question
2 that was asked.

3 A. Like 200 million. But this is -- this is
4 just something Leonard Abess sent to me.

5 Am I allowed to --

6 Q. Well, who is Leonard Abess?

7 A. He owned City National at the time.

8 Q. Okay.

9 MR. YANEZ: A-b-e-s-s.

10 BY MR. YANEZ:

11 Q. So --

12 A. And it just is an e-mail that says he
13 actually put it in his notes, your end statement that,
14 he now he had a global account that he always wanted.
15 He was giddy with excitement.

16 Q. Who was giddy with excitement?

17 A. Leonard.

18 Q. Leonard Abess?

19 A. Yes. When Fred finally moved all of his
20 accounts.

21 Q. Before we get to that, look at the e-mail
22 there. Do you recall listing the top five reasons for
23 moving the DAI accounts to City National?

24 A. Yes.

25 Q. And then after listing those five reasons, it

1 says, "I'm sure, most importantly, you still get to work
2 with me," nine exclamation points.

3 Do you see that?

4 A. Yes. I didn't know you can count those. I
5 mean, they're very close together.

6 Q. You stated in that e-mail that was the sixth
7 reason for moving the accounts to City National.

8 A. Right.

9 Q. Do you recall that?

10 A. Yes. It's right there in black and white.

11 Q. So after you sent this e-mail, did
12 Fred DeLuca move the accounts to your attention at
13 City National?

14 A. Yes.

15 Q. And you testified, how much were those
16 accounts?

17 A. They were like 250 million or -- the money
18 ebbed and flowed, because he collected -- I don't want
19 to say more than I'm asked.

20 Q. Okay. Fair enough.

21 MR. YANEZ: I'm going to show you another
22 e-mail that's going to be marked as Exhibit 2.

23 (Deposition Exhibit No. 2 was marked for
24 identification.)

25

1 BY MR. YANEZ:

2 Q. We've marked as Exhibit 2 an e-mail from
3 David Worroll to your City National e-mail account,
4 dated October 10, 2000, and I'll just ask you to take a
5 look at that.

6 A. There's good old Tom Hislop, see? My memory
7 is good.

8 Q. Do you recall this e-mail?

9 A. Well, yes. They did start slowly.

10 Q. Okay. And the subject is "SUBWAY ACCOUNTS,"
11 all in caps.

12 A. Uh-huh.

13 Q. And David Worroll is asking you to establish
14 accounts for four entities; is that right?

15 A. Correct.

16 Q. Do you see he also lists the signatories for
17 the accounts?

18 A. Yes.

19 Q. And David Worroll is one of those
20 signatories; correct?

21 A. Right.

22 Q. And who -- and I know you mentioned his name
23 earlier -- who is Thomas Hislop?

24 A. Well, Tom Hislop is -- Dave Worroll took his
25 position, but he was like the CFO.

1 Q. When did David Worroll take his position?

2 A. Oh, not very long after, like maybe a year or
3 so into it.

4 Q. Do you know why he took his position?

5 A. I think because Tom wasn't doing a very good
6 job.

7 Q. Who told you he wasn't doing a very good job?

8 A. Fred.

9 Q. When did he tell you this?

10 A. Well, I don't have an exact date, but
11 somewhere around this time period.

12 Q. Did he tell you in a business or a social
13 setting?

14 A. In a social setting.

15 Q. Where was that social setting?

16 A. Gosh, it could be any number of places.

17 Q. Like where?

18 MR. HUTCHISON: Don't guess.

19 Calls for speculation, foundation.

20 BY MR. YANEZ:

21 Q. Well, to the best of your knowledge, if you
22 know, where did he tell you that Tom Hislop was not
23 doing a good job, and he was going to be replaced with
24 David Worroll?

25 MR. HUTCHISON: If she remembers.

1 THE WITNESS: Most likely, at his house.

2 BY MR. YANEZ:

3 Q. So not at the bank, right?

4 A. No. He wouldn't come and discuss that at the
5 bank.

6 Q. Why is that?

7 A. He rarely -- he rarely came in the bank.

8 Q. Why would he rarely come into the bank if he
9 knew you worked there?

10 MR. HUTCHISON: Objection. Calls for
11 speculation, form.

12 BY MR. YANEZ:

13 Q. You can answer the question.

14 A. Because he really did -- he -- that's why no
15 one had met him at Bank of America, because he never
16 came in. He kept a low profile. Flew under the radar.
17 I didn't even know he was a billionaire until that
18 Fortune article -- or Forbes -- the Fortune article came
19 out.

20 Q. What year did that article come out?

21 A. It had to be right -- '97 -- no, '98. I
22 think '98.

23 Q. Okay.

24 A. Because he was really upset about it.

25 MR. YANEZ: I'm going to show you a document

1 that is going to be marked as Exhibit 3, and it's a
2 fax from Fred DeLuca to you, dated
3 March 5th, 2000 -- or I'm sorry, 1998. And I
4 believe there's an article attached.

5 THE WITNESS: Yes.

6 (Deposition Exhibit No. 3 was marked for
7 identification.)

8 BY MR. YANEZ:

9 Q. Do you recall this document?

10 A. Yes. Because I couldn't believe that he did
11 not have his own public relations person and that he
12 wanted to answer it himself.

13 Q. Why was he sending this to you, and why was
14 he faxing it to you?

15 A. He wanted my opinion on how to answer this.

16 Q. Was (954) 765-2703 your fax number at the
17 time?

18 A. Yes.

19 Q. And where were you working as of
20 March 5th, 1998?

21 A. I was at Bank of America. And they flipped
22 out over the article.

23 Q. Did Fred DeLuca trust your business judgment
24 at that time?

25 A. Absolutely. Without a doubt.

1 Q. Was Fred DeLuca sensitive about Subway's
2 image to the public?

3 A. Absolutely.

4 MR. HUTCHISON: Objection to the form.
5 Foundation, relevance.

6 MR. YANEZ: She already answered the
7 question.

8 BY MR. YANEZ:

9 Q. Was (203)876-6682 Fred DeLuca's fax number?

10 A. Yes. That's the one up in Connecticut.

11 Q. Well, do you recall if he sent that from his
12 house or his office in Connecticut?

13 A. I don't know. I couldn't tell you. I don't
14 know the answer to that question.

15 Q. And it says in the narrative of the fax, the
16 following: "Please show this to Anne."

17 Do you see that on the first page?

18 A. Yes. That's Anne Gottfried, who was my boss.

19 Q. So Anne Gottfried worked at Bank of America?

20 A. Yes.

21 Q. What did she do for Bank of America?

22 A. She was my boss then. And she was head of
23 the team that I was on.

24 Q. Was she involved with any of
25 Doctors Associates or Subway's accounts?

1 A. She was supposed to be. But Fred would
2 always say, I don't want her; I want Fran.

3 Q. I'm sorry, say that again.

4 A. I don't want her; I want Fran.
5 I even brought her with me to Milford and out
6 to lunch.

7 Q. Why did you go Milford?

8 A. To see Subway world headquarters and to see
9 how things ran.

10 Q. Why were you invited up there? Well, let me
11 back up.

12 Who invited you up there?

13 A. Fred did. And it was to see how -- well, it
14 was an all-encompassing thing. After they finally paid
15 attention to him, because I had been saying, Look at
16 these balances. This is a man we should be paying
17 attention to.

18 Q. Is that the only place that he flew you out
19 to discuss Subway business?

20 A. No.

21 Q. Where did he fly you out to? Where else did
22 he fly you out to?

23 MR. HUTCHISON: Objection to the form of that
24 question, and relevance.

25 BY MR. YANEZ:

1 Q. You can answer.

2 A. I went to Europe.

3 Q. When did you go to Europe?

4 A. In '98.

5 Q. Who did you go with?

6 A. Well, I went by myself, but I went under
7 the -- I went to visit Fred.

8 Q. Who paid for that flight?

9 A. Fred.

10 Q. Why did he pay for that flight?

11 A. He wanted to see me.

12 MR. HUTCHISON: If this is going to be the
13 same line of questioning, Anthony, we're going to
14 stop. Next time we're going to stop. If you want
15 to get into the other topics, fine. I'm going to
16 make an ore tenus motion for protective order, the
17 deposition is over, and we're going to go see the
18 Judge.

19 It's obvious what you're doing; you're
20 circumventing my previous -- what I thought was our
21 agreement. Your agreement was you were going to
22 move on and avoid the topic. If you don't want to
23 abide by your agreement, then we're going to go see
24 the Judge. It's up to you.

25

1 BY MR. YANEZ:

2 Q. What was the purpose of the trip?

3 MR. HUTCHISON: Again --

4 THE WITNESS: Can I ask a question --

5 MR. HUTCHISON: -- Anthony --

6 THE WITNESS: -- of you?

7 BY MR. YANEZ:

8 Q. Was it a business purpose for that trip?

9 A. For me? As a single parent making 35,000,
10 no.

11 Q. Did his wife go on that trip?

12 A. No.

13 Q. How long were you there?

14 A. Like two weeks. It was London and Paris. I
15 got to see the World Cup.

16 Q. That was in '98.

17 A. Yes. And it was Brazil and Paris, and Brazil
18 was favored to win, but France won.

19 Q. You went to the game?

20 A. I have my ticket.

21 Q. Who did you go to the game with?

22 MR. HUTCHISON: Anthony, one more question,
23 the motion is over -- the depo is over and I'm
24 doing my motion. You had an agreement with me.

