

**THE SENATE OF THE STATE OF TEXAS
SITTING AS A HIGH COURT OF IMPEACHMENT**

**IN THE MATTER OF
WARREN KENNETH
PAXTON, JR.**

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**MASTER EXHIBITS TO
HOUSE MANAGERS' RESPONSES TO PAXTON'S MOTIONS
(filed 8.15.2023)**

Volume 1 of 3

EXHIBITS 001 - 050

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**IN THE MATTER OF
WARREN KENNETH
PAXTON, JR.**

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**EXHIBIT LIST TO
HOUSE MANAGERS' RESPONSES TO PAXTON'S MOTIONS**
(filed 8.15.2023)

Ex. No.	Description	Bates No.
001	OAG Senior Staff	
002	Maxwell 2020.07.21 Interview of Paul & Wynne	HBOM00025970
002-A	Transcript of Maxwell 2020.07.21 Interview of Paul & Wynne	
003	Maxwell 2020.08.05 Interview of Paul & Wynne	
003-A	Transcript of Maxwell 2020.08.05 Interview of Paul & Wynne	
004	Sen Huffman's Questioning re Special Prosecutor	
005	Cammack Meeting with Doss & Wynne	
005_A	Transcript of Cammack Meeting with Doss and Wynne	
006	Cammack Meeting with Marwitz & Wynne	HBOM00025975
006-A	Transcript of Cammack Meeting with Marwitz & Wynne	
007	Paxton on Mark Davis Show - 2021.12.02	
007-A	Transcript of Paxton on Mark Davis Show - 2021.12.02	
008	Paxton on Mark Davis Show - 2022.01.31	
008-A	Transcript of Paxton on Mark Davis Show - 2022.01.31	
009	Brickman_James Interview Transcript	
010	Chester_Ray Interview Transcript	

Ex. No.	Description	Bates No.
011	Intentionally Left Blank	
012	Godbey_Joshua Interview Transcript	
013	Maxwell_David Interview Transcript	
014	Montford_Mindy Interview Transcript	
015	Moore_Margaret Interview Transcript	
016	Penley_Mark Interview Transcript	
017	Intentionally Left Blank	
018	Vassar, Ryan Interview Transcript	
019	Wicker_Andrew Interview Transcript	
020	Paxton's State Indictments	
021	2019.08.12 Court Order Sealing SW on NP Residence	HBOM00208120
022	2019.08.12 SW on WC Holdings Office	HBOM00224753
023	2019.08.21 Mitte Settlement w NP & Election to Declare Void	HBOM00213065
024	2019.09.05 Court Order to Disclose SW & Inventory to NP	HBOM00228606
025	2019.12.17 Paul's Attorneys complain of OAG's analysis of ORR	HBOM00191081
026	2019.12.26 Paxton-Brickman texts	HBOM00272251
027	2020.01.01 Mateer_Bangert_Gordon emails re Request for Reconsideration of ORR to SSB	HBOM00238101
028	2020.01.02 Bangert's Handwritten Notes	HBOM00176696
029	2020.01.14 Gordon to Bangert with breakdown on ORR to SSB	HBOM00180405
030	2020.01.28 EAM recommending waiving AG's interest in Mitte	HBOM00195668
031	2020.01.31 AG Waiver in Mitte Litigation	HBOM00250989
032	2020.04.11 OAG Covid Guidance Compilation	HBOM00191450

Ex. No.	Description	Bates No.
033	2020.06.02 OAG has no interest in Mitte litigation	HBOM00180799
034	2020.06.02 ORR Ruling on PIR to DPS	HBOM00190743
035	2020.06.03 Memo of issues re Mitte	HBOM00199542
036	2020.06.08 OAG's Petition in Intervention in Mitte Litigation	HBOM00227133
037	2020.06.10 Godbey to Day - Mitte not responsible for WC Financial Woes	HBOM00238839
038	2020.06.18 Bangert's Notes - WC Refuses to provide discovery to Mitte	HBOM00176714
039	2020.06.24 Sheena Paul email confirming Mediation & asking for Stay	HBOM00239359
040	2020.07.03 World Class ltr to Court re Mitte Mediation	HBOM00220031
041	2020.07.04 Wood emails Nate Paul with photos from Paxton house	HBOM00176216
042	2020.07.06 Godbey to Scarborough re two mediators	HBOM00180916
043	2020.07.07 OAG's Motion to Stay Proceedings in Mitte Litigation	HBOM00258126
044	2020.07.18 Matter email refusing Paul's request for a meeting	HBOM00271620
045	2020.07.22 Mateer Memo to file re relaying to Paxton concerns re NP	HBOM00200504
046	2020.07.22 Nate Paul Complaint re Mitte	HBOM00180974
047	2020.07.24 Mateer email string re NP's constant harassment	HBOM00216544
048	2020.07.31 Text Exchange between Hughes & Fisher re Foreclosure Guidance	HBOM00016777
049	2020.08.01 Foreclosure Guidance letter to Sen Hughes	HBOM00191201
050	2020.08.01 Near final DRAFT Foreclosure Guidance ltr to Sen Hughes	HBOM00191198
051	2020.08.03 World Class Judicial Reliance on OAG Foreclosure ltr	HBOM00016766
052	2020.09.23 Series of emails from Michael Wynne to Cammack	HBOM00214818
053	2020.09.25 Wynne email to Cammack passing along Paul's instructions	HBOM00214840
054	2020.09.28 GJ Subpoenas Issued by Cammack	HBOM00189442

Ex. No.	Description	Bates No.
055	2020.09.28 Mateer Memo to File re Penley's Meeting with Paxton	HBOM00271680
056	2020.09.28 Paxton use of Private Email Accounts	HBOM00241354
057	2020.09.29 Mase Memo to File	HBOM0018136
058	2020.09.30 AG Notice of Nonsuite in Mitte Litigation	HBOM00259566
059	2020.09.30 Bangert Summary re Foreclosure	HBOM00181372
060	2020.09.30 Cammack emails to Paxton's personal email	HBOM00243568
061	2020.09.30 Cammack invoice - incl calls with Paxton	HBOM00181603
062	2020.09.30 Loper and Paxton text messages	HBOM00176462
063	2020.09.30 Penley ltr to Cammack ordering him to cease and desist	HBOM00193980
064	2020.09.30 Tanner gets call from Bank about a Cammack GJ Subpoena	HBOM00181375
065	2020.09.30 Wicker texts Mateer that Paxton arrives in Austin at 10PM	HBOM00272293
066	2020.10.01 Penley refuses to sign Cammack's contract	HBOM00181792
067	2020.10.01 Whistleblowers' text to Paxton re reporting violations	HBOM00206471
068	2020.10.02 Paxton email telling Vassar Paxton hired Cammack	HBOM00206275
069	2020.10.07 OAG Tweet re his hiring of Cammack	
070	2020.10.08 Bangert learns of Paxton's comments re Cammack in Dallas News	HBOM00185529
071	2020.10.09 AAS - World Class foreclosure sales canceled after Paxton legal opinion	HBOM00274969
072	2020.10.09 TCDA Moore's letter to Paxton re Cammack	HBOM00236017
073	2020.10.11 Wynne letter to Paxton re Litigation Hold	HBOM00244091
074	2020.10.15 Darren McCarty's Formal Complaint to OAG	HBOM00244170
075	2020.11.02 Webster Meeting with Penley	HBOM00186014
076	2020.11.16 Webster Meeting with Vassar	HBOM00186011

