

**SUPERIOR COURT OF THE VIRGIN ISLANDS  
ST.CROIX DIVISION**

**WALEED HAMED**, as the Executor of the  
Estate of MOHAMMAD HAMED,

*Plaintiff/Counterclaim Defendant,*

vs.

**FATHI YUSUF** and **UNITED CORPORATION**

*Defendants and Counterclaimants.*

vs.

**WALEED HAMED, WAHEED HAMED,  
MUFEEED HAMED, HISHAM HAMED, and  
PLESSEN ENTERPRISES, INC.,**

*Counterclaim Defendants,*

---

**WALEED HAMED**, as the Executor of the  
Estate of MOHAMMAD HAMED, *Plaintiff,*

vs.

**UNITED CORPORATION**, *Defendant.*

---

**WALEED HAMED**, as the Executor of the  
Estate of MOHAMMAD HAMED, *Plaintiff*

vs.

**FATHI YUSUF**, *Defendant.*

---

**FATHI YUSUF**, *Plaintiff,*

vs.

**MOHAMMAD A. HAMED TRUST**, *et al,*

*Defendants.*

---

**KAC357 Inc.**, *Plaintiff,*

vs.

**HAMED/YUSUF PARTNERSHIP**,

*Defendant.*

**Case No.: SX-2012-CV-370**

**ACTION FOR DAMAGES,  
INJUNCTIVE RELIEF AND  
DECLARATORY RELIEF**

**JURY TRIAL DEMANDED**

Consolidated with

**Case No.: SX-2014-CV-287**

Consolidated with

**Case No.: SX-2014-CV-278**

Consolidated with

**Case No.: ST-17-CV-384**

Consolidated with

**Case No.: ST-18-CV-219**

**HAMED'S MOTION FOR PARTIAL SUMMARY JUDGMENT  
AS TO CLAIM H-72 (\$250,000 UNILATERAL CHECK TAKEN BY YUSUF)**

## I. Introduction

**COMES NOW** Plaintiff Hamed, though undersigned counsel, pursuant to Rule 56 of Virgin Islands Rules of Civil Procedure (hereinafter "Rule 56"), and moves for a partial summary judgment that the described portion of his Claim H-72 be allowed.

## II. Description of the "A" Claims Process Applied to this Claim

The "A" claims were created for the pre-trial analysis of certain financial transactions by Mr. Yusuf undertaken by him after litigation began—at times when he was in control of the Partnership's accounting system and payments. Thus, the purpose of the "A" process was for Mr. Gaffney to provide any documentary support for unexplained or suspicious transactions prior to further litigation. Mr. Hamed agreed to pay for Mr. Gaffney's assistance **so that Mr. Yusuf could 'initially' explain and validate such unilateral, post-litigation accounting transactions prior to protracted proceedings.**

## III. Facts Not In Dispute

1. As part of the "A" analysis process, John Gaffney was paid by Hamed to act as the Partnership's Accountant and to give his opinion on post-litigation transactions where it appeared to Hamed that while in total control of the accounting system, Yusuf had incorrectly credited himself with amounts via that accounting system. See *Special Master's Scheduling Order of January 29, 2018* at paragraphs 1-6, and more particularly,

[1.] Mr. Gaffney will be paid by Hamed at the rate of \$150.00 per hour for the time he works, set forth in a contemporaneous kept timesheet for answering the items in this "Section A". Mr. Gaffney will submit daily emails to counsel for Hamed informing them of the hours worked and what was done. Unless counsel for Hamed disapproves of the work by the end of the following day, Mr. Gaffney will continue the work, If it is disapproved, the

Master will be consulted for a decision before work resumes. These emails will then form the basis of weekly billings that shall be paid within one month of receipt of same.

[2.] For each of the Hamed Claims numbered H-41 through H-141r, which survive the Motion, **John Gaffney will provide a written response, in his fiduciary capacity as the Partnership Accountant. . . .**

2. Hamed's CPA submitted the following in his Expert Report. *Attached* in Ex. B.

**HAMED'S CPA'S EXPERT ANALYSIS OF WHY THE CLAIM IS VALID:**

Hamed's CPA did not find any sufficient reliable audit evidence, nor were Hamed's CPA provided any audit evidence from John Gaffney, that these payments were for a valid business expense or served a business purpose. As such, Hamed's CPA are not able to satisfy ourselves of the following management assertions: 1. Occurrence 2. Accuracy or 3. Classification, as described in **AU-C 315.A128**.

Hamed's CPA concluded these amounts should be returned to the Partnership to conform to the management's assertions.

3. To try to explain what had occurred, Mr. Gaffney submitted his "written response" regarding this claim—after he examined the applicable documents and accounting entries. **Exhibit A, August 28, 2018 Written Response by John Gaffney.**
4. Thereafter, when seemingly improper credits made to Mr. Yusuf by Mr. Yusuf (or at his direction) remained unexplained in the "written response", Mr. Gaffney's deposition—specifically as to this part of the claim—was taken September 24, 2018.
5. With regard to this claim, Mr. Gaffney testified as follows as to the subject \$250,000 credit Mr. Yusuf created for himself and then wrote a check to himself. Mr. Gaffney explained exactly how Mr. Yusuf had unilaterally "corrected" an inventory appraisal in his own favor in the amount of \$250,000—at pages 20-21 of that September 24, 2018 deposition of Mr. Gaffney—by applying a 67% allocation that Fathi just "came up with". **Exhibit B.**

Do you know of any place in the Court's order, or in the accounting orders in this case, where Mr. Yusuf was – was given permission to create that particular correction, that 67-percent correction?

A. No, I don't.

Q. Okay. Okay. And is that a — is that a correction that if you, as an accountant, would have made in doing an inventory and reporting it to the Court if you were the accountant doing that correction? That inventory?

A. Not unless I was asked to.

6. Thus, Mr. Gaffney testified that Mr. Yusuf inserted his own “67% allocation” numbers—and (not surprisingly) as a result created a \$250,000 correction which was applied to Yusuf's benefit.
7. Mr. Gaffney also detailed how Mr. Yusuf made these changes and, thus, why the amount resulted in this \$250,000 credit for Yusuf — at pages 19-20:

[Hartmann] Q. The difference between what you credited East and what he credited for West.

[Gaffney] A. Well, by my count, it's closer to 250,000, looking at the two numbers.

Q. Okay. So you came to a \$250,000 credit to West by that maneuver?**A. Okay. What he [Mr. Yusuf] did was, he reduced West's inventory by 1,158,000 and he reduced East's inventory by 1,318,000.**

**Q. Right. And so he created a net effect of about a \$250,000 credit in favor of Yusuf?**

**A. Yes.**

**Q. Okay. And the net effect would be that if that credit weren't there in favor of Yusuf, the total amount of the adjustment would be reduced by \$250,000?**

**A. Correct.** (Emphasis added.)

8. Thereafter, Mr. Gaffney admitted, at pages 46-47, that Mr. Yusuf created and paid this credit to himself without the Court's approval and against the objections of Joel Holt.