25 MR. BELAVAL: That's ridiculous.

1 BY MR. YANEZ:

2 Q. Was there a business purpose of going to the
3 game?

4 A. No.

5 MR. HUTCHISON: Objection.

6 THE WITNESS: Why is that -- am I allowed to
7 ask --

8 MR. HUTCHISON: No, you're doing nothing
9 wrong. It's between me and Mr. Yanez.

10 BY MR. YANEZ:

11 Q. Was there a business purpose to going to the
12 World Cup game?

13 A. No. Well, it was for him. He got free
14 tickets from Pepsi.

15 Q. All right. I'm going to move on.

16 A. And just --

17 Q. Are you all right?

18 A. My nose is just running. I'm okay. I'm
19 looking for a Kleenex.

20 Q. Let's go back to the, if we can,
21 Ms. Saavedra --

22 A. I'm listening.

23 MR. CHAPMAN: I think she's looking for a
24 Kleenex.

25 MR. YANEZ: Okay.

1 THE WITNESS: This was the one from Leonard
2 that said he thanked me for bringing that
3 (indicating) --

4 MR. YANEZ: All right. I don't need to see
5 it now.

6 Ms. Saavedra, if you can, can you please --
7 what do you need? Why is Mr. Hutchison grabbing it
8 off the table?

9 THE WITNESS: It's just nice, to me.
10 Somebody said something nice to me.

11 BY MR. YANEZ:

12 Q. Okay. Well, let's just go back to Exhibit 2,
13 Ms. Saavedra.

14 A. Okay.

15 Q. It's the October 10th, 2000 e-mail.

16 A. Uh-huh.

17 Q. I want to make sure Mr. Hutchison is
18 reviewing the e-mail that you put on the table and he's
19 now handing over to you.

20 A. All right.

21 Q. Who is Terri Deveny?

22 A. Terri Deveny. She worked underneath
23 Dave Worroll.

24 Q. What did she do for David Worroll?

25 A. She was like the controller.

1 Q. And what did she do for Fred DeLuca?

2 A. She was a controller for Doctors Associates.
3 And she set up accounts, and she did a lot of the
4 foreign stuff.

5 Q. Did you ever meet her?

6 A. Yes. We all went to dinner.

7 Q. Was that for business purposes or social
8 purposes?

9 A. Business and social when I was up there.
10 They were very nice. Nice people.

11 Q. So you went up to Milford for social
12 purposes?

13 A. Well, no. I went up there to tour the
14 company and meet them and be nice to them. That's what
15 you do when...

16 Q. Who is Douglas Dempsey?

17 A. Oh, he was kind of a tool. But he was -- I
18 mean, very nice, but I didn't understand his function.
19 He was like over part of the team. Very nice person,
20 but I didn't really understand what he did.

21 Q. Why was he one of the signatories for the
22 accounts on the e-mail that is marked as Exhibit 2?

23 A. Because, I think, Fred needed people if other
24 people were not present or out or traveling.

25 Q. Did he tell you that, or did you just

1 determine that from working?

2 A. I'm assuming that, because there used to be
3 another woman there called Marion Platchko, and she
4 quit. And she was on all of the signature cards. So I
5 think he was trying to...

6 Q. She's not listed on your e-mail. Did she
7 quit before this e-mail was sent?

8 A. Yes, yes. But I knew her.

9 Q. Do you know why -- well, let's backtrack.
10 Do you know why she quit?

11 A. She said she couldn't stand working -- she
12 knew Fred and -- oops -- his wife from when Fred was 16.
13 And she was -- used to be best friends with Suzanne, his
14 sister.

15 Q. Suzanne who? I'm sorry, Suzanne, what was
16 her last name?

17 A. Used to be DeLuca, but I don't know what her
18 married name is. I know she's married with kids.

19 Q. Did she go to high school with Fred DeLuca?

20 A. Yes. She said he always wore a pocket
21 protector.

22 But I got to know her very well on one of the
23 trips; I stayed with her in Fairfield, Connecticut.

24 Q. Why did you stay with her?

25 A. Well, we got to be so friendly over the phone

1 that when I went up there, she said, stay an extra day
2 and stay with me. And we went into the city.

3 Q. What city?

4 A. New York.

5 Q. For business purposes or social?

6 A. No, for fun. And she talked about how much
7 she hated working at Subway, but...

8 Q. Do you remember exactly when she quit at
9 Subway?

10 A. No. No. She kept in touch with me a long
11 time. She got married, sent an invitation. Had a
12 child. But she also knew Fred's wife, and she knew
13 Jonathan.

14 Q. Jonathan. What was --

15 A. DeLuca.

16 Q. Is that Fred DeLuca's son?

17 A. (The witness nods.)

18 Q. Did you ever meet Jonathan?

19 THE REPORTER: You nodded, but you didn't
20 answer.

21 THE WITNESS: Oh. Yes, yes. That is
22 Fred DeLuca's son.

23 Yes, I met Jonathan. And I set up accounts
24 for him for Media View.

25 BY MR. YANEZ:

1 Q. When did you first meet Jonathan?

2 A. '98, '99.

3 Q. Was it in a business setting or a social
4 setting?

5 A. Business. And I always maintained a very
6 businesslike persona around Jonathan. He seemed to be a
7 very smart, nice kid.

8 Q. Did he take advanced placement classes in
9 high school?

10 A. I wouldn't know that. We didn't discuss
11 that.

12 Q. Did you discuss his background at all?

13 A. I knew he went to Michigan. I'm from
14 Michigan. I'm from Detroit, so...

15 Q. Okay. Going back to the e-mail there that's
16 marked as Exhibit 2, the one that's dated
17 October 10, 2000 --

18 A. Yes.

19 Q. -- I just wanted to discuss some of the other
20 names that are listed there.

21 Who is Julie Denofrio (phonetic)?

22 A. Maybe Vincent Denofrio's sister. If I met
23 her, she didn't make an impression. I don't remember
24 her.

25 Q. Okay.

1 A. I knew Terri really well, and I knew Dave
2 extremely well, and I knew Marion from before. And
3 Doug, we all went to dinner, and they had lots of
4 stories.

5 Q. What kind of stories?

6 A. Am I allowed to say them?

7 Q. Well, I don't know what they are. Please,
8 tell us.

9 A. Well, it was the first time I ever saw
10 Fred DeLuca's office. And I had never seen a desk that
11 large ever, in my entire life. And to this day, I've
12 never seen one.

13 THE WITNESS: Have you been up there? Have
14 you seen his desk?

15 MR. YANEZ: You don't have to ask questions
16 of the other attorneys.

17 THE WITNESS: I just wanted to see if anyone
18 ever saw his desk. It's gigantic. It's -- and he
19 also has a full-sized couch and refrigerator. And
20 it was enormous. So I was like -- and there's big
21 pictures of him everywhere. So I was very
22 impressed.

23 BY MR. YANEZ:

24 Q. Big pictures where? In his office?

25 A. No. Around -- there's like two floors, and

1 there's a reserve behind the building. And so that was
2 it -- I'm from a banking background for big banks. You
3 don't see that, you know, not at where I worked. I
4 worked downtown Las Olas. You don't see big pictures
5 of, I don't know, Harry Truman or anybody. Name
6 somebody. You're not going to see that. It's going to
7 be very sedate and business -- like your firm. It's
8 going to look like this.

9 And so when I walked in and saw like big
10 portraits of Fred and -- you know, I know the whole
11 story about Pete Buck and Fred. And I knew that whole
12 gist of the thing.

13 Q. Who told you that story?

14 A. Fred.

15 Q. When did he tell you that story?

16 A. Upon meeting him, you know, I'm out to
17 dinner.

18 Q. When he told you that story of how -- are we
19 referring to Peter Buck, Dr. Peter Buck?

20 A. Yes.

21 Q. Is he Fred DeLuca's partner in --

22 A. Yes.

23 Q. Okay. And when did you first hear that
24 story? Was it in a business or social setting?

25 A. Social setting.

1 Q. What social setting?

2 A. When we went to dinner with Sandy Anderson
3 and Fred and myself.

4 Q. The three of you?

5 A. Yeah.

6 Q. And where was that dinner?

7 A. Oh, I don't even remember. In Boca, I think,
8 somewhere.

9 Q. Okay. Why did they have two separate
10 accounts to the attention of June Howard and
11 Brigette Saffiotti -- am I saying that correctly?
12 They're listed as one and two in the middle of the
13 e-mail marked as Exhibit 2.

14 A. I don't see that. Where are you -- oh,
15 June Turner and Bridget. You mean Brigette Saffiotti.

16 I don't know why it's attention. Maybe she
17 did the balancing. That's the only thing I can think
18 of. Because all of them have different names.
19 June Turner I know; the other ones, I don't.

20 Q. Okay. And did you ever meet June Turner?
21 Did you ever deal with her on a regular basis?

22 A. If memory serves me correctly, I think so.
23 And she was an older woman, probably my age now. I
24 think she just opened the mail and kept things in order.
25 But the people that really ran it were these four, the

1 signers. Those were the people that ran things.

2 Q. That's Tom Hislop; right?

3 A. Right. He's no longer there.

4 Q. Well, you testified earlier that he was
5 replaced; correct?

6 A. Well, Dave moved up, and Tom took an early
7 retirement, is the way I heard it.

8 Q. And Terri Deveny is still with the company,
9 or --

10 A. I'm not sure.

11 Q. And Douglas Dempsey, is he still with the
12 company?

13 A. Doug, I'm not sure of that either. But I
14 know Dave Worroll still is.

15 Q. Okay. I'm now going to show you a
16 document --

17 A. I'm going to show you this (indicating).

18 Q. Okay. Is that -- you just placed a framed
19 picture on the table. And it appears to be -- could you
20 please describe who is on this picture?

21 A. In case you think I'm a liar, I have a ton of
22 pictures -- and they're in Fred's writing -- that I
23 brought with me.

24 MR. HUTCHISON: I never said you were a liar,
25 ma'am, at all. That's not the issue.

1 THE WITNESS: That was in Europe. And that's
2 Fred, and that's myself (indicating) with really
3 short white hair. That happened the night before.

4 BY MR. YANEZ:

5 Q. Okay. We can leave that --

6 A. This is in my guest room.

7 Q. Okay. We can leave that on the table here,
8 but let me just get back to --

9 MR. YANEZ: This is the one I would like
10 marked as -- what are we on now, 4?

11 (Deposition Exhibit No. 4 was marked for
12 identification.)

13 BY MR. YANEZ:

14 Q. This is an e-mail dated November 6, 2000,
15 that Wally Howard sent to you at your City National
16 e-mail account. Do you recall this e-mail?

17 A. Yes. Yeah, Wally was great.

18 Q. Okay. The subject line is "Mr. DeLuca," and
19 Wally Howard forwards it to you before responding to
20 Kharen Gaynair; is that right?