Ex. No.	Description	Bates No.
077	2020.12.04 Draft OAG Investigative Report	HBOM00184542
078	2020.12.23 Draft OAG Investigative Report	HBOM00228654
079	2021.01.19 Nate Paul Depo in ATX Lenders Case	HBOM00271792
080	2021.01.21 Melinda Montford Affidavit	HBOM00131363
081	Bangert's handwritten notes	RB000002
082	Cammack GJ Subpoenas - Applications	HBOM00243343
083	Cammack's draft Affidavit in Support of Application for Search Warrant	HBOM00195065
084	Cammack's Targets for GJ Subpoenas	HBOM00191935
085	Deep Sea	HBOM00214375
086	Operation Longhorn	HBOM00224641
087	ORR to DPS File re Com with NP & WC incl FBI Brief	ORR-828822-20 - HBOM00197182
088	ORR to SSB File - ORR-798456-19	HBOM00190918
089	Uber Production	
089-A	Uber Rides Chart	
090	Undated Memo re WB Litigation and Goal of Avoiding Discovery	HBOM00187097
091	Webster Memo with re Explanation for OAG's involvement with NP Investigation	HBOM00187661
092	Whistleblowers' Mediated Settlement Agreement	HBOM00237982
093	2020.09.28 Paxton use of Private Email for Work	
094	2020.11.02 Nate Paul Depo in Mitte case - Testimony re Laura Olson	HBOM00016648
095	2020.09.26 Penley's Notes Prior to Mtg with Paxton	HBOM00274979
096	2020.09.26 Penley's Notes Post Mtg with Paxton	HBOM00274982
097	2020.09.30 Penley Memo to Mateer re Nate Paul Investigation	HBOM00271652

Ex. No.	Description	Bates No.
098	2020.09.25 Mateer Memo to File re Cammack Contract	HBOM00191668
099	Mateer's Notes	HBOM00271695
100	2020.12.27 Webster email with draft OAG Investigative Report	HBOM00184586
101	2020.09.30 Paxton text to Trustee re payment to contractor	HBOM00176480
102	2020.10.01 Wire Transfer to Cupertino Builders	HBOM00176412
103	Cupertino Builders Certificate of Formation	
104	2021.01.26 Sheena Paul Deposition transcript	HBOM00272658
105	2021.01.15 Depo of Jeremy Stoler	HBOM00272732
106	2022.010.30 Receiver's Report Documenting Defendants' Non-Compliance	HBOM00272148
107	Discovery filings in Whistleblowers' Civil Case	
108	Final OAG Report of Investigation into Complaints - final version	HBOM00193332
109	2019.12.9 Mitte Notice to OAG	HBOM00018707
110	2020.10.05 Vassar Email re Outside Counsel Contract	OAG_SUB-0012173
111	2020.09.15 Draft EAM re Cammack	OAG_SUB-00004004
112	2020.09.09 Cammack Emails w Wynne	OAG_SUB-00006257
113	2020.10.01 Cammack and Paxton Emails	OAG_SUB-00027631
114	2019.11.20 WC Mitte draw battle lines	OAG_SUB-00029428
115	2021.01.14 OAG Opposed Mtn for Protective Order	Brickman 02134
116	2023.03.08 WB Mtn to Lift Abatement	Brickman 02650
117	2020.06.26 ORDER Granted RE Plaintiff's Motion for Sanctions 12K	
118	2020.10.05 OAG Statement on Recent Allegations and Rogue Employees	OAG_SUB-00007847
119	2020.10.08 OAG Communications re Misrepresentations on Twitter	OAG_SUB-0042044

Ex. No.	Description	Bates No.
120	2020.10.12 ORDER Granting Receiver's Motion for Sanctions 105K	
121	2020.10.15 Bangert Formal Complaint	OAG_SUB-00060605
122	2020.10.15 McCarty Formal Complaint	OAG_SUB-0060554
123	2020.10.29 Brickman Grievance Appeal	OAG_SUB-0006732
124	2021.01.07 OAG Opposed Motion to Quash	Brickman 02078
125	2021.02.09 WB 2nd And Petition	Brickman 02295
126	2021.02.12 OAG Mtn to Quash Maxwells Subpoenas	Brickman 02424
127	2021.03.01 OAG Draft Report vetted by KP	OAG_SUB-00049097
128	2021.03.01 OAG Notice of Accelerated Appeal	Brickman 02520
129	2021.03.23 Order denying OAG 91a MTD	Brickman 02528
130	2022.01.05 OAG Petition for Review	OAG_SUB-00005813
131	2023.02.07 WB Settlement Discussions	HBOM00176295
132	Mitte v WC _ DOCKET SHEET	
133	Orders Granting WC Attorney Withdrawals	
134	WB Group Text	Brickman 00204
135	2020.10.02 Maxwell Admin Leave	OAG_SUB-00005615
136	2023.03.24 WB Ltrs to Legislature re Paxton Misstatements and Settlement	HBOM00273619
137	2020.10.01 Motion to Quash	OAG_SUB-00006086
138	2023.08.10 Federal grand jury reviewing Paxton's ties to Austin developer Nate Paul	
139	2020.10.19 Vassar on Admin Leave	OAG_SUB-00043524
140	2020.11.17 Vassar Termination Ltr	OAG_SUB-00024262
141	2020.12.09 EAM re Lewis Brisbois Engagement	OAG_SUB-00053599

Ex. No.	Description	Bates No.
142	Paxton State Indictments	
143	2023.05.23 OAG publishes Lewis Brisbois Report	
144	2023.05.24 Lewis Brisbois Report	HBOM00017220
145	HGIC_SUB-00049847	
146	Screenshot from Cammack of Paxton's signature on his contract	
147	2020.12.4 Initial Draft OAG Report	
148	2020.12.21 Revised Draft OAG Report	OAG_SUB-00047919
149	2020.06.23 Olson's employment contract with World Class	HBOM00275144
150	Olson Lease Agreements Aug 2020-Nov 2023	

EXHIBIT 001

OAG Senior Staff



**RYAN
BANGERT**

- Bachelor's Degree in Political Science from Oral Roberts University
- J.D. from SMU Dedman School of Law
- Law Clerk for Judge Patrick E. Higginbotham, United States Court of Appeal for the Fifth Circuit (Aug 2004- Aug 2005)
- Associate at Baker Botts LLP (Oct 2005 – Dec 2016)
- Partner at Baker Botts LLP (Jan 2014 – Dec 2016)
- Deputy Attorney General for Civil Litigation at OAG of Missouri (Jan 2017- Jan 2019)
- Deputy Attorney General for Legal Counsel at OAG of Texas (Jan 2019- March 2020)
- Deputy First Assistant Attorney General at OAG of Texas (Mar 2020- Nov 2020)
- Senior Counsel, Vice President of Legal Strategy at Alliance Defending Freedom (Nov 2020 – Oct 2022)
- Sr. Vice President for Strategic Initiatives and Advisor to the President at Alliance Defending Freedom (Nov 2022- Present)