Q. So instead of waiting for the end of the accounting process that had been ordered by the Court, and against your advice, and against what you said was standard accounting methods, Mr. Yusuf insisted on doing it this way, and he did so, and the effect of that was him receiving \$1,200,000 at that time in a floor transaction; is that correct?

A. Well, you know, now that — now that we're discussing it, it seems to me that there was some communication, and I'm not sure where, exactly, but there was some communication about needing to even up, you know, the disparity between East and West inventory and the equipment, because the equipment meeting obviously preceded this. And as I understood the equipment meeting, that the — the valuation of Plaza West inventory was meant to be 700,000 and the valuation of Plaza East — not inventory, I'm sorry, equipment, was meant to be 300,000. So the acknowledgment was that — go ahead.

**Q. I guess the point I'm making is — the point that I'm making is this: He proceeded to write himself a check. And when was that check written?**

A. It was written in July of 2015. July 10th, I think.

**Q. And that check was already written before you had the meeting with Joel Holt, wasn't it?**

**A. Yes.**

Q. And the reason you had the meeting with Joel Holt, wasn't it, because Joel Holt specifically was objecting to things in that check? **That he objected to the [totally made-up out of Fathi's head] 67 percent of total sales being used as a correction**, and he objected to the fact that only East had expired inventory credit to it? Wasn't that why the meeting took place with Judge Ross?

A. You mentioned — you said something about only East had expired merchandise in it? Oh, okay, you're talking about that \$1,500 adjustment.

**Q. Yes. But weren't those the points that Joel Holt was meeting, because that check had just been issued out of time and against everybody's objections?**

**A. Well, you are correct in stating that Joel Holt expressed an objection to, you know, those checks being issued.**

#### **IV. Applicable Law**

The Special Master has repeatedly set forth the applicable standard. Rule 56 of Virgin Islands Rules of Civil Procedure (hereinafter "Rule 56") governs motions for summary judgment and sets forth the procedures thereto. Under Rule 56, "[a] party may move for summary judgment, identifying each claim or defense – or the part of each claim or defense – on which summary judgment is sought" and "[t]he court shall grant summary judgment if the movant shows that there is no genuine dispute as to any material fact and

the movant is entitled to judgment as a matter of law.” V.I. R. CIV. P. 56; *see also Rymer v. Kmart Corp.*, 68 V.I. 571, 575 (V.I. 2018) (“A summary judgment movant is entitled to judgment as a matter of law if the movant can demonstrate the absence of a triable issue of material fact in the record.”). “A factual dispute is deemed genuine if ‘the evidence is such that a reasonable jury could return a verdict for the nonmoving party[.]’” and a fact is material only where it “might affect the outcome of the suit under the governing law[.]” *Todman v. Hicks*, 70 V.I. 430, 436 (V.I. Super. Ct. April 17, 2019)(quoting *Williams v. United Corp.*, 50 V.I. 191, 194 (V.I. 2008)).

The reviewing court must view all inferences from the evidence in the light most favorable to the nonmoving party and take the nonmoving party's conflicting allegations as true if properly supported. *Kennedy Funding, Inc. v. GB Properties, Ltd.*, 2020 V.I. 5, ¶14 (V.I. 2020). “The movant may discharge this burden simply by pointing out to the ... court that there is an absence of evidence to support the nonmoving party's case.” *Id.* (internal quotation marks and citation omitted).

**Once the moving party meets this burden, “the non-moving party then has the burden of set[ting] out specific facts showing a genuine issue for trial.” *Id.* (internal quotation marks and citation omitted). The non-moving party “may not rest upon mere allegations, [but] must present actual evidence showing a genuine issue for trial.” *Rymer*, 68 V.I. at 576 (quoting *Williams v. United Corp.*, 50 V.I. 191, 194 (V.I. 2008)) (Emphasis added.) “Such evidence may be direct or circumstantial, but the mere possibility that something occurred in a particular way is not enough, as a matter of law, for a jury to find it probably happened that way.” *Kennedy*, 2020 V.I. 5, ¶14.**

Moreover, the court “should not weigh the evidence, make credibility determinations, or draw ‘legitimate inferences’ from the facts when ruling upon summary judgment motions because these are the functions of the jury.” *Todman*, 70 V.I. at 437 (quoting *Williams*, 50 V.I. at 197); see *Kennedy*, 2020 V.I. 5, ¶14; see also, *Rymer*, 68 V.I. at 577 (“When considering a summary judgment motion, a trial judge may not weigh the credibility of evidence or witnesses.”). In deciding a motion for summary judgment, the court’s role “is not to determine the truth, but rather to determine whether a factual dispute exists that warrants trial on the merits.” *Todman*, 70 V.I. at 437 (citations omitted); see *Kennedy*, 2020 V.I. 5, ¶14 (noting that the court “decide only whether there is a genuine issue for trial such that a reasonable jury could return a verdict for the non-moving party”). Accordingly, “if a credibility determination is necessary as to the existence of a material fact, a grant of summary judgment would be improper.” *Rymer*, 68 V.I. at 577.

Because summary judgment is “[a] drastic remedy, a court should only grant summary judgment when the ‘pleadings, the discovery and disclosure materials on file, and any affidavits, show there is no genuine issue as to any material fact.’” *Rymer*, 68 V.I. at 575-76 (quoting *Williams*, 50 V.I. at 194). The Court is required to “state on the record the reasons for granting or denying the motion.” V.I. R. CIV. P. 56(a).

Here, there are no facts in dispute.

## **V. Argument**

Hamed has shown that Fathi Yusuf created a \$250,000 credit for himself. It is undisputed that this was done against the advice of Mr. Gaffney, the objections of Attorney Holt, contrary to the Master’s accounting process—and on his own totally

fabricated 'guestimates' of a 67% allocation. It is also clear that Holt and the Master met with Mr. Gaffney – but that by that time, Mr. Yusuf had already proceeded to issue himself a check. Thus, this claim was preserved for dispute at this time.

Hamed has met the requirements of Rule 56.

"The movant may discharge this burden simply by pointing out to the ... court that there is an absence of evidence to support the nonmoving party's case."  
*Id.* (internal quotation marks and citation omitted).

In opposition, Mr. Yusuf can attempt to argue that either he didn't do what Mr. Gaffney states, or alternatively, that he did not write himself a check based on his own 67% assessment. Failing this, judgment should be entered.