21 A. Yes. Kharen Gaynair.

22 Q. Who is Kharen Gaynair, as I sensed some
23 excitement in your voice when you said her name?

24 MR. HUTCHISON: Objection, move to strike
25 comment of counsel. Form of the question.

1 BY MR. YANEZ:

2 Q. Who is Kharen Gaynair?

3 A. But didn't he just move to strike?

4 Q. Well, I rephrased the question.

5 A. Oh.

6 Q. I asked it in another way.

7 A. Okay. So how -- what am I answering?

8 Q. Who is she?

9 A. If it's the Kharen I'm thinking of, she
10 worked at City National Bank.

11 Q. And what was her position?

12 A. She was right under Leonard Abess.

13 Q. Okay. Mr. DeLuca had opened eight accounts
14 with you at City National; right?

15 A. Right.

16 Q. And it also says in the e-mail that the
17 Subway accounts would be funded by the end of the month.
18 Do you see that?

19 A. Yes.

20 Q. Okay. Do you see where it says,
21 "Mr. DeLuca's accounts totaled approximately
22 55 million"?

23 A. Right.

24 Q. And was that about how much those accounts
25 were when you left Bank of America?

1 A. No. They were more.

2 Q. It also says in the e-mail, in quotes, It
3 will be a very profitable relationship, so profitable,
4 BOA management was told to do anything to keep Fred.

5 Do you see that?

6 A. Yes. I was there at that meeting at
7 Bank of America.

8 Q. And what exactly did Bank of America try to
9 do to keep Fred DeLuca's banking business?

10 A. You get an analysis statement when you have
11 accounts this large.

12 THE WITNESS: Are you guys all familiar with
13 that?

14 BY MR. YANEZ:

15 Q. No. Please tell us.

16 A. Well, you get charged for every little single
17 thing that your account has; like how many checks are
18 returned, how many checks are processed, how many
19 overnight -- the overnight investments. And he -- he
20 had been like milked forever at Bank of America. And I
21 was the one who caught it. It was like pure gravy.

22 And so he ended up getting refunded some
23 money, due to me being vigilant. And not me even
24 meeting him. Me just looking at it and saying, somebody
25 needs to do something, we can sell more products, we can

1 offer more services, blah, blah, blah.

2 And they, once they realized he was serious,
3 and he was going to leave, Gerry Litrento sat down with
4 him and said, What can we do to keep you? You know,
5 We'll do anything.

6 Because that's a big chunk of change, like
7 250 million, because all of the royalties -- am I
8 allowed to say this?

9 Q. Yeah. Please.

10 A. All of the royalties at that time were
11 collected and put into Fred's FDTI account every Monday
12 morning.

13 Q. What is FDTI?

14 A. Franchise Development Team, Inc. And that
15 was, at the time, 7 and a half percent. And this is all
16 from memory. I am sure now it's much higher. And it
17 was like 7 million that came in every Monday. And that
18 was the boys' money, their royalty split. They called
19 it their bonus money.

20 Q. Who called it that?

21 A. Fred and Pete. And they did us a favor at
22 City National, where they, you know, at the end of the
23 year, they would write their checks to each other --
24 they did it quarterly -- but at the end of the year,
25 they wrote their checks and didn't cash them because it

1 was a much smaller bank until after the first of the
2 year. So Leonard's balances would look higher.

3 So that was the one nice thing he did. Not
4 for me, but for Leonard.

5 Q. Now, the next --

6 A. But, of course, we gave him zero charges. We
7 didn't charge him for anything.

8 Q. Where was this?

9 A. At City National.

10 Q. What do you mean "zero charges"? For what
11 services?

12 A. Every single line item. I wish I had an
13 analysis form to show you. But every single thing on
14 accounts this huge are charged like, you know, 11 cents
15 for a returned item. Every single thing you do:
16 Processing payroll checks, processing every --
17 everything you do is accounted for. I haven't worked in
18 a few years, so...

19 But every single thing. Like if you look at
20 a statement, it will show like 15 things, and each one
21 has a percent charge. And because of my -- he even got
22 Fed fund rates for overnight investment, which I was
23 instrumental in.

24 Because when I left the bank, I left
25 City National because he worked -- they were paying me

1 nothing; nothing what I should have been paid. He said,
2 Oh, I'll follow you there. And he didn't.

3 But he did use me as a bargaining chip,
4 because I got him zero for everything. And he used
5 that, went back to Leonard. So he literally didn't have
6 to pay anything. Not one single cent.

7 Q. Let's go back to the e-mail real quick.

8 A. Okay.

9 Q. Where it says in the next paragraph -- this
10 is the e-mail from Wally Howard to you --

11 A. Right.

12 Q. -- where it describes Mr. DeLuca's referrals
13 of his friends and business associates --

14 A. Yes.

15 Q. -- who specifically did Fred DeLuca refer to
16 City National?

17 A. He referred his -- the trust, the co-op
18 that -- it's got another acronym. I think I have it
19 written down somewhere.

20 Q. Well, to the best of your memory.

21 A. The food -- the other one is food, the other
22 one is trustees, and Larry Feldman. And he referred his
23 son, and he referred another gentleman. He referred
24 everyone, and then he gave me people, like
25 David Sullivan, Mike Ashley.

1 Q. When did he -- what do you mean by give you
2 people? What did that mean?

3 A. These were people that he had invested in or
4 partnered with that owed him money.

5 Q. For what?

6 A. Because he had lent them money. And --

7 Q. Why did he lend them money?

8 A. For their businesses. Mike Ashley owned a
9 gym. He was Mr. Universe. Dave Sullivan made clothing,
10 and...

11 Q. Are you aware of a company called "XtremeMac
12 Company"?

13 A. Yes, I am very aware of them.

14 Q. How -- what do you mean by "very aware"?

15 A. And I introduced him to them (indicating). I
16 received a bucket of -- bag of their products.

17 Q. And you just placed -- just so I can read it
18 on the record -- "Xtremity, the complete iPod case."

19 A. Yeah.

20 Q. What is that that you just placed on the
21 table?

22 A. That was for the original iPod, the big fat
23 one. That's for if you want to go out and -- actually,
24 I got so many different things. I got recipes and...

25 This is the complete iPod case system. So

1 you can put it in there and hook it to your belt. It's
2 got a clip.

3 Q. Did Fred DeLuca -- did this company ever seek
4 a line of credit from Fred DeLuca?

5 A. Oh, you know what else I have? I have their
6 card.

7 Yes, they came to me because I had known
8 Dale McNulty. And Dale McNulty was a very wealthy man,
9 who actually had a seat on the New York Stock Exchange,
10 and his son was involved with XtremeMac. And he said,
11 they really need somebody.

12 And they came to see me in the conference
13 room at City National Bank. And I sat with them, and I
14 said -- you know, they're working out of their garage.
15 One of the guys, I think it was Seth -- it was Seth,
16 Kevin, and I forgot the other guy's name. There were
17 three of them --

18 Q. Are you referring to Kevin Doyle, whose
19 business card you just placed on the table?

20 A. Yes. Yes.

21 Anyways, they said -- and Dale McNulty came
22 with them. And Dale said they have Christmas orders
23 coming up -- this was like September, October -- and
24 they're making them all, and they're like -- they had
25 all burned out their credit; they had all gotten like

1 divorces. So they couldn't go to a regular bank. They
2 couldn't get regular credit.

3 So I knew Fred was always interested in tech
4 and big things like that. So I said, Well, I might know
5 someone.

6 Q. So you --

7 A. And I said, But it comes with high risk, but
8 I might know someone.

9 And they said, we have so many orders, if we
10 don't get this done, our company's finished.

11 And so Fred met them and went out there. And
12 he had Fred Florio go and do due diligence. And Fred
13 did due diligence. In fact, I got an iPod that was
14 inscribed -- I don't have it any longer -- "for my
15 special friend."

16 Maybe he meant that in a different way, that
17 I'm just special, like autistic.

18 Q. So Fred DeLuca invested in this company, or
19 infused it with a line of credit, or just gave a loan to
20 the company?

21 A. He took 35 percent of the company.

22 Q. For what?

23 A. He gave them like 300,000 so they could get
24 their Christmas order out. But I have to tell you,
25 every bank I went to, they begged me to give them a

1 million-dollar line of credit and get rid of Fred. They
2 were like crying. They wanted to get rid of Fred,
3 because Fred had, they said, sucked them dry.

4 Q. What do you mean by --

5 A. Sucked the marrow out of their bones. They
6 were like crying at my offices. And I said, I can't do
7 it. You guys have burnt through your credit. You're
8 divorced. Your credit reports look like -- I don't
9 know, the only word I can come up with is, like, "death"
10 or "abortion."

11 Sorry, that's really tacky.

12 Q. What year was that?

13 A. 2000 -- maybe 2002, around there. I was only
14 at City National from 2000 -- I was there four years,
15 and I left in 2004.

16 Q. All right. Let's go back to your
17 City National experience for a minute. I want to go
18 back to that e-mail.

19 A. Which one?

20 Q. Exhibit 4. It's the November 6th, 2000,
21 e-mail --

22 A. Yep.

23 Q. -- the one from Wally Howard to you.

24 A. Yep.

25 Q. It says, "There's great potential for wealth

1 management. Fleet is his bank for his trust accounts."

2 Did Fred DeLuca ever transfer the wealth
3 management business from Fleet to City National?

4 A. No.

5 Q. Is there any reason why?

6 A. I don't really think City National was set up
7 to deal with that type of wealth management. He
8 probably got a better return at...

9 Q. At where?

10 A. What was the name of it? Prudential? What
11 was it? He had a number of them.

12 Q. According to your e-mail, it says Fleet.

13 A. Oh, I wasn't reading, sorry.

14 Fleet, yes.

15 Q. Did you have that discussion with Fred DeLuca
16 about his wealth management business?

17 A. Yes. I always had discussions with Fred
18 about more money.

19 Q. Did you have those in business settings or
20 social settings?

21 A. Both.

22 Q. Okay.

23 A. But he -- you know, as I said, he rarely came
24 in the bank. And when he did, it was like, all hail,
25 the king's all here.