**JAMES BLAKE
BRICKMAN**

- Bachelor's Degree from Vanderbilt University
- J.D from University of Kentucky J. David Rosenberg College of Law
- Chief of Staff for Governor Matt Bevin (Nov. 2015 - Dec 2019)
- Former Chief of Staff for U.S. Senator Jim Bunning
- Former Law Clerk for U.S. District Judge Amul Thapar
- Worked as a civil litigation defense attorney for 2-3 years
- Met Paxton May 2019 at the Kentucky Governor's Mansion
- Involved in Federalist Society
- Paxton personally offered him a position at the OAG after they met in Dallas. Deputy Attorney General for Policy and Strategic Initiatives for the OAG of Texas (Feb 2020 – Oct 2020)
- Currently works as an Advisor for The Cicero Institute and 8VC. He is a Chief Operating Officer and Head of Public Affairs at Lonsdale Enterprises. (Jan 2021- Present)

OAG Senior Staff



**LACEY
MASE**

- Bachelor's Degree from the University of Texas
- J.D. from Baylor University School of Law
- Prior to law school, was first-grade teacher in Austin, Texas
- Started at OAG as AAG1 in Law Enforcement Division in 2011
- Senior Managing Counsel for Civil Litigation for the OAG of Texas (Jun 2016- Jan 2017)
- Chief, Law Enforcement Defense Division for the OAG of Texas (Jan 2017 – April 2018)
- Associate Deputy Attorney General for Administration and General Counsel for the OAG of Texas (April 2018 – Feb 2019)
- Deputy Attorney General for Administration for the OAG of Texas (Feb 2019 – Oct 2020)
- Executive Counsel for the OAG of Tennessee (Jan 2021 - Sep 2022)
- Chief Deputy Attorney General for the OAG of Tennessee(Sep 2022 – Present)



**JEFFREY
MATEER**

- Received Bachelor's Degree in Political Science and Government from Dickinson College
- Completed internship for Dick Armey in Washington, D.C. in 1985 (Met Darren McCarty in this internship).
- J.D. from SMU Dedman School of College
- Associate Civil Trial Attorney at Carrington Coleman (Aug. 1990 – April 1996)
- Partner at Rosenthal, Reynolds, Mateer & Shaffer, PC (May 1996 – May 2000)
- Managing Partner at Mateer & Shaffer (June 2000 – May 2007)
- Principal at Lamberth Mateer, PLLC (June 2007 – Jan. 2010)
- General Counsel at First Liberty Institute (Feb 2010 – Mar 2016). Kelly Shackelford introduced him to Ken Paxton
- First Assistant Attorney General at OAG (Mar. 2016 – Oct. 2020)
- Executive Vice President and Chief Legal Officer at First Liberty Institute (Oct. 2020 –Present)

OAG Senior Staff



**DAVID M.
MAXWELL, JR.**

- From Baytown, Texas
- Texas Ranger for 24 years serving in public corruption and homicide investigations (1986-2010)
- Texas Ranger specializations included Ranger instructor, interviewing, photography, officer-involved shootings, court testimony; head instructor, Ranger CSI training
- Received Director's Citation (DPS) and Director's Award (ATF) for his work.
- Worked for Department of Public Safety (8 years highway patrol and 5 years narcotics)
- Assistant Director of Law Enforcement at the OAG of Texas (For Abbott starting Nov 1, 2010)
- Director of Criminal Law Enforcement for the OAG (For Paxton in 2015-2020)



**DARREN
MCCARTY**

- Bachelor's Degree in Accounting from the University of Texas
- J.D. from William & Mary
- Completed an internship for Dick Arme y in Washington, D.C. in 1985 (Met Jeffery Mateer in this internship)
- Senior Auditor for EY (1988-1992)
- Corporate Auditor for American Airlines (1992-1993)
- Senior Consultant for AMR Consulting Group (1992-1995)
- Law Clerk for Judge Karen J. Williams, United States Court of Appeals for the Fourth Circuit (1998-1999)
- Associate for Gibson, Dunn & Crutcher LLP (1999-2006)
- Partner for Alston & Bird LLP (2007-2017)
- Special Counsel for Texas AG (2017-2018)
- Deputy Attorney General for Civil Litigation (2018-2020)
- Founder of McCarty Law PLLC (2020 - Present)

OAG Senior Staff



**RYAN
VASSAR**

- Grew up in Big Spring, Texas
- Bachelor's Degree in Accounting from Texas Tech University
- Worked in Dallas in finance for six or seven months
- Prior to law school, was a litigation assistant at Jones Day
- J.D. from South Texas College of Law
- Joined Federalist Society in law school
- While in law school, he volunteered on Justice Willet's campaign
- Had an internship with Governor Perry during one summer in law school
- Law Clerk for Justice Don R. Willett on the Supreme Court of Texas for two years.
- Recruited by Brantley Starr to the OAG in 2015 as a line attorney
- By 2016 he was promoted to Deputy General Counsel
- Started as Deputy Attorney General for Legal Counsel for the OAG of Texas.
- Currently General Counsel at Cicero Institute



**MARK
PENLEY**

- Graduated from U.S. Air Force Academy
- Military career before becoming an attorney
- Civil litigator for 19 years
- Worked with Paxton at Strasburger & Price, LLP
- Former Federal Prosecutor (16 years)
- Deputy Attorney General for Criminal Justice at the OAG (Oct. 2019-Oct. 2020)
- Paxton personally recruited him to OAG

Exhibit 2

[EX 002 Maxwell 2020.07.21 Interview of Paul & Wynne.avi](#)

EXHIBIT 002-A

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TRANSCRIPTION OF RECORDED CONVERSATION

BETWEEN DAVID MAXWELL,

MICHAEL WYNNE AND NATE PAUL

JULY 21, 2020

(Duration: 1:17)

DISCLAIMER

The transcription and translation of the contents of this digital file recorded material are based upon the recording as heard on the particular electronic equipment used, the quality of the recording provided, the speaking speed, and the content of the conversation as understood by the reporter. Furthermore, proper names were spelled phonetically.

1 MICHAEL WYNNE: Here's a few of
2 my cards in case --

3 DAVID MAXWELL: Okay.

4 MICHAEL WYNNE: -- you've got to give
5 them to anybody. My cellphone's on there. You
6 can reach it 24/7.

7 DAVID MAXWELL: All right.

8 NATE PAUL: David, I was reading up --
9 reading up today on your background. Obviously
10 it's very impressive and --

11 DAVID MAXWELL: You Googled me?

12 NATE PAUL: Yeah. I came out very,
13 very impressed. The story of allowing that
14 vibration kind of -- you know, the -- because of
15 the background before you got into law
16 enforcement --

17 DAVID MAXWELL: Yeah.

18 NATE PAUL: -- and obviously just
19 the -- you know, the tragic situation.

20 DAVID MAXWELL: My sister?

21 NATE PAUL: Yeah. I just, you know,
22 wanted to just, you know --

23 DAVID MAXWELL: Yeah. This -- I've
24 got 48 years with the state.

25 NATE PAUL: Yeah, yeah. Obviously

1 when y'all went to committee is just -- I really
2 have a lot of respect for it because, like I said,
3 you know, it's just amazing kind of --

4 DAVID MAXWELL: I appreciate that.

5 NATE PAUL: -- kind of what you've
6 done. And, you know, I'm close -- so I work with
7 my sister. We're extremely close. I can only
8 imagine, obviously --

9 DAVID MAXWELL: Right.

10 NATE PAUL: -- what that was like, but
11 obviously, you know, if you've made the --

12 DAVID MAXWELL: Well, it's a
13 life-changing experience when you lose a loved one
14 to, you know, a horrendous murder.