Once the moving party meets this burden, "the non-moving party then has the burden of set[ting] out specific facts showing a genuine issue for trial."  
*Id.* (internal quotation marks and citation omitted). The non-moving party "may not rest upon mere allegations, [but] must present actual evidence showing a genuine issue for trial." *Rymer*, 68 V.I. at 576 (quoting *Williams v. United Corp.*, 50 V.I. 191, 194 (V.I. 2008)) (Emphasis added.) "Such evidence may be direct or circumstantial, but the mere possibility that something occurred in a particular way is not enough, as a matter of law, for a jury to find it probably happened that way." *Kennedy*, 2020 V.I. 5, ¶14.

## VI. Conclusion

This is a simple accounting motion. A unilateral, unapproved \$250,000 payment was made by Fathi Yusuf to himself—from the Partnership. The accounting documents do not reflect that it was for a valid business purpose. Thus, the claim should be approved.

**Dated:** April 16, 2023



**Carl J. Hartmann III, Esq.**  
Co-Counsel for Plaintiff  
2940 Brookwind Drive  
Holland, MI 49424  
Email: carl@carlhartmann.com



### **CERTIFICATE OF SERVICE**

I hereby certify that on this 16<sup>th</sup> day of April, 2023, I served a copy of the foregoing by email (via CaseAnywhere), as agreed by the parties, on:

**Hon. Edgar Ross**  
Special Master  
edgarrossjudge@hotmail.com

**Charlotte Perrell**  
**Stefan Herpel**  
Law House, 10000 Frederiksberg Gade  
P.O. Box 756  
St. Thomas, VI 00802  
Cperrell@dnfvi.com  
Sherpel@dnfvi.com



### **CERTIFICATE OF COMPLIANCE WITH RULE 6-1(e)**

This document complies with the page or word limitation set forth in Rule 6-1(e).



IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS  
DIVISION OF ST. CROIX

EXHIBIT  
A

**WALEED HAMED**, as the Executor of the  
Estate of **MOHAMMAD HAMED**,

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vs.

**FATHI YUSUF** and **UNITED CORPORATION**

*Defendants and Counterclaimants.*

vs.

**WALEED HAMED, WAHEED HAMED,  
MUFEED HAMED, HISHAM HAMED, and  
PLESSEN ENTERPRISES, INC.,**

*Counterclaim Defendants,*

**WALEED HAMED**, as the Executor of the  
Estate of **MOHAMMAD HAMED**, *Plaintiff,*

vs.

**UNITED CORPORATION**, *Defendant.*

**WALEED HAMED**, as the Executor of the  
Estate of **MOHAMMAD HAMED**, *Plaintiff*

vs.

**FATHI YUSUF**, *Defendant.*

**FATHI YUSUF**, *Plaintiff,*

vs.

**MOHAMMAD A. HAMED TRUST**, *et al,*

*Defendants.*

**KAC357 Inc.**, *Plaintiff,*

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Consolidated with

Case No.: ST-17-CV-384

Consolidated with

Case No.: ST-18-CV-219

**JOHN GAFFNEY ACCOUNTANT'S REPORT  
AS TO HAMED CLAIM H-72 FOR \$1,288,602.64 --  
GENERAL LEDGER ENTRIES REGARDING "FATHI YUSUF MATCHING DRAW"**

## **I. Introduction**

This submission is made by the fiduciary partnership accountant pursuant to the applicable Orders of the Special Master: (1) Joint Discovery and Scheduling Plan, January 29, 2018; (32) Order re Joint Motion for 40 Days, August 6, 2018, and (3) Order re Motion to Strike Hamed Claim Nos. H-41 to H-141 and Additional "Maybe" Claims, August 12, 2018.

## **II. Description of this Claim 'As Made'**

On August 17, 2018, I received a document from Hamed's counsel that listed the 101 Hamed Claims (H-41 to H-141) and attached the description given by Hamed to the Special Master, the prior description of each claim and the exhibits to Hamed's CPA's report relate to the claim (if any) – listing both the old and new claim numbers. That material related to this claim is attached as **Exhibit A** hereto. The description of the claim from those materials, and to which I am responding is as follows:

### **Hamed Claim H-72 in the Amount of \$1,288,602.64 – General Ledger Entries Regarding "Fathi Yusuf Matching Draw"**

#### **DESCRIPTION OF THIS CLAIM:**

Hamed's CPA noted check #208 with the description "M HAMED INVTRY SETTLE PD TO FATHI YUSUF" and check #209 with the description "FATHI YUSUF MATCHING DRAW" written on the Plaza West Claims Reserve Account ending 9091. Both checks were for \$644,301.32 and written to Fathi Yusuf.

#### **ALL INFORMATION AND RELATED DOCUMENTS KNOWN TO HAMED:**

Hamed's CPA interviewed the Hameds regarding these checks to Fathi Yusuf. The Hameds stated that they are not aware of the business purpose of these checks. Hamed's CPA also provided John Gaffney a query dated February 15, 2016 (see Attachment VII) requesting an explanation of the business purpose and supporting documentation for entries.

Hamed's CPA reviewed Partnership Claims Reserve Account ending 9091 bank statements and noted these checks cleared in July 2015.

**INFORMATION RECEIVED BY HAMED FROM YUSUF/GAFFNEY:**

John Gaffney did not respond to our request.

**HAMED'S CPA'S EXPERT ANALYSIS OF WHY THE CLAIM IS VALID:**

Hamed's CPA did not find any sufficient reliable audit evidence, nor were Hamed's CPA provided any audit evidence from John Gaffney, that these payments were for a valid business expense or served a business purpose. As such, Hamed's CPA are not able to satisfy ourselves of the following management assertions: 1. Occurrence 2. Accuracy or 3. Classification, as described in **AU-C 315.A128**. Hamed's CPA concluded these amounts should be returned to the Partnership to conform to the management's assertions.

**III. The Work I was Ordered to Do by the Special Master**

1 . . .Mr. Gaffney will submit daily emails to counsel for Hamed [with copy to counsel for Yusuf] informing them of the hours worked and what was done. . . .

2. For each of the Hamed Claims numbered H-41 through H-141. . .John Gaffney will provide a written response, in his fiduciary capacity as the Partnership Accountant, to the following two items:

**a. Interrogatory:** Provide a written statement describing the transaction, with reference to when the actual activity or delivery occurred, who the persons/entities are, what amounts were involved, and what it was for (with reference to why the funds are allegedly properly charged to the Partnership) and making reference to any checks, invoices or other relevant documents.

**b. Production of Documents:** Attach to the above interrogatory response, the documents referenced in your response.

3. Mr. Gaffney's responses to interrogatories and document requests will be provided in the bi-weekly period in which they are completed and not in groups or all at once. . . .