1 Q. And that was at City National?

2 A. Yeah.

3 Q. Okay. I'd like to show you, as I hand it
4 over, the picture of you and Mr. DeLuca on the table --

5 MR. YANEZ: I'd like this marked now as
6 Exhibit 5.

7 (Deposition Exhibit No. 5 was marked for
8 identification.)

9 BY MR. YANEZ:

10 Q. All right. This is an e-mail from
11 Wally Howard, but this time, he responds to
12 Kharen Gaynair, where it appears that you printed it out
13 from your City National account; is that right?

14 The e-mail that you're looking at --

15 A. Yes. I just wanted to compare it.

16 Q. -- is that your name at the top?

17 A. Yes.

18 Q. Or is it possible you were blind copied on
19 this e-mail?

20 A. Yes, could be.

21 Q. This is a different version of the e-mail
22 that I last showed you; is that right?

23 A. Yes, it is.

24 Q. Okay. Did you make edits to the e-mail that
25 Wally Howard sent you, the first November 6th e-mail,

1 which, I believe, was marked as Exhibit 4?

2 A. Yes, I did.

3 Q. Okay. Now, let's compare the two e-mails.

4 In the first paragraph of the new e-mail, it
5 says the approximate balance was 45 million to
6 55 million. Do you see that?

7 A. Right.

8 Q. Okay. Why did it change from 55 to
9 approximately 45 to 55 million?

10 A. I probably was looking at a report.

11 Q. Okay. And then the next sentence says, in
12 the new e-mail, "We are expecting similar balances
13 here."

14 Did you also suggest that change to that new
15 e-mail?

16 A. Yes.

17 Q. Okay. So did Fred DeLuca tell you that he
18 was planning to transfer over the 45 to 55 million
19 before you sent that e-mail?

20 A. Yes.

21 Q. When did he tell you that?

22 A. You mean the exact date? It would be around
23 that time period.

24 Q. Was it in a business setting or social
25 setting?

1 A. Social.

2 Q. Okay. There was another change that you made
3 in the new e-mail about Fred DeLuca's trust accounts,
4 where it says, "He has roughly 500 million in personal
5 trusts."

6 Did he tell you that he had 500 million in
7 personal trusts with Fleet?

8 A. We actually obtained, because he wanted to do
9 a loan on one of his boats -- well, I think he only had
10 one boat -- we had to get a copy of one of his wealth
11 management statements so --

12 Q. Did he give you a copy of those statements?

13 A. Yes.

14 Q. When did he give you a copy of those
15 statements?

16 A. Probably around that time.

17 Q. Did he give it to you in a business or social
18 setting?

19 A. I'm sure that was mailed. I'm sure that was
20 FedEx'd.

21 Q. From Fleet, directly from Fleet?

22 A. No. I'm sure, from Dave Worroll.

23 Q. Okay. And in the new e-mail there, you also
24 provided his contact information in Connecticut and
25 Fort Lauderdale. Do you see that?

1 A. Yes.

2 Q. Okay. Was that requested by Leonard Abess?

3 A. Yes.

4 Q. Why did he request that contact information?

5 A. Because as -- that's one of the reasons I
6 handed that e-mail over, is because Leonard was so
7 excited.

8 Q. How excited was he?

9 A. That he sent me that e-mail that I put out.
10 (Indicating) this.

11 Q. Okay. You're now handing me an e-mail that
12 is from Leonard Abess you to, dated September 5th, 2001.
13 I understand that Mr. Hutchison has already reviewed it.

14 It says, "Soon everyone will get an e-mail
15 from me. I want you to know that the success that we'll
16 discuss could not have happened at this time without you
17 and the business you have brought to our bank." Do you
18 remember that?

19 MR. HUTCHISON: Mark that as Exhibit 6,
20 please.

21 (Deposition Exhibit No. 6 was marked for
22 identification.)

23 (Discussion of the record.)

24 THE WITNESS: The thing is, when I got
25 that --

1 BY MR. YANEZ:

2 Q. Go ahead. You can continue.

3 A. Okay. When I received this, and I saw that
4 it was just from him to me, and it says, "soon everyone
5 will get an e-mail from me," I thought, I'm fired.
6 Because I didn't see anyone else's name on it. And he
7 was the owner of the bank, and I heard he had a
8 reputation for having a bad temper. And I thought, Why
9 is he sending me only this? And then I found out later,
10 why, because it was in the notes that we now have a
11 global customer.

12 That year, at end of the year, 2001, he put,
13 "We have what we've always wanted, a global client."

14 (Deposition Exhibit No. 7 was marked for
15 identification.)

16 BY MR. YANEZ:

17 Q. I'm going to mark that as Exhibit 7. It's a
18 letter on Subway letterhead from Fred DeLuca to you,
19 dated December 20th, 2000. I'll just ask you to take a
20 look at it briefly.

21 A. Yes. And I paid for all of these things
22 myself.

23 Q. Well, let me -- I want to get into that.

24 A. Oh, sorry.

25 Q. Did you send a Delicious Floral Design,

1 Edible Fruit arrangement to the Subway office staff?

2 A. Yes, I did.

3 Q. Who paid for that?

4 A. I did.

5 Q. Okay. Did Fred DeLuca give you a Christmas
6 gift that year?

7 A. No.

8 Q. Did Fred DeLuca ever give you a Christmas
9 gift?

10 A. Not Christmas, but I did get one gift from
11 him.

12 Q. What gift did you receive?

13 A. We went to one of his friend's, Sandy Roser
14 or Rosen's, art party or something. And there was a
15 necklace that was worth like \$125 that she had made with
16 different beads. And he -- I was going to buy it for
17 myself.

18 Q. Did you offer to pay for it?

19 A. Oh, I always do, because I know how he is.
20 So he bought it.

21 Q. What do you mean by, "I know how he is"?

22 A. He said, let me get that.

23 Well, I know -- you know what? I always
24 knew, no matter how much money a man has, it doesn't
25 matter; it's their money.

1 Q. What do you mean by that?

2 A. I've dated a lot of wealthy men, and it's
3 their money. It's not mine. Although my husband has
4 money, and he doesn't mind spending it. And he's not
5 nearly as rich as Fred. Well, nobody is.

6 Q. While you worked as Mr. DeLuca's banker at
7 City National, did the Subway accounts ever have any
8 issues with endorsements on the checks?

9 A. What do you mean by problems with
10 endorsements?

11 Q. Well, in order for a check to be processed,
12 it has to be endorsed; correct?

13 (Deposition Exhibit No. 8 was marked for
14 identification.)

15 THE WITNESS: Correct.

16 BY MR. YANEZ:

17 Q. Okay. I'm showing you a letter marked as
18 Exhibit 8. This is a letter sent via fax. There's no
19 letterhead on it -- from David Worroll and Doug Dempsey
20 to you, dated June 21st, 2001. Do you see it?

21 A. Yes.

22 Q. And the fax number there, (954)467-6634, is
23 that your fax number?

24 A. It must have been for City National.

25 Q. Okay. And in the letter there, you see

1 there's five check numbers. Do you see that?

2 A. Yes.

3 Q. And those are five checks that total just
4 over, by my math, 24 million. Do you see that?

5 A. Yes.

6 Q. Okay. And they were asking you to honor
7 those endorsements for those checks, even though they
8 were not done properly.

9 A. Right.

10 Q. Do you recall that from this letter?

11 A. Yes.

12 Q. Okay. Did you resolve this issue for these
13 Subway checks?

14 A. Yes, of course.

15 Q. What do you mean by "of course"? Have you
16 done that more than once for them?

17 A. It was pretty much anything they wanted, we
18 did, when you have an account that large.

19 Q. What else did they ask for from you?

20 A. Fed fund rates. Zero charges.

21 Q. Anything else?

22 A. Can you do a tap dance? No, I'm kidding.
23 That last one, I'm kidding.

24 THE WITNESS: It would be a lot easier if I
25 could just make jokes.

1 (Deposition Exhibit No. 9 was marked for
2 identification.)

3 BY MR. YANEZ:

4 Q. I'm now going to show you an e-mail to be
5 marked as Exhibit 9. This is an e-mail thread dated
6 July 27th, 2001, with the subject heading,
7 "Doctors Associates Profitability Update."

8 A. I was just mumbling "Tom Brady."

9 Q. Yeah. And I'm going to make a joke now, too.
10 That's an e-mail from you to Tom Brady, but that's not
11 Tom Brady from the New England Patriots; is it?

12 A. No. No.

13 Q. Who is Tom Brady?

14 A. He used to be second in command before
15 Kharen Gaynair.

16 Q. So he reported to Kharen Gaynair?

17 A. No, no, no. Other way around.

18 Q. Oh, Kharen Gaynair reported to him?

19 A. Yes. He was right under Leonard Abess.

20 Q. Okay.

21 A. Great guy.

22 Q. Now, in the second paragraph, you wrote --
23 now, this is your e-mail to him in the middle of the
24 page?

25 A. Correct.

1 Q. At 2:52 p.m. on July 27th, 2001. Do you see
2 that?

3 A. Yes.

4 Q. And you sent it with high importance;
5 correct?

6 A. Yes.

7 Q. All right. Now, in the second paragraph, you
8 wrote, "The one thing DeLuca really likes at CNB is the
9 fact that the higher up's pay attention to him and show
10 him respect, (for the exceptional entrepreneur that he
11 is) he didn't receive that at BOA (only from me!)
12 Please let Leonard know that, too!"

13 What did you mean by that statement in that
14 e-mail?

15 MR. HUTCHISON: Objection to form.

16 Go ahead. You can answer.

17 BY MR. YANEZ:

18 Q. You can answer.

19 A. In that e-mail, of course, I'm being very
20 professional, but it is true they called him a slimeball
21 at Bank of America.

22 Q. Why would they call him that?

23 A. I don't know whether they got him confused
24 with Gus Houllis, but they go, oh, that's a Subway guy.

25 And I'm like, I don't care who he is. If he

1 was carrying balances like that, we should be paying
2 attention. And...

3 Q. What did you mean by the "Higher-ups show him
4 respect for the exceptional entrepreneur that he is"?

5 A. Well, of course, he -- you know the story,
6 that he started Subway with \$1,000 that was given -- or
7 lent, whatever term you want to use -- by Pete Buck, a
8 family friend. And Fred had elaborated on that with the
9 fact that his mother had gone with him to collect from
10 the vendors, different vendors, because they were
11 failing initially. So -- and he had written a book,
12 "Start Small, Finish Big."