15 NATE PAUL: Yeah, a senseless crime,
16 yeah.

17 DAVID MAXWELL: It took me 34 years to
18 solve it, but I did.

19 NATE PAUL: Oh, I love the
20 persistence. You know, it's just amazing to kind
21 of see where you've been. You know, why your
22 persistence is keeping people accountable. Right?

23 DAVID MAXWELL: Uh-huh, right.

24 NATE PAUL: I think it's -- you know,
25 I just wanted to mention that to you but --

1 DAVID MAXWELL: All right.

2 NATE PAUL: -- we appreciate you
3 getting together and on -- our time today.

4 DAVID MAXWELL: Okay.

5 NATE PAUL: I have my citizen, Michael
6 Wynne. He's one of my attorneys and he's been
7 working with this kind of -- this situation we're
8 dealing with.

9 DAVID MAXWELL: Are you a civil
10 attorney or criminal?

11 MICHAEL WYNNE: I started as civil.
12 In 2000, I switched over to criminal. I was an
13 assistant U.S. attorney at the time.

14 DAVID MAXWELL: Okay.

15 MICHAEL WYNNE: And --

16 DAVID MAXWELL: Where -- what office
17 have you worked out of?

18 MICHAEL WYNNE: Southern District.

19 DAVID MAXWELL: Okay.

20 MICHAEL WYNNE: Gregg Sears took a
21 chance on me, and I switched with a guy wanting to
22 go to civil AUSA.

23 DAVID MAXWELL: Oh, yeah?

24 MICHAEL WYNNE: I became a criminal
25 AUSA in 2000. I served for, oh, about 12 years

1 total. I've been in --

2 DAVID MAXWELL: And who was --

3 MICHAEL WYNNE: -- private practice.

4 DAVID MAXWELL: Who was your attorney
5 general at the time?

6 MICHAEL WYNNE: Oh, let's see. The
7 attorney general --

8 (Simultaneous crosstalk)

9 MICHAEL WYNNE: -- the first --

10 DAVID MAXWELL: Was (unintelligible)
11 your --

12 MICHAEL WYNNE: Janet Reno first
13 appointed me.

14 DAVID MAXWELL: I met Janet Reno.

15 MICHAEL WYNNE: Did you?

16 DAVID MAXWELL: Yeah, during the Waco
17 deal.

18 MICHAEL WYNNE: Oh, that's right.

19 DAVID MAXWELL: Yes.

20 NATE PAUL: Yeah. I saw that you
21 had -- you had worked on that.

22 DAVID MAXWELL: I'm one of the rangers
23 that did the Waco investigation, and I met with
24 her in Washington about it and discussed some of
25 the issues I was having and she straightened them

1 out. She was a very nice lady.

2 MICHAEL WYNNE: I heard. I didn't
3 have the pleasure. I met Al Gonzales when he was
4 attorney general.

5 DAVID MAXWELL: And I met William
6 Barr, too, all of the staff.

7 MICHAEL WYNNE: How is he doing?

8 DAVID MAXWELL: Well, I mean, I
9 haven't talked to him since, but I met him when he
10 was working for Bush. So yeah.

11 MICHAEL WYNNE: Jim Deatly appointed
12 me the first time --

13 DAVID MAXWELL: Yeah.

14 MICHAEL WYNNE: -- as a U.S. attorney.
15 And, yeah, he passed also --

16 DAVID MAXWELL: Right, yeah.

17 MICHAEL WYNNE: -- pretty tragically.
18 But my favorite was Michael Shelby. Do you know
19 Mike?

20 DAVID MAXWELL: I met Mike, yeah.

21 MICHAEL WYNNE: He was just a force.

22 DAVID MAXWELL: Yeah.

23 MICHAEL WYNNE: You would have liked
24 Michael Shelby. I've got a photo of him up on my
25 wall in the office. He's just -- he's a force of

1 nature --

2 DAVID MAXWELL: Yeah.

3 MICHAEL WYNNE: -- demanding
4 perfection.

5 DAVID MAXWELL: Well, a lot of us are
6 demanding.

7 MICHAEL WYNNE: Yeah.

8 DAVID MAXWELL: Not by force --

9 MICHAEL WYNNE: There's two people,
10 Michael and Nate, in my life that make me better,
11 yeah.

12 NATE PAUL: It will with y'all.
13 Obviously, I mean, that's kind of the context and
14 the background and what we're discussing today,
15 this is an active part of -- as I was researching
16 and learning more, you know, about yourself, and,
17 I mean, we appreciate from our standpoint is kind
18 of what -- with what -- the search that took place
19 last year. You know, I guess --

20 DAVID MAXWELL: August 16th?

21 NATE PAUL: Correct, yeah. So, I
22 mean, there were -- there were some searches that
23 took place on August 14th and then some that took
24 place on dates that are a little bit shaky, and
25 that plays into kind of the story that's played

1 in.

2 And I think the biggest thing,
3 obviously -- I've tried to put myself in your
4 shoes and also Michael's background, being on --
5 being on the other side, being a big prosecutor,
6 that helps as we kind of identify -- to identify
7 these things where there's certain things that may
8 have been -- you know, were not kosher or not done
9 right.

10 But then it crosses another line,
11 obviously, whenever you're talking about changing
12 documents and, you know, way more serious stuff, a
13 tough aspect that went in and --

14 DAVID MAXWELL: So tell me -- well, I
15 read your complaint with -- that you filed with
16 Harris County, but most of the stuff you
17 complained about is certainly within the law. So
18 tell me -- tell me exactly what you're -- what
19 you're alleging.

20 NATE PAUL: Yeah, correct.

21 DAVID MAXWELL: I mean, because you
22 talk about being detained. Well, we can detain
23 you at a search warrant.

24 NATE PAUL: Sure.

25 DAVID MAXWELL: You understand why?

1 Have you explained to him why we can
2 do that?

3 Okay. So that's not a violation of
4 your rights.

5 NATE PAUL: Correct.

6 DAVID MAXWELL: That's national
7 security because if we're doing a search
8 warrant -- and let's put it in a different
9 perspective. Say I'm doing a search warrant and
10 you've committed a murder or you -- let's say that
11 you have committed a murder and we don't know
12 where the body is --

13 NATE PAUL: Sure.

14 DAVID MAXWELL: -- and -- but we're
15 looking for it and we've got several places we're
16 going to search.

17 If we come in your house and we're
18 doing the search warrant there for evidence on an
19 evidence search warrant, we're not going to allow
20 you to have phone contact --

21 NATE PAUL: True.

22 DAVID MAXWELL: -- or leave because
23 you can destroy evidence.

24 And in a financial investigation, it's
25 the same way. So they have the perfect legal

1 right to detain you until they're through with
2 what they're doing --

3 NATE PAUL: Sure.

4 DAVID MAXWELL: -- and they're not
5 going to tell you about where they're searching.
6 They have no obligation to tell you that either.