**IV. Accountant's Response to Interrogatory as to Hamed Claim H-41**

A. [Date(s)] when the actual activity or delivery occurred:

**July 10, 2015**

B. Who the persons/entities are:


**Fathi Yusuf**

C. What amounts were involved,

**\$644,301.32 plus \$644,301.32 adjusted by \$77,335.62 for a net total of  
\$1,211,267.02.**

D. What it was for (with reference to why the funds are allegedly properly charged to the Partnership)

**At midnight on March 8, 2015, control of Plaza East was awarded to the Yusufs and control of Plaza West was awarded to the Hameds. Just prior**



**to March 8<sup>th</sup>, inventory valuations were provided based upon an independent physical count and just prior to July 2015 at a meeting between the families, valuations were assigned to fixtures & equipment in both stores. These transactions were needed to establish parity since the value of assets acquired by the Hameds on March 8<sup>th</sup> substantially exceeded the value of assets to the Yusufs on the same date.**

**V. Accountant's Production of Documents**

**The documents I have used and am therefore providing are as follows:**

**Exhibit B-1:**

**Screen prints of transactions, asset valuations comparisons & other support for these disbursements.**

**Exhibit B-2:**

**Exhibit B-3:**

**VI. Reservations and Limitations**

**A. Information**

**X** I was able to obtain any information I requested in writing from the parties.

I requested the following information from a party or parties and was not able to obtain it for the following reason(s) – the written request(s) are attached as Exhibit C. The reasons(s) or explanation I was given in writing is attached as Exhibit D. My concern, reservation or limitation on my responses above is/are as follow:

**B. Documents**

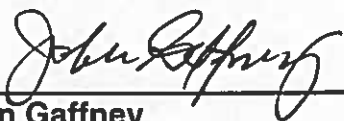
**X** I was able to obtain any documents I looked for.

I looked for the following documents and was not able to obtain them for the following reason(s) – the written statement as to the efforts I undertook are Exhibit E. The reasons(s) or for my concern, reservation or limitation on my responses above is/are as follow:

### CERTIFICATION

The above is true and accurate to the best of my knowledge. I have had no *ex parte* communications with any person, entity, party or counsel in preparing this response. I have provided this to counsel upon my completion of the work.

Dated: August 28, 2018

  
\_\_\_\_\_  
John Gaffney

### CERTIFICATE OF SERVICE

I hereby certify that on the date stated above, I served a copy of the foregoing by email, as agreed by the parties, on:

Gregory H. Hodges  
Stefan Herpel  
Charlotte Perrell  
ghodges@dtflaw.com

Carl J. Hartmann  
Joel H. Holt  
carl@hartmann.attorney

  
\_\_\_\_\_  
John Gaffney



**Claim H-72:**

The following 4 journal entries settle the excess value of Plaza West assets acquired by the Hameds versus the value of assets acquired by the Yusufs. Although the official claim total is \$1,288,602.64, there was a refund of \$77,335.62 resulting in a net total of \$1,211,267.02.

Included herein is the general ledger detail of these transactions, a schedule of partner draws provided in conjunction with the bi-monthly report to the court in October 2015 highlighting these items, and a summary of the amounts used to determine the distributions.

I remember this transaction well because of my attempts to prevent or at least delay this special distribution in favor of settling all balance sheet items in the normal course of the liquidation. Failing to understand balance sheets, Mr. Yusuf insisted immediately upon settling the difference between the Plaza West and Plaza East inventory valuations and the agreed upon fixture/equipment valuations. His insistence upon settling and Judge Ross' review and approval resulted in inventory adjustments on March 8, 2015 (see general ledger adjustments herein). The net effect of the adjustments cost the Yusuf family \$340,118.93.

Furthermore, the actual equipment valuations agreed between the two families was \$700,000 for Plaza West and \$300,000 for Plaza East. But the legal agreements were mistakenly finalized at 50% value due to confusion the 50/50 partner interests versus the combined values. Had these actual valuations been considered, the Yusufs would have been entitled to still another \$150,000.

This was a complicated transaction, but the theory is simple. Wishing to avoid a lot of hours searching for more components and having to explain them, I ask that I be allowed to respond verbally or at least be allowed to respond to any additional specific requests for information.

**General Journal Entry**

Date: 7/10/15  Reverse Transaction  
 Reference: 208

GL Account	Description	Debit	Credit	Job
33000	M HAMED INVTRY SETTLE PD TO FATHI YUSUF	644,301.32		
Dividend Distributions		Account will be decreased		
10600	M HAMED INVTRY SETTLE PD TO FATHI YUSUF		644,301.32	
Cash - Bank Claims 9091		Account will be decreased		
Totals:		644,301.32	644,301.32	
Out of Balance:		0.00		

General Journal Entry

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Copies this journal entry. Journal Entry

Date: 7/10/15  Reverse Transaction

Reference: 209

GL Account	Description	Debit	Credit	Job
33000	FATHI YUSUF MATCHING DRAW	644,301.32		
	Dividend Distributions	Account will be decreased		
10600	FATHI YUSUF MATCHING DRAW		644,301.32	
	Cash - Bank Claims 9091	Account will be decreased		
Totals:		644,301.32	644,301.32	
Out of Balance:		0.00		

General Journal Entry

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Journal Entry

Date: 7/14/15  Reverse Transaction

Reference: JE14

GL Account	Description	Debit	Credit	Job
10600	YUSUF REFLUND OF OVERPMT	77,335.62		
	Cash - Bank Claims 9091	Account will be increased		
33000	UNITED CK 1814 TO F YUSUF TO REIMB 7/13 OVERPMT		38,667.81	
	Dividend Distributions	Account will be increased		
33000	UNITED CK 1815 TO M HAMED TO REIMB 7/13 OVERPMT		38,667.81	
	Dividend Distributions	Account will be increased		
Totals:		77,335.62	77,335.62	
Out of Balance:		0.00		

**2015 Plaza West Archive  
General Ledger**

**For the Period From Jul 1, 2015 to Jul 31, 2015**

Filter Criteria includes: 1) IDs: 33000. Report order is by ID. Report is printed with shortened descriptions and in Detail Format.