13 Q. When was that book printed?

14 A. I don't know. Maybe you know.

15 Q. Well, you can testify, please, if you know.

16 A. I'm not sure. Somewhere in the first --

17 MR. HUTCHISON: If you don't remember, just
18 tell him you don't remember.

19 THE WITNESS: I don't remember. I can go
20 home. I have a copy.

21 BY MR. YANEZ:

22 Q. But do you know -- did he sign that copy for
23 you?

24 A. I don't even remember. But I do have another
25 book he did sign with me.

1 Q. It's okay. I just want to ask you about this
2 book. Was this book published before or after you met
3 him?

4 A. After.

5 Q. Did you help him with that book?

6 A. No. I read it.

7 Q. Did you tell him you read it?

8 A. Yes.

9 Q. Did you tell him what you thought about it?

10 A. Yes.

11 Q. And did he value your input, based on what
12 you read in that book?

13 MR. HUTCHISON: Objection to form and
14 foundation.

15 BY MR. YANEZ:

16 Q. You can answer the question.

17 A. Yes.

18 Q. Okay. What input did he value about it -- or
19 what input did he value?

20 A. When I was socially engaging outside of the
21 office -- that's professional; isn't it? -- that's when
22 the Jared thing hit. And he didn't think very much of
23 the Jared thing. He said he had gotten a letter -- I
24 remember he told me that the parents of Jared had
25 written a letter -- and it was in, I think, Chicago,

1 that it initially started -- and he said this kid had
2 lost like a gazillion pounds.

3 And I'm like, Oh, my God, you couldn't ask
4 for -- because I'm all -- I was in selling. I was in
5 getting business, dealing. And he said, yeah, well, you
6 know, the local development agents got together, but we
7 didn't think very much of it, and blah, blah, blah. And
8 then they published a little blurb in Men's Health.

9 And I said, You couldn't ask for better
10 marketing than that.

11 Q. You told Fred DeLuca that?

12 A. Yeah. I said you should like take that and
13 run. And it's not because of me. But, you know,
14 somebody somewhere thought, wow, that's a great idea.
15 Let's take it and run. But I remember being so excited,
16 thinking, wow, that's amazing, if other people could get
17 on that train.

18 Q. Do you remember when that --

19 A. Did you just take my picture and video me
20 without asking me?

21 MR. HUTCHISON: No, I didn't, either. I just
22 clicked off my e-mail.

23 THE WITNESS: Oh, sorry.

24 MR. HUTCHISON: I'm not going to take your
25 picture.

1 THE WITNESS: Because I want to pose if you
2 do.

3 MR. HUTCHISON: No. No pictures.

4 BY MR. YANEZ:

5 Q. Did you think you were being videotaped just
6 now, with a phone?

7 A. Yeah.

8 Q. What made you think that?

9 A. Because he pulled it out and then stopped
10 when I quit talking about Jared.

11 But that's okay. He answered, and I believe
12 him.

13 MR. HUTCHISON: I was checking my e-mails.

14 THE WITNESS: That's okay.

15 MR. HUTCHISON: If we wanted to videotape
16 you, we could have videotaped your whole
17 deposition.

18 THE WITNESS: Right. I understand. My
19 prenup to my current husband was videotaped, which
20 was really fun.

21 BY MR. YANEZ:

22 Q. All right. Let's -- let me go back?

23 A. That's fine. I'm sorry.

24 Q. Let me go back to the e-mail that you sent --
25 or that -- yeah, that you sent Tom Brady.

1 What did you mean by, "He only received
2 attention from me at Bank of America"?

3 A. He didn't. Every time I brought in things --
4 like one time I interrupted a meeting to show
5 Jim Cassidy, who was, you know, you couldn't get any
6 higher locally than Jim.

7 Q. Did he complain about that to you?

8 A. He. I don't think he really knew, because he
9 thought Joyce and Carolyn had it under control. It
10 wasn't until I started looking at -- I was like, who
11 keeps \$80 million here? And, we need to know this
12 person.

13 Q. Did you ever deal with Joyce and Caroline?

14 A. Yeah. I went out for drinks with them.

15 Q. When?

16 A. Way back when. I didn't drink, they did --

17 Q. And what did they tell you?

18 A. Oh, they -- they were really nice. Joyce has
19 got to be 107 by now. And Carolyn was -- she had a
20 different name when I first met her. She got married
21 and had kids.

22 Q. And she's now Carolyn Bolton?

23 A. Right.

24 Q. But you knew her before she married?

25 A. Right, right.

1 Q. And were you -- did you deal together in a
2 business setting --

3 A. Yes.

4 Q. -- or a social setting?

5 A. Yes, because they did the local accounts.
6 And they said, We get our checking accounts free.
7 Because they kept their accounts at Bank of America.

8 And that's when I got a hint that, you know,
9 something was going on that Fred's important if his
10 administrative assistants or bookkeepers, whatever their
11 titles were...

12 Q. Who gave you that hint?

13 A. They did. They said, he's Subway, and I --
14 you know, everybody at Bank of America was like, so?
15 But they didn't feel that way long, after -- what
16 happened is, when I told Fred that his balances were
17 high and we could be doing more for him, he called a
18 meeting -- when I -- this is just my opinion: That when
19 Fred gets cornered or gets exasperated, he will make you
20 do spreadsheets. I know. I have done millions of them.

21 And so he had me do a spreadsheet on all of
22 his accounts for the past five years when I was at
23 Bank of America. And then he found that he could have
24 saved a lot of money. So he talked Jared -- he didn't
25 talk, he made Gerry Litrento give him back money.

1 Q. What do you mean -- how much money?

2 A. Refund. Oh, it was like, I think it was like
3 six figures. But what he did was --

4 Q. I'm sorry, how do you spell Jerry's full
5 name?

6 A. It's G-e-r-r-y, L-i-t-r-e-n-t-o.

7 Q. Gerry Litrento?

8 A. Yeah. He's over at -- oh, I can't remember.
9 If you started naming banks, I could --

10 Q. But Fred DeLuca demanded money back from
11 Gerry Litrento.

12 A. Yes.

13 Q. Do you remember when exactly that was?

14 A. Before I left. So it had to be like '98 or
15 '99.

16 Q. And you said it was how much?

17 A. It had to be around six figures. And when
18 Gerry started to object, he said, tell you -- this is
19 Fred -- tell you what, we could make it ten years I
20 could go back. And so they conceded. And what they did
21 is, they just didn't charge him. That's how it worked
22 out. They didn't like write him a check for 100,000.

23 Q. How much was Fred worth at the time he made
24 that request?

25 A. Oh, at --

1 MR. HUTCHISON: Objection as to form and
2 foundation, and calls for speculation.

3 THE WITNESS: A lot.

4 BY MR. YANEZ:

5 Q. You can answer the question if you know it.

6 A. A lot. I mean, I was looking at balances
7 back then that were like 80 million, 100 million, and
8 had...

9 Q. You talked about, or testified, rather, that
10 when Fred DeLuca gets exasperated, he makes you prepare
11 spreadsheets; is that right?

12 A. Uh-huh.

13 Q. Did anybody else prepare spreadsheets for
14 him?

15 MR. HUTCHISON: Objection as to the form of
16 the question.

17 BY MR. YANEZ:

18 Q. You can answer the question, if you know.

19 THE WITNESS: I'm sure since I'm gone, they
20 have. And I don't know if Anthony, when
21 Fred Florio was there, had to or...

22 BY MR. YANEZ:

23 Q. When is your earliest recollection of him
24 asking for a spreadsheet or an itemized report of some
25 sort?

1 A. '98.

2 Q. And that was when you were at
3 Bank of America; correct?

4 A. Uh-huh.

5 Q. And did you ever prepare reports for him when
6 you were at City National?

7 A. Yes, but not as many because...

8 Q. Okay. I'm going to show you a document
9 entitled "Corporate Services Accounts by Relationship
10 balance and Officer," to be marked as -- we're at 10
11 now. This is dated as of January 31st, 2003.

12 (Deposition Exhibit No. 10 was marked for
13 identification.)

14 BY MR. YANEZ:

15 Q. Do you recall preparing this report or having
16 this report prepared for you?

17 A. I think this was self-generated.

18 Q. What do you mean by "self-generated"?

19 A. Like it just came off the computer, and they
20 passed it out to us loan officers.

21 Q. Okay. On Page 1 of this report --

22 A. Uh-huh.

23 Q. -- the first three accounts listed, are those
24 both Fred DeLuca's personal and business accounts?

25 MR. HUTCHISON: Objection as to form.

1 BY MR. YANEZ:

2 Q. If you know.

3 A. The second one is that account that he and
4 Pete Buck split.

5 Q. Is that their bonus account? I believe you
6 referred to it earlier.

7 A. It's a royalty account, yes.

8 MR. HUTCHISON: Objection as to form.

9 BY MR. YANEZ:

10 Q. And directly underneath, that is that
11 Fred DeLuca's personal account?

12 A. Yes.

13 Q. And what was the amount of the account at
14 that time?

15 A. 7 million --

16 Q. -- 30,745.19?

17 A. Yes. Sorry I wasn't more explicit. I was
18 rounding.

19 Q. And the first account that's listed, is that
20 the -- Doctors Associates, Inc., is that the Subway
21 account?

22 A. Correct. That is the Subway account.

23 Q. Okay. So those were approximately 65 million
24 in accounts that he had at City National at that time;
25 is that right?

1 MR. HUTCHISON: Objection as to form.

2 THE WITNESS: Well, there is more, if you
3 look further down.

4 BY MR. YANEZ:

5 Q. Okay. Did Fred DeLuca continue to trust your
6 judgment at that time?

7 MR. HUTCHISON: Objection. Form, foundation.

8 THE WITNESS: Yes, he did.

9 MR. YANEZ: Let's have this marked.

10 (Deposition Exhibit No. 11 was marked for
11 identification.)