7 NATE PAUL: You're saying -- yeah,
8 within the premises.

9 DAVID MAXWELL: Huh?

10 NATE PAUL: Within the premises, yeah.

11 DAVID MAXWELL: You know, within -- if
12 I have five search warrants and it's all on the
13 investigation on you and I come in there and
14 you're at the residence which I'm searching, I'm
15 under no obligation to tell you where else I'm
16 going to search because obviously it's a -- it's
17 secret until we do it so it protects our ability
18 to recover evidence.

19 NATE PAUL: Correct.

20 DAVID MAXWELL: Okay.

21 NATE PAUL: Yeah. You know, correct,
22 and that would be -- if you look at, you know,
23 just those aspects of the complaint, those are
24 kind of at the high level overall kind of painting
25 the picture. Look, it encompasses that.

1 You know, for us, it wasn't even
2 looking towards, you know, where things are
3 problematic as far as what could be within the
4 rule of law or whether we could be in the scope
5 where it's even questionable because then you're
6 talking about potential immunity or supremacy
7 clause, et cetera.

8 I think what we can probably do is
9 let's talk about tax rule, clear cut evidence.

10 DAVID MAXWELL: Okay.

11 NATE PAUL: That's all I'm doing.

12 DAVID MAXWELL: All right.

13 NATE PAUL: And I was -- I was waiting
14 until we got together in person to kind of go
15 through all those aspects. And -- but then part
16 of it is maybe the background, you know, and the
17 framing that kind of all played into it.

18 Well, the search with how it took
19 place and kind of how it all happened, you know,
20 with multiple locations -- Mike will give you his
21 perspective, but we knew right out of the gate
22 that something was seriously wrong, right, that it
23 was -- you could tell that they had been fed some
24 sort of story, some sort of information where it
25 wasn't the case.

1 And I'm sure people may say that, you
2 know, in other situations, but we've given you the
3 context of us understanding that there's some
4 things that didn't quite add up, you know, first
5 and foremost being that, you know, when counsel
6 was reaching out to the AUSA on the matter, you
7 know, very hard to get any sort of answers,
8 clarity, et cetera. And there's a preexisting
9 relationship where they knew him. And with --

10 DAVID MAXWELL: All right. Well, then
11 tell me exactly what you're talking about there.
12 When you -- did you reach out to the
13 U.S. attorney's office? Is that what you're
14 saying?

15 MICHAEL WYNNE: I have. I came into
16 the case in mid January.

17 DAVID MAXWELL: Oh, so you were -- you
18 were asked to --

19 MICHAEL WYNNE: So these events
20 evolved. It came as a shock so Nate's reaching
21 out to his tax counsel. I mean, who else? Who
22 expects this?

23 DAVID MAXWELL: Okay.

24 MICHAEL WYNNE: So -- but the
25 investigator happened to have the tax counsel's

1 number --

2 DAVID MAXWELL: Okay.

3 MICHAEL WYNNE: -- in Dallas.

4 NATE PAUL: Yeah. And so -- and with
5 the first call that takes place when he was there,
6 he was asking him about, you know, the search and,
7 you know, why he's there and whatnot. Then
8 obviously, looking back to things that could be --
9 go either way, they're keeping their -- you know,
10 keeping it close to their vest and not really
11 saying anything.

12 But the first and foremost part was
13 whenever one of the -- one of the officers, Rani
14 Sabban, who's actually Texas State Securities
15 Board, my legacy, he was there as a -- as a tax
16 enforcement officer.

17 You know, when he's -- when he finally
18 allows me to call counsel about two hours into the
19 search, he tells counsel, you know, that -- he
20 says, you know, "Why do you have him there? Do
21 you have -- what's the search warrant for?"

22 He says, "The search warrant is for
23 the residence."

24 He says, "Do you have the search
25 warrant -- do you have a search warrant for him as

1 a person or as the individual?"

2 He says, "No. We just have the search
3 warrant for that -- for the residence."

4 So that's kind of the verbatim of kind
5 of what was said in that sequence. And Chuck
6 Meadows is the name of that attorney, who has been
7 around 40-plus years. So he's mainly tax but has
8 done white collar stuff so he's kind of
9 (unintelligible). He's in -- he's in Dallas.

10 DAVID MAXWELL: All right.

11 NATE PAUL: And, you know, that part
12 of the story comes back later because obviously
13 there was -- he said there's no search warrant for
14 him as a person and it would all come back. So
15 months later what's in there popped up.

16 But essentially, when you look at the
17 context of the search that took place, you know,
18 there was three searches that took place that day
19 that we're aware of, at my home, at the office,
20 and the server room.

21 There's tons -- there's a ton of
22 things that are questionable about it, meaning the
23 validity of the documents, the search warrants
24 that were presented to us days later. There was
25 not any search warrants left at any of the

1 locations.

2 There were not any search warrants
3 given to us at any of the -- at -- me or the
4 persons at my home, they were never given a search
5 warrant. They didn't leave one behind. At the
6 office, they didn't -- one was requested. No one
7 received one and they did not leave one behind.
8 At the server room, same situation.

9 All right. At all three location, the
10 same practice they did was after entering at the
11 home, about 15 minutes after they were in, they
12 sliced all the WiFi lines. They destroyed my
13 camera system. So that happened at all three
14 locations. So some of those aspects were -- we
15 have some video that was destroyed when the
16 property was destroyed on the front end.

17 But when we talk about, you know,
18 having to clear some rights and wrongs and looking
19 at -- you know, I've had kind of a lot of
20 skepticism about, you know, the entire process
21 because of what I've seen and what I've -- what
22 we've gone through.

23 But one of the biggest keys that came
24 up shortly after the search was, you know,
25 whenever counsel -- you know, his co-counsel, you

1 know, Jeff Meadows and the folks were speaking
2 with Alan Buie. They even sent a letter.
3 He assured them. He says, "Look, you
4 know, there were three searches. That's it.
5 That's what took place. There were three
6 searches." And he said, "That's what it consisted
7 of."

8 From that point they're out of bound.
9 And this is after -- at the end of that --
10 throughout that day, the next day, the next week,
11 you know, continuing on, right, because they're in
12 Dallas. And I said, "We're trying to understand
13 what you're looking for." And he really couldn't
14 say.

15 And they obviously thought that was,
16 you know, a little bit odd that he was being as --
17 you know, non-committal on it because there's a
18 preexisting relationship where they knew him and
19 no one would say, kind of, "Here's what we're here
20 to do."

21 And, like I said, as we're talking
22 to -- we're just getting hard into the facts of
23 it, the -- there was -- on August 27th, so that's,
24 you know, less than two weeks later, one of my
25 employees called to our-third party file storage

1 company, this company called Contego.

2 And he called them at 11:13 a.m. that
3 morning to get a copy of our invoices because they
4 hadn't sent the -- they hadn't sent the invoice,
5 kind of the normal course of business. They don't
6 pick up. They don't respond. And then about
7 three hours later, he gets an email back that
8 says, you know, "If you want your boxes, contact
9 FBI Agent Preston Joy."