Account ID Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
33000	7/1/15			Beginning Balance			27,482,843.2
Dividend Distributions	7/10/15	208	GEN	M HAMED INVTRY	644,301.32		
	7/10/15	209	GEN	FATHI YUSUF MA	644,301.32		
	7/14/15	JE14	GEN	UNITED CK 1815		38,667.81	
	7/14/15	JE14	GEN	UNITED CK 1814		38,667.81	
				Current Period Cha	1,288,602.64	77,335.62	1,211,267.02
	7/31/15			Ending Balance			28,694,110.2

**Plaza Extra Partnership**  
**33000 Distributions (Ptr Draws)**  
**For the Period From Jan 1, 2015 to Oct 31, 2015**

Location	Date	Reference	Jrnl	Xref	Trans Description	Amount
West	3/6/15	101	CDJ	1	HAMED - CASH DISTRIB FR PSHIP LIQUIDATION A/C	5,000,000.00
West	3/6/15	100	CDJ	1	YUSUF - CASH DISTRIB FR PSHIP CLAIMS RESERVE	5,000,000.00
East	3/8/15	JE08-08	GENJ		TREAT HANUN LOAN AS DISTRIB TO HAMED & YUSUF	35,000.00
East	3/31/15	XJE31-01	GENJ		DISTRIB EAST CASH ON HAND TO YUSUF	50,000.00
East	3/31/15	XJE31-02	GENJ		DISTRIB EAST TRADE AR TO YUSUF	15,701.34
East	3/31/15	XJE31-03	GENJ	2	50/50 DISTRIB OF INVTRY DUE TO O/S VALUE AGRMT	1,657,149.14
East	3/31/15	XJE31-03	GENJ	2	50/50 DISTRIB OF INVTRY DUE TO O/S VALUE AGRMT	1,657,149.14
East	3/31/15	XJE31-06	GENJ	3	50/50 DISTRIB OF PP&E DUE TO O/S VALUE AGRMT	31,512.05
East	3/31/15	XJE31-06	GENJ	3	50/50 DISTRIB OF PP&E DUE TO O/S VALUE AGRMT	31,512.04
East	3/31/15	XJE31-08	GENJ		DISTRIB OF WAPA DEP TO YUSUF	110,842.00
West	3/31/15	JE31	GENJ		RECORD BYORDER 2015 FULL STLMT PAID BY SHOP CTR FOR PLAZA	130,245.36
West	3/31/15	JE31	GENJ		RECORD BYORDER 2015 FULL STLMT PAID BY SHOP CTR FOR PLAZA	130,245.36
West	3/31/15	XJE31-01	GENJ		DISTRIB WEST CASH ON HAND TO HAMED	50,000.00
West	3/31/15	XJE31-02	GENJ		DISTRIB WEST TRADE AR TO HAMED	11,272.96
West	3/31/15	XJE31-03	GENJ	2	50/50 DISTRIB OF INVTRY DUE TO OUTSIDE VALUE AGMT	2,162,782.65
West	3/31/15	XJE31-03	GENJ	2	50/50 DISTRIB OF INVTRY DUE TO OUTSIDE VALUE AGMT	2,162,782.65
West	3/31/15	XJE31-06	GENJ	3	50/50 DISTRIB OF PP&E DUE TO OUTSIDE VALUE AGRMT	995.00
West	3/31/15	XJE31-06	GENJ	3	50/50 DISTRIB OF PP&E DUE TO OUTSIDE VALUE AGRMT	995.01
West	3/31/15	XJE31-08	GENJ		50/50 DISTRIB OF DEP XFER TO PLESSEN DUE TO 50/50 OWNERSHIP	63,518.51
West	3/31/15	XJE31-08	GENJ		50/50 DISTRIB OF DEP XFER TO PLESSEN DUE TO 50/50 OWNERSHIP	63,518.52
West	3/31/15	XJE31-12	GENJ	3	50/50 DISTRIB OF BLDG XFER TO PLESSEN	1,090,630.63
West	3/31/15	XJE31-12	GENJ	3	50/50 DISTRIB OF BLDG XFER TO PLESSEN	1,090,630.62
West	4/9/15	105	GENJ		CASH DISTRIB RE 2014 PLAZA INC TAX ESTIMATE TO YUSUF	992,613.00
West	4/9/15	106	GENJ		CASH DISTRIB RE 2014 PLAZA INC TAX ESTIMATE TO HAMED	992,613.00
STT	4/30/15	XJE30-01	GENJ		50/50 DISTRIB FOR STT CASH ON HAND DUE TO STR AUCTION	25,000.00
STT	4/30/15	XJE30-01	GENJ		50/50 DISTRIB FOR STT CASH ON HAND DUE TO STR AUCTION	25,000.00
STT	4/30/15	XJE30-02	GENJ		50/50 DISTRIB FOR STT TRADE AR DUE TO STR AUCTION	5,521.68
STT	4/30/15	XJE30-02	GENJ		50/50 DISTRIB FOR STT TRADE AR DUE TO STR AUCTION	5,521.67
STT	4/30/15	XJE30-03	GENJ	4	50/50 DISTRIB OF STT INVTRY DUE TO STORE AUCTION	1,167,460.88
STT	4/30/15	XJE30-03	GENJ	4	50/50 DISTRIB OF STT INVTRY DUE TO STORE AUCTION	1,167,460.88
STT	4/30/15	XJE30-06	GENJ	5	50/50 DISTRIB OF STT PP&E DUE TO SALE AT AUCTION	1,116,157.37
STT	4/30/15	XJE30-06	GENJ	5	50/50 DISTRIB OF STT PP&E DUE TO SALE AT AUCTION	1,116,157.38
STT	4/30/15	XJE30-07	GENJ	6	50/50 DISTRIB OF STT LAND DUE TO O/S AGRMT / DISPUTED	165,000.00
STT	4/30/15	XJE30-07	GENJ	6	50/50 DISTRIB OF STT LAND DUE TO O/S AGRMT / DISPUTED	165,000.00
West	5/1/15	109	GENJ	7	HAMED AUCTION BID FOR 50% INT IN STT TO YUSUF	4,270,000.00
West	5/1/15	110	GENJ	7	MATCHING PMT FOR 50% INT IN STT TO YUSUF	4,270,000.00
East	5/11/15	JE11	GENJ	7	HAMED DISTRIB TO PAY PRE 2012 ACCRUED RENT PER ORDER	1,999,839.86
East	5/11/15	JE11	GENJ	7	YUSUF DISTRIB TO PAY PRE 2012 ACCRUED RENT PER ORDER	1,999,839.87
West	7/10/15	208	GENJ		CASH PMT BY HAMED TO YUSUF TO SETTLE EAST/WEST INVTRY PLUS P&E	644,301.32
West	7/10/15	209	GENJ		CASH MATCHING PMT TO YUSUF TO SETTLE EAST/WEST INVTRY PLUS P&E	644,301.32
West	7/14/15	JE14	GENJ		UNITED CK 1815 TO REIMB PLAZA FOR INVTRY STLMT OVERPMT ON 7/13/15	-38,667.81
West	7/14/15	JE14	GENJ		UNITED CK 1814 TO REIMB PLAZA FOR INVTRY STLMT OVERPMT ON 7/13/15	-38,667.81
West	9/30/15	JE30-01	GENJ	11	NON-CASH DISTRIB TO YUSUF TO SETTLE MISC DUE TO/FR ACCOUNTS AT 9/30	245,089.90
West	9/30/15	JE30-02	GENJ	11	PTL CASH DISTRIB TO HAMED TO SETTLE MISC DUE TO/FR ACCOUNTS AT 9/30	245,089.90
STT	9/30/15	XJE30-12	GENJ	11	ADJUST YUSUF/HAMED DISTRIB SETTLE ON 9/30 REF CK 251 FOR \$183,381.91	10,242.00
STT	9/30/15	XJE30-12	GENJ	11	ADJUST YUSUF/HAMED DISTRIB SETTLE ON 9/30 REF CK 251 FOR \$183,381.91	10,242.00
	10/31/15				<b>Total Distributions</b>	<b>41,751,599.39</b>