12 BY MR. YANEZ:

13 Q. I'm going to show you an e-mail that we've
14 marked as Exhibit 11. This is an e-mail thread
15 beginning June 19, 2003, with the subject heading
16 "Planning." And I'll just ask you to take look at it
17 briefly.

18 A. Oh, I definitely remember this. I did have
19 to do reports on this.

20 Q. Is that an accurate copy of an e-mail from
21 your City National account --

22 A. Yes.

23 Q. -- to Fred DeLuca on or about
24 June 19th, 2003, on the bottom of the page? Do you see
25 that?

1 A. Yes.

2 Q. Okay. And --

3 A. Wasn't I proactive to say, what do you want
4 five years out?

5 Q. Well, I'll ask you that.

6 In there, you wrote, "What I was wondering
7 was your outlook on the future, let's say five years
8 out. Do you have any thoughts or ideas that we could
9 start working on for you now or new structures we could
10 start implementing based on future projections for
11 Subway?"

12 Do you recall writing that?

13 A. Yes.

14 Q. Why did you write that?

15 A. Because I always try be proactive with my
16 clients.

17 Q. And you were asking for his input on new
18 ventures; is that right?

19 A. Right.

20 MR. HUTCHISON: Object to form. Misstates
21 the document.

22 BY MR. YANEZ:

23 Q. Well, above your e-mail two weeks later, do
24 you see that?

25 A. Uh-huh.

1 Q. Fred DeLuca then responds to that e-mail and
2 he copies Leonard Abess. Do you see that?

3 A. Yes.

4 Q. And Fred DeLuca says in that e-mail, "She
5 continues to do a great job for us. She's terrific, and
6 the people here really like her."

7 Do you see that?

8 A. Yes.

9 Q. And at the time of that e-mail,
10 July 1st, 2003, did Fred DeLuca trust your judgment at
11 that time?

12 A. Yes.

13 Q. Did you ever leave City National for BB&T?

14 A. Yes.

15 Q. When exactly did you leave?

16 A. I left in May 2004.

17 Q. And did you take Fred DeLuca's accounts with
18 you to BB&T?

19 A. No. But he said he would take them, but that
20 didn't really matter so much to them. But you know who
21 did come with me?

22 Q. Who?

23 A. That man (indicating).

24 Q. Who is "that man"?

25 A. Anthony Pugliese.

1 Q. Did you leave BB&T for Great Florida Bank?

2 A. Yes.

3 Q. When was that?

4 A. That was about a year later. Best move I
5 ever made.

6 Q. Was that 2005?

7 A. Yeah.

8 Q. Okay. What was your position at
9 Great Florida Bank?

10 A. Vice president, commercial real estate
11 lender.

12 Q. How long were you at Great Florida Bank?

13 A. Until about 2000 -- well, it's iffy, because
14 I quit, and they didn't want me to quit, but my mom was
15 dying. I had spent seven years taking care of my mother
16 and working, and so they were really great, they said,
17 don't quit, just work part time.

18 So it might look like I quit in 2006, but
19 they kept me on until part of 2007. So I don't know how
20 it shows up. Because I had to pay my own insurance, and
21 my mom died in 2008. Three weeks later, my dad died.
22 And they were living in different states and married to
23 other people. So that's, well...

24 Q. Did you take Fred DeLuca's accounts with you
25 to Great Florida Bank?

1 A. No. And they offered him everything. I
2 mean, they offered everything and anything.

3 Q. Why wasn't -- why didn't his accounts go over
4 there; do you know?

5 A. He did put some money there, like a few
6 million, but I do have to say, I don't know why.
7 He actually used me as a bargaining chip with
8 Leonard Abess, because he said, why don't you -- he
9 literally told me, why don't you tell Dave that you'll
10 give us just straight Fed funds? So I did that, and
11 then Leonard gave him Fed funds.

12 So it was -- what he was doing was using me
13 as a bargaining chip. But you know, when Great Florida
14 wanted more deposits, I called Anthony one day and said,
15 I need \$2 million, like today, to be put in deposits. I
16 got a check for 2 million that I got to pick up.

17 Q. Did you ever stop being Fred DeLuca's banker?

18 A. When my mom was dying, yeah.

19 Q. That was in 2000 --

20 A. Well, no, before that.

21 Q. That was in 2007, you said?

22 A. No. She died January 17th, of 2008, but I
23 quit working completely in 2007, but I still maintained
24 contact with Fred. I mean, I still saw him and talked
25 to him occasionally and...

1 Q. When was the last time you saw Fred in
2 person?

3 A. You know, I saw him at -- ran into him at the
4 Concours d'Elegance, because my husband is chairman of
5 the Boys and Girls Club.

6 Q. When was that?

7 A. That was two or three years ago. And he was
8 with Mickey Markov.

9 Q. Who is Mickey Markov?

10 A. He used to run the Air and Sea Show. I don't
11 know what he does now. So I ran up and talked to him.
12 And then I -- he's -- he's actually been at my house. I
13 live in Victoria Park -- I don't know which way I'm
14 facing -- off of Broward.

15 Q. Victoria Park is that way (indicating), just
16 north of Broward?

17 A. I live east of Federal.

18 And Fred was at my house. And I've only
19 lived there five and a half years. So he was over at my
20 house, like, I don't know, four or five years ago. I
21 actually had taken his picture with my iPhone, but it
22 turned out to be a video, so I deleted it. So he
23 actually came over to see it after I -- so I had been
24 there at least like a year.

25 Q. How did he get your address?

1 A. Well, I gave it to him because we would talk
2 on the phone.

3 Q. When was the last time you spoke to
4 Fred DeLuca?

5 A. Seriously? Is -- well, there were a couple
6 of times I -- I talked to him on the phone, and I saw
7 him for lunch at his place.

8 Q. When was that?

9 A. That was probably around somewhere in '06.
10 I'm guessing. I'm having to guess, because...

11 Q. Well, let's backtrack a little bit.

12 You said you saw him about five years ago, he
13 came to your house in Victoria Park?

14 A. Yes, but if --

15 Q. Did you call him, or did he call you to come
16 over to your house?

17 A. He used to call fairly regular. You know, we
18 stayed in touch, and then this stuff happened, and
19 then...

20 Q. When you last spoke to Fred DeLuca or last
21 saw him in person, did you discuss business or personal
22 matters?

23 A. We discussed both.

24 Q. Did you ever have any financial difficulties,
25 when you worked with Fred DeLuca or saw him socially?

1 A. Oh, major.

2 Q. Did you tell him about those?

3 A. Yeah. I had lost my AC in my townhouse,
4 which was like an oven, on July 4th weekend, and my
5 transmission went at the same time. And my son got
6 arrested, and he actually was with me when my son got
7 arrested. He was a juvenile at the time.

8 Q. Where were you when that happened?

9 A. Well, when my son got arrested, I was out for
10 the evening with some friends, but he actually took me
11 to South Beach the next day and -- because there was
12 nothing I could do. The juvenile system is set up so
13 corruptly that you -- you don't get to go in front of a
14 Judge and get out on bail. They just keep you, even if
15 you hire a criminal attorney. It's been expunged, and
16 he's fine, and he's 33.

17 But Fred actually drove me to the juvenile
18 detention center and sat in the car and read a newspaper
19 while I went in to visit my son. And when everything
20 went wrong, you know, and I really needed -- I was
21 making crap money -- he said, you know, you'll figure it
22 out. So Sandy gave me \$300.

23 Q. Did you ever ask Fred DeLuca for money?

24 A. Never.

25 Q. And Fred DeLuca, did he ever offer to help

1 you out financially?

2 A. (The witness shakes head.)

3 Q. Is that a "no"?

4 A. That would be a no.

5 Q. What was your first impression of
6 Anthony Pugliese?

7 A. I thought that he was very different from
8 other real estate developers I had ever met, because
9 most of them are dirt rich and cash poor. And Anthony
10 was one of the first people I had ever met that actually
11 had money in the bank, had successful projects, and let
12 me get a foot in the door.

13 Because he actually -- one of the first times
14 I met with him, he showed me a stack of cards about,
15 let's say, 2 or 3 inches high of every other banker that
16 had tried to get their foot in his door.

17 Q. Was Anthony Pugliese the type to ever brag to
18 you about his house?

19 A. No. But I've seen his house. He graciously
20 let my husband and I stop on our way back from
21 Palm Beach.

22 Q. Was Anthony Pugliese the type to ever brag to
23 you about the way that he lived?

24 A. No, not at all.

25 Q. When did you start doing business with

1 Anthony?

2 A. Um, well, I tried to do business at BB&T, and
3 I tried do business at City National, but they were not
4 the best lenders. But I did a lot of business at
5 Great Florida Bank. I mean, he made my year. If it
6 wasn't for Anthony, I mean -- very professional.

7 And also, even after I left, and I wasn't in
8 banking, and I worked for Junior Achievement for like
9 six months, I needed something to put on the wall, he
10 got me all of the plans and specs so I could --

11 THE WITNESS: Has anyone been to
12 Junior Achievement's thing for --

13 BY MR. YANEZ:

14 Q. Tell us about it.

15 A. It's a huge -- my husband's on a lot of
16 charities, and I worked for that one. It's a huge thing
17 for fifth graders and eighth graders. It's --
18 Wayne Heizenga put tons of money into it, millions and
19 millions, and there's different, like, I call them
20 "booths," but they're storefronts. But they had a few
21 empty ones, and they wanted to put up like a real estate
22 one.

23 So I painted it. And I put up
24 Anthony's like -- I think it was Destiny.

25 THE WITNESS: Wasn't it, Anthony?

1 BY MR. YANEZ:

2 Q. No. You just --

3 A. We're not allowed to ask?

4 Q. Yeah. No, we ask the questions today.

5 A. Oh, I didn't know the rules.

6 Q. No, it's okay.

7 A. I'm sorry. I'm sorry.

8 So he gave me -- I drove to his office, and
9 he gave me plans and specs and maps to make it look
10 nicer. And I stayed and painted it, because the kids
11 come through, and they learn about finance and working
12 and banking and...