10 So then we said, "Okay. Another
11 search took place we weren't aware of." And that
12 became a big red flag because we were told
13 obviously there were no others. Right? And
14 counsel has told us -- you know, he said -- you
15 know, he gave me the runaround. I wonder what
16 else.

17 DAVID MAXWELL: And when did that
18 search take place?

19 NATE PAUL: Well, according to the
20 documents that the government submitted, you know,
21 that we ended up getting into the facts, they
22 claim that that search took place on August 22nd,
23 August 27th and August 30th, so three different
24 dates.

25 DAVID MAXWELL: Okay.

1 NATE PAUL: And actually the 27th date
2 says 2018. I'm not sure if that's a typographical
3 error or not. But, you know, of course, that one
4 we're finding out immediately, you know, or --
5 well, one thing is in between his call -- this
6 employee's call to -- and when he hears back three
7 hours later, Rani Sabban and Preston Joy start
8 calling him on his cellphone.

9 MICHAEL WYNNE: Texas State Securities
10 core investigator, task force officer, and the FBI
11 agent.

12 NATE PAUL: Yeah. And at that point
13 they didn't -- they had been informed that, you
14 know, all employees represented by counsel go
15 through counsel, but they were reaching out to
16 them directly. We started to realize something's
17 wrong here.

18 All right. So there was another
19 counsel that was involved who represented Jeremy
20 Stoler, this individual. And he starts reaching
21 out to the agents and the file storage company
22 with no response, no response on the 27th, no
23 response on the 28th, no response on the 29th.
24 And, well, we can't -- as the firm, we can't get
25 ahold of anybody because we're saying, "What's

1 going on?"

2 DAVID MAXWELL: When you say "no
3 response," you're trying to contact the FBI and
4 the U.S. attorney's office?

5 NATE PAUL: The FBI, the U.S.
6 attorney's office, the Texas Securities Board
7 investigator and the file storage company as well.

8 MICHAEL WYNNE: Particularly the file
9 storage company because it becomes pertinent in
10 this time period that we're making a demand for
11 the rest of the boxes and where are they and
12 what's up.

13 The CEO of the file storage company,
14 which is about a half an hour north of here, loads
15 up a bunch of additional boxes somehow they didn't
16 get, puts them in his truck and drives them to the
17 FBI.

18 And you've got to question about a
19 chain of evidence there. And he did the same
20 thing with another box. You don't just have a
21 search, come in. The other thing is they gave a
22 copy to the storage company on the 16th, which is
23 a Friday, let them stay all weekend to get their
24 stories straight --

25 NATE PAUL: I'll carve into that one.

1 MICHAEL WYNNE: -- and then execute it
2 on the 22nd. And then the guy comes and actually
3 delivers it. Now, if you're trying to keep
4 evidence straight, that's a lousy way to do it.

5 NATE PAUL: Yes. So what's --

6 DAVID MAXWELL: Well, that's something
7 you handle in the courts. Right?

8 MICHAEL WYNNE: Well, a motion to
9 suppress two years from now isn't --

10 DAVID MAXWELL: Yeah, that's right.

11 MICHAEL WYNNE: -- going to help me
12 today.

13 DAVID MAXWELL: No.

14 MICHAEL WYNNE: That isn't going to
15 help me today.

16 NATE PAUL: Well, let me carve -- let
17 me carve the facts because we wouldn't be -- we
18 wouldn't be sitting here if it wasn't clearcut.

19 DAVID MAXWELL: All right.

20 NATE PAUL: That's what plays into it.
21 So obviously, you know, that was odd because I
22 couldn't get with the state with -- no responses.
23 Then on Friday, August 30th, that's the day that
24 Duncan Levin, one of our counsel, finally connects
25 with Preston Joy.

1 And he says, "Hey, you know, you
2 represent Jeremy Stoler individually?"

3 He said, "Yes."

4 He said, "Look, we don't know if these
5 guys have done anything wrong. We've got a
6 boatload of evidence. If you -- if your client
7 can provide a way, you know, we might look at it
8 differently."

9 And he said, "Tell me about what's
10 going on with this file storage company."

11 He said, "No, no. We had a search
12 warrant. Yeah, we had a search warrant. We came
13 away through a search warrant."

14 DAVID MAXWELL: Right.

15 NATE PAUL: He says, "Can you please
16 send me that search warrant today?"

17 He said, "I'll email it to you."
18 Never emailed it.

19 And he follows up. On the 30th, he's
20 following up. The reason why these dates are
21 important is because it plays into what ended up
22 happening, what we discovered.

23 The 2nd, 3rd, 4th, no responses. And
24 finally the afternoon of the 4th, late in the day,
25 he responds and tells Duncan Levin -- you know, he

1 didn't respond to any -- he said he would send the
2 search warrant. Never ended up sending it.

3 The file storage company told us they
4 don't have one. They said, "We don't have a copy
5 of it. If you want it, you've got to get it from,
6 you know, the FBI."

7 And then he says, you know, "AUSA Alan
8 Buie will give you a call."

9 Well, then Alan Buie tries calling him
10 the next day. And he says, "Look, I need to --
11 you know, this is my client."

12 He says, "I can't talk to you right
13 away."

14 Now, all this time, in that 10-day
15 period, my counsels are trying to get ahold of
16 Alan Buie for a call because, you know, at that
17 point, you know, it was -- became evident that he
18 was clearly being -- you know, not moving it
19 through and attempting communication just to have
20 a discussion.

21 That's -- we're to September 5th.
22 September 5th, they have the call scheduled at
23 noon. On this --

24 DAVID MAXWELL: And the call is going
25 to be between whom?

1 NATE PAUL: Three people on my legal
2 team, three attorneys with the AUS -- the two
3 AUSA's, Alan Buie or Houston. On that call, they
4 said, "Hey, Alan, you know, we just want to
5 clarify a few things. You've told us since
6 August 14th that there were just three searches.
7 Were there just three searches or was there other
8 searches?" Right?

9 And it's a hum haw kind of a dance
10 back and forth.

11 And continues on the call and he says,
12 "Yes, there were just three searches."

13 And Jeff Meadows says, "Dammit, Alan.
14 We know about the file storage company. We know
15 about Contego. There was another search."

16 His response, "Okay. You got me.
17 Who's the leak in my office?"

18 Word for word, affidavit from counsel,
19 that's exactly how it happened. And he became a
20 little testy at that point.

21 He said, "You know, you're sitting
22 here. You just lied to us and told us that there
23 wasn't another search and now there was. You
24 know, we're going to be filing motions."

25 And he said, "Don't do that. Don't do

1 that. Don't file any motions with the court.

2 Don't file anything. I'll give you a copy of the
3 search warrant for that one. You've got to give
4 me a day."

5 DAVID MAXWELL: The file storage was
6 not your company?

7 NATE PAUL: It's not my company.

8 DAVID MAXWELL: Okay. So -- all
9 right.

10 NATE PAUL: It's not my company, but,
11 you know, we're the tenant for the storage space
12 and --

13 DAVID MAXWELL: You're a tenant,
14 right, but it was not -- it's not your company.
15 So you don't have care, custody and control of it.