Part 2

PLAZA EXTRA WEST	4,675,565.30
PLAZA EXTRA EAST	-3,386,962.67
DIFFERENCE BETWEEN BOTH	1,288,602.63
	1,288,602.63
	2
SUM AMOUNT AFTER DIVIDED BY TWO	644,301.32

1,288,602.63

CREDIT DEPOSIT ON 7/14/15

77,335.62

ADJ'D TOTAL

1,211,267.01

# PLAZA EXTRA EAST

	3,256,478.75 ✓ (A)
INVENTORY AS OF 2/15/2015	3,179,143.14 ✓ (B)
INVENTORY RECEIVED BEFORE 3/9/2015	1,376,298.04 1,381,675.53
	4,555,441.18 4,632,776.79
LESS 67% OF TOTAL SALES	-1,318,478.51
	3,236,962.67 3,314,298.28 ✓
EQUIPMENT VALUE	150,000.00
GRAND TOTAL :	3,386,962.67

(A) - (B) 77,335.61 REIMB LRA

**2014 Plaza East  
General Ledger  
For the Period From Dec 1, 2014 to Jul 31, 2015**

Filter Criteria includes: 1) IDs from 12000 to 12000. Report order is by ID. Report is printed with shortened descriptions and in Detail Format.

Account ID Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
12000	12/1/14			Beginning Balance			3,110,352.79
Inventory	12/31/14	XJE31-02	GEN	REVERSE 2013 P		3,110,352.79	
	12/31/14	XJE31-02	GEN	BOOK 2014 PHYS	3,168,774.61		
	12/31/14	ZJE02	GEN	LATE PHYS INVT	87,704.14		
	12/31/14			Current Period Cha	3,256,478.75	3,110,352.79	146,125.96
	12/31/14			Fiscal Year End Ba			3,256,478.75
	1/1/15			Beginning Balance			3,256,478.75
	2/1/15			Beginning Balance			3,256,478.75
	3/1/15			Beginning Balance			3,256,478.75
	3/8/15	JE08-01	GEN	INVTRY ADJUST	57,819.53		
	3/8/15			Current Period Cha	57,819.53		57,819.53
	4/1/15			Beginning Balance			3,314,298.28
	5/1/15			Beginning Balance			3,314,298.28
	6/1/15			Beginning Balance			3,314,298.28
	7/1/15			Beginning Balance			3,314,298.28
	7/31/15			Ending Balance			3,314,298.28

PLAZA EXTRA EAST
------------------

	Department	Cost	Non Scannable	Total
1	GROCERY	\$1,030,008.99		\$1,030,008.99
2	MEAT	\$14,068.21	\$69,137.34	\$83,205.55
3	PRODUCE	\$6,231.22	\$8,198.27	\$14,429.49
4	DAIRY	\$94,264.82		\$94,264.82
5	FROZEN FOOD	\$98,252.97		\$98,252.97
6	SEAFOOD	\$11,890.10		\$11,890.10
8	BAKERY	\$3,971.41		\$3,971.41
9	BREAD/MILK	\$2,688.60		\$2,688.60
10	LIQUOR	\$208,274.37		\$208,274.37
11	BEER/WINE	\$89,235.93		\$89,235.93
12	TOBACCO	\$77,117.77		\$77,117.77
13	NON-FOOD	\$674,268.19		\$674,268.19
14	GENERAL MERCHANDISE	\$5,387.12		\$5,387.12
15	HBA	\$149,280.40		\$149,280.40
18	VALUE PACK	\$397,031.04		\$397,031.04
21	VALUE PACK NON FOOD	\$159,256.40		\$159,256.40
29	FROZEN VALUE PK	\$53,599.46		\$53,599.46
32	DAIRY VALUE PK	\$4,884.58		\$4,884.58
33	SEAFOOD VALUE PK	\$5,203.92		\$5,203.92
35	HBA VALUE PK	\$6,523.52		\$6,523.52
	STORE SUPPLIES (Late Adjustment)	\$57,452.02		\$57,452.02
	Mafi Email (Late Adjustment)	\$31,867.68		\$31,867.68
	Expired - See List (Late Adjustment)	(\$1,615.56)		(\$1,615.56)

Inventory Value As Of			
February 15, 2015	\$3,179,143.14	\$77,335.61	\$3,256,478.75

Total All Locations	<u>\$10,199,265.21</u>
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## PLAZA EXTRA WEST

INVENTORY AS OF 2/18/2015	4,607,864.70
INVENTORY RECEIVED BEFORE 3/9/2015	876,139.64
	5,484,004.34
LESS 67% OF TOTAL SALES	-1,158,439.04
	4,325,565.30
EQUIPMENT VALUE	350,000.00
GRAND TOTAL :	4,675,565.30

**2014 Plaza West Archive  
General Ledger**

**For the Period From Dec 1, 2014 to Jul 31, 2015**

Filter Criteria includes: 1) IDs from 12000 to 12000. Report order is by ID. Report is printed with shortened descriptions and in Detail Format.