13 Q. Did you meet Joe Reamer, his business
14 manager?

15 A. Yes.

16 Q. Okay.

17 A. Yes.

18 Q. How would you describe Joe Reamer?

19 A. I thought he was a great guy.

20 Q. How often did you interact with him?

21 A. Not very often. I dealt with Rick.

22 Q. It that Rick Kleinhans?

23 A. I'm not really sure about his last name. I
24 know what he looks like. I can describe him to a sketch
25 artist.

1 Q. You mentioned that Anthony Pugliese was
2 different than other real estate developers. Was it
3 your impression that Anthony also had experience in the
4 industry?

5 A. Absolutely, yeah.

6 Q. Did he have a good reputation in the industry
7 when you met him?

8 A. Absolutely. People would say to me, how did
9 you get in to see him? And one of my coworkers said,
10 you're never going to get that rate for him.

11 And I said, just watch.

12 Q. Would you agree that part of your job that
13 you described earlier when you were vice president and
14 you were working on banking relationships, that you were
15 to match up people?

16 A. It wasn't a part of my job, but I felt it was
17 part of my duty. Because how else am I going to extend
18 my business, my profession if I don't introduce people
19 and I don't get people -- just felt it was part of my
20 obligation to introduce people to other people. It's
21 another service. It's just like selling a service; it's
22 providing a service.

23 Q. Did you introduce Anthony Pugliese to
24 Fred Florio?

25 A. Yes, I did. But first, I talked to

1 Fred DeLuca about it.

2 Q. When did you talk to Fred DeLuca about it?

3 A. Well, Fred had always been looking for other
4 opportunities. He had done XtremeMac, and I knew he had
5 done the Bagel Boys up in Connecticut. And...

6 Q. What's the Bagel Boys venture?

7 A. I don't know that one personally. I only
8 know that one from Marion Platchko, because she was
9 personally involved in it. And she said it was two guys
10 that ran a bagel shop that was very successful, had a
11 couple of shops. And he got involved it, and then it
12 went away.

13 Q. What do you mean by that?

14 A. It doesn't exist any longer.

15 Q. You mean Fred DeLuca got involved, and then
16 Bagel Boys went away?

17 A. (The witness nods.)

18 Q. Is that a "yes"?

19 A. Yes. That would be a "yes," sorry.

20 Q. Did Fred DeLuca invest in the company, or did
21 he give the company a loan?

22 A. I'm not sure of that. I thought that he
23 invested, but I'm not sure.

24 Q. Do you know what percentage stake he had in
25 the company?

1 A. No. But I can tell you it was 35 percent for
2 XtremeMac.

3 Q. And what -- what ended up happening with
4 XtremeMac?

5 A. I don't think they're around anymore. If
6 they are, none of the original founders are there.

7 Q. Why is that, do you think?

8 MR. HUTCHISON: Objection as to form and
9 foundation.

10 You can answer.

11 BY MR. YANEZ:

12 Q. You can answer. You can answer the question
13 if you know.

14 A. All I know is, every other bank I went to,
15 they asked me to get them away from Fred. And that is
16 the -- I swear on my son's life that that is absolutely
17 what they asked. They couldn't -- 35 percent, he was
18 the fourth person there. There were three of them; he
19 was the fourth. That's a huge amount. They couldn't
20 get anything done, and I couldn't help them.

21 Q. Where did Anthony Pugliese first meet
22 Fred Florio?

23 A. I introduced them. I was actually there. It
24 was Big Frank.

25 Q. Who is Big Frank?

1 A. I actually have a picture of Big Frank.

2 Q. What is -- do you know his last name?

3 A. No. Maybe you know.

4 Q. You don't need -- you don't ask --

5 A. I'm not allowed to ask anyone anything?

6 Q. Yeah --

7 A. I'm sorry. I don't know the rules of
8 engagement here.

9 Q. And where exactly did this meeting take place
10 between you, Fred Florio --

11 A. In Anthony's office.

12 Q. And where is his office located?

13 A. In Delray.

14 Q. Was there anybody else present at that
15 meeting?

16 A. It was Anthony, myself, Fred Florio, and
17 Big Frank. I don't know why he sent Big Frank,
18 because...

19 Q. Who did Big Frank work for?

20 A. Nobody. He had his own company, as much as I
21 knew about him is that he was -- he knew construction.
22 That's what I understood.

23 Q. Do you know Tom Sangiacomo?

24 A. Tommy San -- it's pronounced different. It's
25 Sangiacomo.

1 Q. Sangiacomo?

2 A. Yeah.

3 Q. Was he at that initial meeting, too?

4 A. Yes.

5 Q. And how would you describe Fred Florio's
6 impression of Anthony?

7 MR. HUTCHISON: Form and foundation.

8 Go ahead, you can answer if you can.

9 THE WITNESS: Well, after a while it was like
10 I wasn't there, because everybody was like getting
11 along really well and understood the project and...

12 BY MR. YANEZ:

13 Q. What project are you referring to?

14 A. The Destiny project. The 40,000, or 23,000
15 acres. Initially, it was so many acres, and then he
16 purchased more. So I'm not sure how many acres the
17 first meeting was. But they really got along well. And
18 Tommy and, I think, Freddie -- that's how you
19 distinguish between them. You call Fred Florio
20 "Freddie," you call Fred DeLuca "Fred" -- or "Master" --
21 just kidding. That was a joke.

22 Q. Did you believe that Fred Florio and Anthony
23 would be a good match?

24 A. Yes, yes.

25 Q. And why did you believe that?

1 A. Because -- am I allowed to speak freely?

2 Q. Yes. It's your deposition.

3 A. Okay. I felt that Fred had cannibalized a
4 few companies before -- that's my exact wording -- and
5 that Anthony was smart enough and had enough money, the
6 other companies had been smaller and maybe didn't have
7 the brightest people and had bad credit. So Anthony was
8 a very smart person, and he had money. Not nearly --
9 nobody has nearly as much money as Fred. Fred, one
10 time, told me, I can't even spend it all.

11 Q. When did he tell you that?

12 A. At his house, when I wanted to buy a lottery
13 ticket for 62 million. He said, "62 million, that would
14 make a really big difference in my life." So...

15 Q. Was he sarcastic when he said that?

16 A. He said it exactly like that. Yes, that was
17 sarcastic. So I smacked him on the arm.

18 So, I mean, I -- he quizzed me. Fred DeLuca
19 quizzed me extensively about Anthony.

20 Q. What do you mean by that?

21 A. Like, why did I think he was a good man. And
22 I actually told him things that I normally shouldn't
23 tell. Because like when I met with other clients, I
24 would never tell them, Anthony has this much in the
25 bank. You know, like these are things you're not -- in

1 banking, they instill in you, Don't mention your
2 clients' names when you're in public. When you're at
3 Starbucks, don't mention a client's name. Don't do
4 this, don't do that -- not just Starbucks, anywhere.

5 So I told Fred because of our personal
6 relationship, other items about Anthony that I normally
7 wouldn't, because I felt that if he wanted to pursue
8 this, it might be a good match. If anybody could stand
9 up to Fred and, you know, be a good partner, it would be
10 Anthony. And -- because he was smart, and he was
11 street-smart, and he knew what he was doing.

12 I had closed \$110 million worth of deals over
13 the years with Anthony. And so I thought, that, you
14 know, Fred wants to expand. He doesn't want to be known
15 only for Subway. He wants to be known for other things.
16 I don't know why; Subway seems to be doing just fine.

17 So when they went up there, he installed
18 Freddie to stay there permanently, from what I
19 understand, like...

20 Q. Let's go back to this initial meeting. When
21 exactly did that take place? Do you recall the year,
22 the month?

23 A. I think it was like 2004. No, wait. It had
24 to be after that, when I was at -- 2006, 2007.

25 Q. Well --

1 A. No, it couldn't be --

2 Q. Well, at the time of the meeting, did Anthony
3 tell you or Fred that there was an option or a contract
4 in place to purchase the land for the Destiny project?

5 A. He -- yes. He said that there was an option
6 in place.

7 Q. And did Anthony describe at this meeting what
8 he wanted to do with the land?

9 A. Yes. He wanted to make a city.

10 Q. And what was Fred Florio's reaction to that?

11 A. Well, they all seemed really excited. I
12 thought there was going to be high-fiving all the way
13 around.

14 Q. Did Fred DeLuca seem excited about the
15 prospect of building a city?

16 A. He was not at that initial meeting.

17 Q. But did you discuss that with Fred DeLuca,
18 the initial meeting between Anthony, Fred Florio, Big
19 Frank, and you?

20 A. Well, I discussed it later, after I let
21 Freddie talk to him, and he said, That Anthony seems
22 like a good guy. And Anthony then sent cappuccino
23 machines, expensive ones, to both Freddie and
24 Fred DeLuca, and I don't know who. I didn't get one.
25 Anyways...

1 Q. When did he send them cappuccino machines?

2 A. Like immediately. It seemed like
3 immediately, because Fred DeLuca called me and told me,
4 and he thought it was really great, but really
5 expensive.

6 Q. Was Anthony passionate about the Destiny
7 project?

8 A. Yes. And he told me about how he like had
9 watched it and talked to this Mormon family and...

10 Q. Did Fred DeLuca meet Anthony before or after
11 he received the cappuccino machine?

12 A. I'm not sure. I thought it was after, but I
13 could be wrong.

14 Q. But is it true that Anthony Pugliese did not
15 first meet Fred DeLuca at a cocktail party at
16 Fred DeLuca's house?

17 A. No, he never met him at a cocktail party at
18 Fred DeLuca's house. I introduced him.

19 Q. Did you introduce them in person, or did they
20 eventually meet somewhere?

21 A. Well, I know City National Bank had a big,
22 huge party, and they were both there. But I don't think
23 that was it.

24 Q. Did Fred DeLuca ever go to Delray Beach to
25 meet Anthony?

1 A. Yes.

2 Q. When did he first do that?

3 A. He went there for dinner, and he went there a
4 few times. He went to his office, and he went there for
5 dinner. And I remember him commenting after he saw
6 Anthony's house.