16 NATE PAUL: I don't have control of
17 the file storage company?

18 DAVID MAXWELL: Uh-huh.

19 NATE PAUL: No. I don't have control
20 of the file storage company.

21 DAVID MAXWELL: So they served the
22 search warrant on the person who does own it.
23 Correct?

24 NATE PAUL: No, they did not. He --
25 whenever we asked him for a copy of the search

1 warrant, he said at the time that he didn't have
2 it, if we wanted it to contact Preston Joy.

3 DAVID MAXWELL: No. I understand, but
4 I'm saying that when they did the search, they
5 served whoever owns the company. They came out
6 there and he gave them access under the search
7 warrant and they're under the search warrant. Is
8 that right?

9 NATE PAUL: Well, he's now saying he
10 was served the search warrant, but at the time
11 when we went to him, he said, "No. They came in
12 here."

13 We said, "Do you have a copy of the
14 search warrant that you were served with?"

15 He didn't have one. And this is the
16 day that this happened.

17 DAVID MAXWELL: Okay. But --

18 NATE PAUL: But presumably they did.
19 Presumably they did.

20 DAVID MAXWELL: But they had a search
21 warrant at the time they did the search?

22 NATE PAUL: We don't know. The
23 reality is we don't think there was a search
24 warrant that existed at the time.

25 DAVID MAXWELL: Why do you think that?

1 NATE PAUL: We'll carve into the
2 specifics around why. One, if he had a search
3 warrant, then why did the file storage company not
4 get one? And when we were requesting it, why did
5 he not send it? And through all this time, why
6 was it still never sent?

7 The call happens on September 5th. He
8 says, "Give us a day. I'll get it to you. I need
9 to get -- I need to get a motion to disclose so I
10 can disclose this because of the search warrant."

11 DAVID MAXWELL: Right.

12 NATE PAUL: All right. Which he
13 didn't need to get that on any of the other ones
14 that took place. But he says, "I'll give it to
15 you the next day."

16 So our counsels --

17 DAVID MAXWELL: I mean, it would
18 probably be different simply because it wasn't
19 your residence and it wasn't your business. And
20 all this, as your counsel knows, is going to be a
21 part of grand -- a part of grand jury.

22 And so this is obviously an ongoing
23 investigation, and you're not going to get any
24 information because you're not a defendant. You
25 have not been charged with anything.

1 NATE PAUL: No, no, no. Correct.

2 DAVID MAXWELL: So you don't have any
3 right to discover.

4 NATE PAUL: Yeah, correct.

5 DAVID MAXWELL: And you don't have any
6 right for them to disclose anything about the
7 investigation to you. I mean, that's just the way
8 investigations go. You can't get any information
9 about it, and you shouldn't -- and your attorney
10 knows this -- until and if they ever charge you.

11 If they do charge you, then you'll
12 have the right to discovery, and that'll be
13 regulated by federal law and not state law on how
14 that works. Anyway, I'm just working through this
15 with you mentally as we go along to -- so that you
16 kind of understand how this thing works.

17 And obviously the federal side works
18 different than the state side. We've got
19 different rules we follow than the feds do. But
20 if I'm doing an investigation on you and -- other
21 than giving you a copy of the search warrant on
22 something that we searched from you, you're not
23 going to get any information from me.

24 NATE PAUL: That's correct. No, I
25 don't -- I don't disagree.

1 DAVID MAXWELL: Yeah.

2 NATE PAUL: But, you know, actually if
3 the documents have been changed or tinkered --

4 DAVID MAXWELL: Well, why do you think
5 they're changed?

6 NATE PAUL: We've got -- there's a
7 whole host of reasons why.

8 DAVID MAXWELL: All right. Let's talk
9 about them.

10 NATE PAUL: Sure. Well, let me talk
11 about the file storage company search warrants and
12 that precedes kind of what happened from there.

13 So you're right. There's the amount
14 of information we're going to get from them that
15 plays in, you know, kind of some of the
16 abnormalities and whatnot. But also, you know,
17 back to knowing our legal process, the file
18 storage company violated their contract with us on
19 disclosing to us that they came there, every other
20 reason under the sun, and so we sued them in civil
21 arbitration.

22 All right. So we had -- you know,
23 there's a civil --

24 DAVID MAXWELL: You're suing who?

25 NATE PAUL: With the file storage

1 company.

2 DAVID MAXWELL: File storage company.

3 Okay.

4 MICHAEL WYNNE: There's provisions
5 there that clearly -- if there's a law enforcement
6 inquiry, you are to give the tenant notice --

7 DAVID MAXWELL: Notice.

8 MICHAEL WYNNE: -- and an opportunity
9 to seek a motion to quash --

10 DAVID MAXWELL: Sure.

11 MICHAEL WYNNE: -- or to do something.

12 DAVID MAXWELL: Right.

13 MICHAEL WYNNE: Make sure that
14 there --

15 DAVID MAXWELL: And they didn't do it.

16 MICHAEL WYNNE: And make sure that
17 you're only giving law enforcement --

18 DAVID MAXWELL: What they requested.

19 MICHAEL WYNNE: -- materials that's in
20 Attachment B to the search warrant.

21 DAVID MAXWELL: Right.

22 MICHAEL WYNNE: And there's a lot of
23 protocols and protections. And, in fact, we
24 stored stuff at this location because of these
25 extraordinary protections that are --

1 DAVID MAXWELL: That they provide.

2 NATE PAUL: Yes.

3 MICHAEL WYNNE: They -- most of what
4 they store is HIPAA protected. It's Contego
5 Health Information Management Systems. That's why
6 they used them, because there's all these
7 protocols.

8 If somebody comes and serves a
9 subpoena, you're supposed to check and make sure
10 because it's protected information.

11 DAVID MAXWELL: Sure.

12 MICHAEL WYNNE: They didn't do any of
13 that.

14 DAVID MAXWELL: Right.

15 MICHAEL WYNNE: Not only did they not
16 do anything, the guy puts the stuff in his truck
17 and drives it over, you know. So, yeah, we sued
18 them. You didn't do that right.

19 NATE PAUL: Yeah. Like I said, you
20 know -- and one of our biggest complaints is we
21 just want to know what happened, and they
22 obviously stonewalled it. It wasn't until, you
23 know, we sued him that we actually started getting
24 some information even though they're still tough
25 to get.

1 Here's what it's coming to, and here's
2 where it sits today because obviously everything
3 we've talked about so far, there's room -- there's
4 wiggle room, which -- not room -- where there's
5 not wiggle room is, you know, we went through a
6 full discovery and he had produced documents that
7 he received. Those don't match up.

8 DAVID MAXWELL: What doesn't match up?

9 NATE PAUL: Any of the dates or times,
10 the story of how it happened, the receipt of
11 documents.

12 DAVID MAXWELL: All right. You're
13 going to have to explain to me --

14 NATE PAUL: Yeah. I'll walk you
15 through -- I'll walk through the details --

16 DAVID MAXWELL: Okay.

17 NATE PAUL: -- of those aspects.

18 There's two things. One, we have, you
19 know, documents he produced as part of the
20 discovery. And, second, you know, we had a
21 six-hour taped deposition, sworn oath testimony,
22 from him of what's occurred and what happened with
23 this. I mean, obviously from a -- where --

24 DAVID MAXWELL: So y'all do a
25 deposition of the person who owns the holding

1 place and confirmed it with your lawsuit?