Account ID Account Description	Date	Reference	Jrnl	Trans Description	Debit Amt	Credit Amt	Balance
12000 Inventory	12/1/14			Beginning Balance			4,259,525.49
	12/31/14	XJE31-02	GEN	REVERSE P/Y INV		4,259,525.49	
	12/31/14	XJE31-02	GEN	BOOK C/Y INVTR	4,607,864.70		
				Current Period Cha	4,607,864.70	4,259,525.49	348,339.21
	12/31/14			Fiscal Year End Ba			4,607,864.70
	1/1/15			Beginning Balance			4,607,864.70
	2/1/15			Beginning Balance			4,607,864.70
	3/1/15			Beginning Balance			4,607,864.70
	3/8/15	JE08-01	GEN	INVTRY ADJUST		282,299.40	
				Current Period Cha		282,299.40	-282,299.40
	4/1/15			Beginning Balance			4,325,565.30
	5/1/15			Beginning Balance			4,325,565.30
	6/1/15			Beginning Balance			4,325,565.30
	7/1/15			Beginning Balance			4,325,565.30
	7/31/15			Ending Balance			4,325,565.30

<b>Plaza Extra West</b>
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<u>Dept</u>	<u>Department Name</u>	<u>Value</u>	<u>%</u>
1	GROCERY	\$1,495,450.71	32.45%
2	MEAT	\$166,631.55	3.62%
3	PRODUCE	\$44,468.45	0.97%
4	DAIRY	\$87,028.85	1.89%
5	FROZEN FOOD	\$130,766.26	2.84%
6	SEAFOOD	\$52,611.46	1.14%
7	DELI	\$5,981.77	0.13%
8	BAKERY	\$12,368.40	0.27%
9	BREAD/MILK	\$1,353.55	0.03%
10	LIQUOR	\$157,173.27	3.41%
11	BEER/WINE	\$125,183.40	2.72%
12	TOBACCO	\$60,778.20	1.32%
13	NON-FOOD	\$824,042.51	17.88%
14	GENERAL MERCHANDISE	\$73,257.03	1.59%
15	HBA	\$209,122.44	4.54%
16	R/X	\$201.40	0.00%
18	VALUE PACK	\$454,805.05	9.87%
19	VP-LIQUOR	\$83,122.22	1.80%
21	VALUE PACK NON FOOD	\$366,265.96	7.95%
22	WIC	\$199.29	0.00%
23	VP-FROZEN	\$110,887.49	2.41%
24	VP-DAIRY	\$7,370.80	0.16%
	STORE SUPPLIES	\$72,677.08	1.58%
	LATE ADJUSTMENT	\$66,117.56	1.43%

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<b>INVENTORY VALUE AS OF FEBRUARY 18, 2015</b>	<b>\$4,607,864.70</b>	<b>100.00%</b>
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<b>Total All Locations</b>	<b>\$10,199,265.21</b>
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<b>Plaza Extra St.Thomas</b>
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<u>Dept</u>	<u>Dept Name</u>	<u>Value</u>
1	GROCERY	834,906.60
2	MEAT	3,786.74
3	PRODUCE	2,908.58
4	DAIRY	109,963.75
5	FROZEN FOOD	99,381.36
6	SEAFOOD	2,394.79
7	DELI	758.49
8	BAKERY	1,446.51
9	BREAD MILK	4,283.95
10	LIQUOR	274,442.53
11	BEER-WINE	118,289.28
12	TOBACCO	47,326.46
13	NON-FOOD	282,668.33
14	GENERAL MERCHANDSE	35,199.17
15	HBA	166,981.14
18	VALUE PACK FS	190,086.05
19	VALUE PACK NON FS	72,339.92
20	WIC	40,821.05
22	INDIAN FOOD	31,107.28
23	VP-FROZEN	11,919.17
24	VP-DAIRY	3,910.60

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Total	February 9, 2015	<b>2,334,921.76</b>
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**Total All Locations \$10,199,265.21**

**IN THE SUPERIOR COURT OF THE VIRGIN ISLANDS  
DIVISION OF ST. CROIX**

WALEED HAMED, as the Executor of )  
the Estate of MOHAMMAD HAMED, )  
 )  
Plaintiff/Counterclaim Deft., )  
 )  
vs. ) Case No. SX-2012-CV-370  
 )  
FATHI YUSUF and UNITED )  
CORPORATION, )  
 )  
Defendants/Counterclaimants, )  
 )  
vs. )  
 )  
WALEED HAMED, WAHEED HAMED, )  
MUFEED HAMED, HISHAM HAMED, and )  
PLESSEN ENTERPRISES, INC., )  
 )  
Counterclaim Defendants. )  
WALEED HAMED, as Executor of the )  
Estate of MOHAMMAD HAMED, )  
 )  
Plaintiff, )  
 )  
vs. ) Consolidated with  
 ) Case No. SX-2014-CV-287  
 )  
UNITED CORPORATION, )  
 )  
Defendant. )  
WALEED HAMED, as Executor of the )  
Estate of MOHAMMAD HAMED, )  
 )  
Plaintiff, )  
 )  
vs. ) Consolidated with  
 ) Case No. SX-2014-CV-278  
 )  
FATHI YUSUF, )  
 )  
Defendant. )

**ORAL DEPOSITION OF JOHN GAFFNEY  
AS TO HAMED REVISED CLAIM H-72**

**THE ORAL DEPOSITION OF JOHN F. GAFFNEY**

was taken on the 24th day of September, 2018, at the Offices of Caribbean Scribes, Inc., 2132 Company Street, Suite 3, Christiansted, St. Croix, U.S. Virgin Islands, between the hours of 11:06 a.m. and 12:51 p.m., pursuant to Notice and Federal Rules of Civil Procedure.

---

Reported by:

Susan C. Nissman RPR-RMR  
Registered Merit Reporter  
Caribbean Scribes, Inc.  
2132 Company Street, Suite 3  
Christiansted, St. Croix  
U.S. Virgin Islands 00820  
(340) 773-8161

**JOHN F. GAFFNEY -- DIRECT**

1 to East for less 67 percent of total sales?

2 **A.** One million three hundred and eighteen thousand  
3 four seventy-eight fifty-one.

4 **Q.** And so would it be correct to say that you created  
5 what was essentially a \$40,000 credit in the favor of Yusuf?

6 **A.** 40,000?

7 **Q.** By -- by those two numbers?

8 **A.** I'm not sure how you -- how you come up with --  
9 how do you calculate that? 40,000.

10 **Q.** The difference between what you credited East and  
11 what he credited for West.

12 **A.** Well, by my count, it's closer to 250,000, looking  
13 at the two numbers.

14 **Q.** Okay. So you came to a \$250,000 credit to West by  
15 that maneuver?

16 **A.** Okay. What he did was, he reduced West's  
17 inventory by 1,158,000 and he reduced East's inventory by  
18 1,318,000.

19 **Q.** Right. And so he created a net effect of about a  
20 \$250,000 credit in favor of Yusuf?

21 **A.** Yes.

22 **Q.** Okay. And the net effect would be that if that  
23 credit weren't there in favor of Yusuf, the total amount of  
24 the adjustment would be reduced by \$250,000?

25 **A.** Correct.

**JOHN F. GAFFNEY -- DIRECT**

1           **Q.**    Okay.  But you, as fiduciary accountant, I'm going  
2           to ask you to go back and do some research on this specific  
3           question, but as you sit here now, this is not a memory  
4           test, so I'm not binding you to the answer.