7 Q. Did Fred DeLuca tell you that he was
8 impressed with Anthony the first time he met him?

9 A. Yeah. He thought he was a good guy. He
10 said, That Anthony is a really good guy.

11 Q. Was Fred DeLuca interested in getting
12 involved in other ventures with Anthony?

13 A. Yes.

14 Q. And was Green Sky Recycling one of those
15 ventures?

16 A. Yes.

17 Q. What did you know about Green Sky Recycling?

18 A. That it was in, I think, New Jersey. That's
19 about the extent of my knowledge. That it did
20 recycling.

21 Q. And what interested Fred DeLuca about the
22 Green Sky venture?

23 A. I think I'm the wrong person to ask that
24 question. I think he just wanted to branch out. I
25 think he wanted to be known for more than just Subway.

1 Q. And why was Fred DeLuca interested in getting
2 involved in more than one venture with Anthony
3 specifically?

4 A. I think he liked him and that he thought he
5 was smart.

6 Q. Did Fred DeLuca ask you to do an in-depth
7 investigation of Anthony Pugliese before agreeing to
8 become a partner in any of his ventures?

9 A. Well, I had already told him everything I
10 knew. So that's pretty much as in-depth as I could get,
11 unless I followed him, which would be hard to do, since
12 he has a gate on his property. That would be considered
13 stalking.

14 Q. Did Fred --

15 A. You know what? I don't drink, but I think
16 after this, I might go home and drink.

17 Q. Did Fred DeLuca routinely structure deals so
18 that he could eventually take over a person's business?

19 MR. HUTCHISON: Objection to form and
20 foundation.

21 BY MR. YANEZ:

22 Q. You can answer the question if you know.

23 A. I never thought that it was preplanned, but I
24 -- you know, third time's a charm. I would not have
25 foreseen this. But I warned Anthony, I said, Be very

1 careful. He has done that before.

2 Q. When --

3 A. And I didn't -- you know what? I only said
4 good things to Fred DeLuca about Anthony. But I had to
5 warn Anthony about Fred. And that's somebody I was
6 sleeping with.

7 THE WITNESS: Sorry that you don't like that,
8 Mr. Attorney on my left.

9 BY MR. YANEZ:

10 Q. When did you warn Anthony about Fred DeLuca?

11 A. As soon as the meeting was set up. As soon
12 as everything was rolling, going forward. I -- because
13 I was worried. Anthony was somebody that I did business
14 with that I liked and respected. Not that I didn't
15 respect Fred, but I had already seen him in action.

16 Q. What had you seen from Fred that encouraged
17 you to --

18 A. (Indicating.)

19 Q. You're pointing to XtremeMac.

20 A. XtremeMac.

21 Q. Any other companies, any other examples?

22 A. Well, his own people. David Sullivan,
23 Michael Ashley, and --

24 Q. Are you referring to the gym equipment
25 venture?

1 A. Yes. And David Sullivan, which was a
2 clothing venture. And nobody could find him.

3 Q. What do you mean nobody could find him?

4 A. He like disappeared, and Fred had guaranteed
5 the note.

6 Q. Guaranteed what note?

7 A. What Fred did is, he consolidated any debt
8 that people owed him. And he made them come to
9 City National Bank. So I was his debt collector.

10 Q. When were you his debt collector exactly?

11 A. At City National Bank.

12 Q. As long as you were there?

13 A. Yeah. He consolidated these small entities
14 that he invested in or was partners in and sent them all
15 to me and made me consolidate -- it was like 300,000, I
16 think, for David Sullivan and 600,000 for Mike Ashley,
17 if my memory serves me -- which could be iffy on the
18 dollar amounts.

19 And so they were forced make payments. It
20 was like a very legalized way, but he signed the note.
21 And then all the sudden, David Sullivan, nobody could
22 find him, and he couldn't make the note. He couldn't
23 make the payments monthly.

24 And so it became a charge off. And then
25 Leonard Abess went -- I don't know. I left when that --

1 when stuff hit the fan.

2 Q. Are you familiar with the term
3 "cross-collateralization"?

4 A. Yes.

5 Q. Did Fred DeLuca routinely --

6 A. Everything. Everything was
7 cross-collateralized.

8 Q. Did he tell you he preferred to
9 cross-collateralize everything that he did?

10 A. That's not something that's usually up for
11 discussion. That's usually...

12 Q. What do you mean by that?

13 A. Banks boilerplate their documents to
14 cross-collateralize with depository accounts.

15 Q. But with regard to ventures that Fred DeLuca
16 invested in, did he routinely cross-collateralize his
17 other ventures? I believe you said that he had packaged
18 some of his investments together with City National?

19 MR. HUTCHISON: Objection, form and
20 foundation.

21 BY MR. YANEZ:

22 Q. You can answer if you know.

23 A. I'm not sure what you mean, though. But you
24 mean like that City National would pay if...

25 Q. No. If he had an interest in one deal, that

1 he would pledge that interest for other deals?

2 A. No. He didn't do that.

3 Q. Were you aware that the sale of the property
4 for Destiny closed in 2005?

5 A. Vaguely. I think I'm vaguely aware it closed
6 in 2005.

7 Q. Now, was that before or after your social
8 relationship with Fred DeLuca ended?

9 A. Well, my social relationship went on for a
10 long time, but it was not exclusive.

11 Q. What do you mean by that?

12 A. Well, there used to be jokes that there was a
13 revolving door on Fred's house.

14 Q. A revolving door for what?

15 A. I think they meant women. But you'd have to
16 check with Freddie or Gina or maybe Fred himself.

17 Q. Did you have any contact with Fred DeLuca in
18 2006?

19 A. You know, I'm sure I did. Because I talked
20 to him even when my mom died. He sent flowers.

21 Q. He sent you flowers?

22 A. Well, he didn't send them to me; he sent them
23 to the cemetery for my mom.

24 Q. Did Fred DeLuca call you up in June of 2007
25 to invite you over to his place in Fort Lauderdale?

1 A. Uh-huh -- yes. Sorry about that.

2 Q. And was this for a business meeting or
3 personal?

4 A. Personal, because I went to his house.

5 Q. Did he pour you a glass of wine at this
6 meeting?

7 A. No. He poured himself a glass of wine.

8 Q. Did Fred DeLuca start talking about the
9 Destiny project at this meeting?

10 A. Yes.

11 Q. And did Fred DeLuca tell you that shortly
12 after the closing, Anthony had received two offers to
13 purchase the property?

14 MR. HUTCHISON: Objection to the form.

15 THE WITNESS: Yeah.

16 MR. HUTCHISON: Move to strike.

17 MR. YANEZ: Certify the question.

18 BY MR. YANEZ:

19 Q. What did Fred DeLuca tell you about those two
20 offers?

21 A. Well, he told me one was within weeks. He
22 was actually bragging about it. He said one was within
23 weeks and one of them was from the sugar people.

24 Q. Who are the sugar people; do you know?

25 A. Fan -- fan.

1 Q. Fanjul?

2 A. Yes, thank you. They made a TV show about
3 them. It was based on them, with Jimmy Smitts, called
4 "Cane." It's not on TV anymore.

5 Q. I think it lasted one or two seasons, if
6 that; right?

7 A. Yes.

8 Q. Were there any other offers?

9 A. Yes, there was another one. And that name I
10 remember because it reminds me of a movie. Empire.

11 Q. A movie or a TV show?

12 A. Empire Records. Remember that, with
13 John Cusack?

14 Q. Oh, I thought you were thinking
15 Boardwalk Empire.

16 A. No.

17 Q. Okay. And what specifically -- because you
18 started to say that he was bragging about those
19 offers -- what specifically did he say about those
20 offers?

21 MR. HUTCHISON: Objection to form.

22 BY MR. YANEZ:

23 Q. Go ahead. You can answer.

24 A. I don't know what that means. It scares me.

25 Q. I should have said this at the beginning.

1 Here's what it means: Whenever I ask a question and he
2 doesn't like the question, he'll say "Objection to" --

3 MR. HUTCHISON: It's not if he doesn't like
4 the question. It's if he thinks that question is
5 not in legal form --

6 MR. YANEZ: Is objectionable, yeah.

7 MR. HUTCHISON: -- and objectionable, because
8 it's asked improperly and in an improper way. Then
9 I would make that objection. You disregard that
10 objection, and you answer anyway.

11 BY MR. YANEZ:

12 Q. Yeah. The only reason you don't answer a
13 question is if it has to do with a conversation that you
14 had with an attorney. And there's no one present here
15 to represent you. So you can answer every question if
16 you understand it.

17 A. Huh? No. Just kidding.

18 MR. YANEZ: You know, it's 11:52. Do you
19 want to take a break?

20 MR. HUTCHISON: Yeah. Do you want to take a
21 lunch break?

22 MR. YANEZ: Do you want to take a break?

23 (A luncheon recess was taken at 12:00 p.m.)

24 (Continued in Volume II of the same day.)

25 - - -

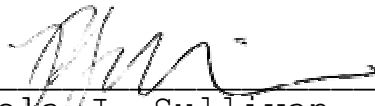
CERTIFICATE OF OATH

STATE OF FLORIDA

COUNTY OF PALM BEACH

I, the undersigned authority, certify that
FRANCES B. SAAVEDRA personally appeared before me and
was duly sworn.

Dated this 31st day of October, 2014.



Pamela J. Sullivan, RPR, FPR, CLR
Notary Public - State of Florida
My Commission Expires: June 5, 2018
My Commission No.: FF 126823

C E R T I F I C A T E

STATE OF FLORIDA

COUNTY OF PALM BEACH

I, Pamela J. Sullivan, Registered Professional Court Reporter and Notary Public in and for the State of Florida at Large, do hereby certify that the aforementioned witness was by me first duly sworn to testify the whole truth; that I was authorized to and did report said deposition in stenotype; and that the foregoing pages are a true and correct transcription of my shorthand notes of said deposition.

I further certify that said deposition was taken at the time and place hereinabove set forth and that the taking of said deposition was commenced and completed as hereinabove set out.

I further certify that I am not attorney or counsel of any of the parties, nor am I a relative or employee of any attorney or counsel of party connected with the action, nor am I financially interested in the action.

The foregoing certification of this transcript does not apply to any reproduction of the same by any means unless under the direct control and/or direction of the certifying reporter.

Dated this 31st day of October, 2014.



Pamela J. Sullivan, RPR, FPR, CLR