5                        I'm not asking you -- I'm not asking you for  
6           a final answer on this.  I'm going to ask you to go back and  
7           do some research and report to us in the same way you're  
8           going to go to RGIS, but as you sit here now, is it -- do  
9           you know of any place in the Court's order, or in the  
10          accounting orders in this case, where Mr. Yusuf was -- was  
11          given permission to create that particular correction, that  
12          67-percent correction?

13          **A.**    No, I don't.

14          **Q.**    Okay.  Okay.  And is that a -- is that a  
15          correction that if you, as an accountant, would have made in  
16          doing an inventory and reporting it to the Court if you were  
17          the accountant doing that correction?  That inventory?

18          **A.**    Not unless I was asked to.

19          **Q.**    Okay.  So will you, as part of your duties as the  
20          fiduciary accountant -- and Greg and I will supply these to  
21          you -- go back through the orders that apply to this  
22          accounting and determine whether the Court had directed or  
23          approved any such 67-percent correction?

24          **A.**    I'm not sure exactly what you're asking me.  Will  
25          you --

Susan C. Nissman, RPR-RMR  
(340) 773-8161



**JOHN F. GAFFNEY -- DIRECT**

1           **Q.** We're going to -- we'll supply you with  
2 appropriate documentation. Whatever Greg thinks is  
3 appropriate to this and whatever I think is appropriate to  
4 this, will you go back and look and see if you can find a  
5 direction for that 67-percent correction?

6           **A.** In the Court records, you mean?

7           **Q.** Yes. In the orders that apply to how this  
8 accounting needs to be done.

9           **A.** Well, I stated, of course, that I don't know of  
10 any direction in the Court records.

11                               Are you asking me to go back and see if I can  
12 find some?

13           **Q.** Yes. We're going -- we will supply you with the  
14 Court record applicable to this and we want to see if you  
15 think that there's something in the orders that would let an  
16 accountant to make such a correction.

17           **A.** Okay. I mean, I could --

18           **Q.** Your opinion as an accountant.

19           **A.** I can certainly go through, you know, the Court  
20 records, sure.

21           **Q.** Okay. That's great.

22                               Greg, do you have questions?

23           **MR. HODGES:** I do. Were you finished?

24           **MR. HARTMANN:** Yes, I think I am.

25           **MR. HODGES:** Okay. Thank you.

JOHN F. GAFFNEY -- CROSS

CROSS-EXAMINATION

BY MR. HODGES:

Q. Good morning, Mr. Gaffney.

A. Hi, Greg.

Q. I assume you guys can hear me okay?

A. Yeah. Your voice is loud and clear.

Q. What my wife tells me all the time.

Let's turn to your report that is Exhibit Y.

If you would turn to Page HAMD 663110.

A. 110? Okay. I got these confused a little bit.

Hold on. Got it. Okay.

Q. And at the top, it says, "Claim H-72:" and then you have some verbiage; is that correct?

A. Yes.

Q. Okay. And the very first sentence says, "The following 4 journal entries settle the excess value of Plaza West assets acquired by the Hameds versus the value of assets acquired by the Yusufs."

A. Yes.

Q. Is that right?

A. That's correct.

Q. Now, when you use the word "assets," do you include the equipment in those assets?

A. Yes.

Q. Okay. So when you were talking about the \$644,000

Susan C. Nissman, RPR-RMR  
(340) 773-8161

**JOHN F. GAFFNEY -- REDIRECT**

1 on doing it his way, didn't he get a check for \$1,200,000?

2 Two checks for a million two hundred thousand?

3 **A.** Yeah, the net effect was -- actually, four  
4 transactions was a million two hundred thousand, correct.

5 **Q.** So instead of waiting for the end of the  
6 accounting process that had been ordered by the Court, and  
7 against your advice, and against what you said was standard  
8 accounting methods, Mr. Yusuf insisted on doing it this way,  
9 and he did so, and the effect of that was him receiving  
10 \$1,200,000 at that time in a floor transaction; is that  
11 correct?

12 **A.** Well, you know, now that -- now that we're  
13 discussing it, it seems to me that there was some  
14 communication, and I'm not sure where, exactly, but there  
15 was some communication about needing to even up, you know,  
16 the disparity between East and West inventory and the  
17 equipment, because the equipment meeting obviously preceded  
18 this. And as I understood the equipment meeting, that  
19 the -- the valuation of Plaza West inventory was meant to be  
20 700,000 and the valuation of Plaza East -- not inventory,  
21 I'm sorry, equipment, was meant to be 300,000. So the  
22 acknowledgment was that -- go ahead.

23 **Q.** I guess the point I'm making is -- the point that  
24 I'm making is this: He proceeded to write himself a check.  
25 And when was that check written?

**JOHN F. GAFFNEY -- REDIRECT**

1           **A.**    It was written in July of 2015.  July 10th, I  
2 think.

3           **Q.**    And that check was already written before you had  
4 the meeting with Joel Holt, wasn't it?

5           **A.**    Yes.

6           **Q.**    And the reason you had the meeting with Joel Holt,  
7 wasn't it, because Joel Holt specifically was objecting to  
8 things in that check?  That he objected to the 67 percent of  
9 total sales being used as a correction, and he objected to  
10 the fact that only East had expired inventory credit to it?  
11 Wasn't that why the meeting took place with Judge Ross?

12          **A.**    You mentioned -- you said something about only  
13 East had expired merchandise in it?  Oh, okay, you're  
14 talking about that \$1,500 adjustment.

15          **Q.**    Yes.  But weren't those the points that Joel Holt  
16 was meeting, because that check had just been issued out of  
17 time and against everybody's objections?

18          **A.**    Well, you are correct in stating that Joel Holt  
19 expressed an objection to, you know, those checks being  
20 issued.

21          **Q.**    Okay.  And the reason he was objecting to the  
22 checks being issued is because Mafi Yusuf had created a  
23 67-percent credit that meant \$250,000 to him and because  
24 Fathi Yusuf had credited expired items to himself, but not  
25 to the West store, would that be a characterization of Joel

**JOHN F. GAFFNEY -- REDIRECT**

1           **A.**    No.

2           **Q.**    Okay.  And once it was written, did Joel Holt  
3 specifically object to the -- having written it and having  
4 not been giving the calculations or any motive?

5           **A.**    I remember him objecting to it, yes.

6                   **MR. HARTMANN:**  Okay.  I have no further  
7 questions.  Thank you.

8                   Can we go off record?

9                   **MR. HODGES:**  No further questions.

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14                               (Whereupon the deposition concluded  
15   at 12:50 p.m.)

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