2 NATE PAUL: Right.

3 MICHAEL WYNNE: In the context of the
4 arbitration. The arbitration provision under --

5 DAVID MAXWELL: Right, the
6 arbitration.

7 MICHAEL WYNNE: -- the contract have
8 this stuff. And he owns storage companies. So to
9 say why he's storing stuff was because this was a
10 special health information management --

11 DAVID MAXWELL: Sure.

12 MICHAEL WYNNE: -- company --

13 DAVID MAXWELL: Right.

14 MICHAEL WYNNE: -- that specialized in
15 this.

16 DAVID MAXWELL: Okay.

17 NATE PAUL: Now -- and obviously one
18 of the -- one of the big things that took place as
19 we were doing it was -- we were just trying to get
20 to the bottom of kind of what happened here
21 because we didn't -- we still had no clue at that
22 point where all of our stuff was, what they were
23 still in possession of.

24 But what comes with that is
25 communications, emails back and forth, call logs,

1 et cetera. And that's where -- I think if we put
2 everything else aside and just carve into that
3 part, I think that's where a lot of the story
4 becomes more kind of clear as far as -- you know,
5 it is a state violation for tampering with
6 government records if things are modified or
7 changed, whether you're a federal officer or a
8 state officer. We believe so. Correct?

9 DAVID MAXWELL: So -- and it could be,
10 yes.

11 NATE PAUL: Yeah. And then --

12 DAVID MAXWELL: Well, tell me what was
13 modified.

14 NATE PAUL: Well, part of -- you
15 know, there was -- there's a few different things
16 that play in this, but one of the most concerning
17 aspects of this all was -- so they talk about a
18 search warrant being -- according to the
19 government, all right, what they gave to us, they
20 said they obtained a search warrant on
21 August 16th. They executed it on August 22nd.
22 There's a search warrant return, signed under
23 penalty of perjury, that that's what it was.

24 The testimony from the file storage
25 company was completely different. He said he was

1 served with a search warrant on August 16th. They
2 came and said, "We're serve -- we're executing a
3 search warrant." And they said, "Actually we'll
4 come back in six days and we'll get the
5 information."

6 Okay. That's definitely out of the
7 norm, saying, "We're going to come issue a search
8 warrant and not take any stuff." They came back
9 to take the stuff on August 22nd.

10 And then as far as thereafter, on
11 August 27th, the day we called, he discovers
12 there's 18 more boxes and he puts them in his
13 truck and says, "Hey, I'll come drop them off to
14 you," and goes and delivers them to the FBI.

15 Now, the documents the FBI submitted,
16 you know, with their search warrant return, it
17 does not state that. It says they were seized
18 at -- you know, seized as part of the search. On
19 the 30th, there's another box delivered the same
20 way.

21 And the reasons why some of these
22 things play in is what they were showing to us on
23 September 6th was a search warrant they said they
24 got approved and was signed on August 16th, and it
25 was executed on August 22nd. It's a -- it's a

1 different story from what the file storage company
2 has said. So that's first and foremost.

3 The document that he ended up giving
4 us on September 6th, you know, we -- you know,
5 there's questions of the validity of that document
6 and if it was changed. How do we know it was
7 actually created and signed on August 16th versus,
8 you know, was it not manufactured thereafter?

9 There's, you know, some questions
10 around the validity of that document, what became
11 of it, what plays into it from -- there's metadata
12 on the actual document that shows it was created,
13 you know, afterwards from a third-party forensic
14 (unintelligible).

15 DAVID MAXWELL: You have metadata from
16 what?

17 NATE PAUL: From the -- from the PDF
18 they said -- they shared with us.

19 MICHAEL WYNNE: You can examine a PDF
20 to determine when things were created and how, and
21 we've done that.

22 NATE PAUL: So he --

23 DAVID MAXWELL: And so what does it
24 say?

25 NATE PAUL: It says it was created on

1 September 6th, which is the day that they sent it
2 to us.

3 DAVID MAXWELL: Okay. If you make
4 any -- yeah. If you go into that document, it
5 might change that date.

6 NATE PAUL: That would be a
7 modification date. That was the creation date.

8 MICHAEL WYNNE: Those were controlled
9 for.

10 NATE PAUL: Yes.

11 MICHAEL WYNNE: Those possibilities
12 were controlled for and -- those were controlled
13 for me and still --

14 NATE PAUL: Yeah. So what happens --

15 MICHAEL WYNNE: -- it was created
16 that --

17 NATE PAUL: -- is there's a creation
18 date and then any modif -- the way the -- from a
19 technology standpoint, it will say "Creation date"
20 but I'll see the modifications.

21 It will have the -- all the -- all
22 the -- kind of the genesis about a document is
23 embedded in that document, right, but it shows
24 that. And, obviously, that call happened
25 September 5th. The document is sent to us

1 September 6th.

2 DAVID MAXWELL: Right.

3 NATE PAUL: And this is saying, "Hey,
4 we have this on this date."

5 DAVID MAXWELL: Do you have the
6 document?

7 NATE PAUL: Yes, we do. And,
8 secondarily, you know, part of the discovery was
9 their -- the file storage company's CEO and
10 through their counsel, they kind of made their
11 pleadings, kind of their story.

12 And one of the parts that played in is
13 that they stated they were served with a grand
14 jury subpoena on August 30th, 2019.

15 DAVID MAXWELL: Okay.

16 NATE PAUL: And, you know, the grand
17 jury subpoena confirmation from Alan Buie. So
18 that's while this search, I guess, is still
19 ongoing because it started on the 16th -- you
20 know, you did a search warrant on the 16th and
21 then you come back and you give information
22 thereafter.

23 And when they supplied us a copy of
24 that document -- you know, this is the physical
25 document of the grand jury subpoena, which shows

1 that it was, you know, sent from Alan Buie to him
2 on August 30th. His testimony is that he was --
3 he was served with it on August 30th. The
4 subpoena you'll see attached to it on the next
5 page is dated September 9th, 2019. So there's --

6 MICHAEL WYNNE: Under their best day,
7 you know, somebody's getting advanced notice of a
8 grand jury subpoena that isn't even finished yet.

9 DAVID MAXWELL: I would imagine that
10 when they did the search warrant they told him the
11 same thing it says about the subpoena, that they
12 can't disclose this. Did you ask them about that?

13 MICHAEL WYNNE: They can't disclose
14 it? They -- that came through the arbitration
15 lawsuit with Kenebel.

16 Now, what's peculiar here is typically
17 if you're setting up to conduct a search warrant,
18 you know, you need to get an affidavit and
19 predicate the affidavit showing that World Class
20 has leased the space, how long they've leased it,
21 they've been making payments, there hadn't been
22 any change. What? So it's right.

23 And so you issue that grand jury
24 subpoena sometime before August 16th, which is the
25 date of the search warrant, to make sure that

1 you've got all the information in your affidavit
2 that you're searching the right place.

3 DAVID MAXWELL: Right.

4 MICHAEL WYNNE: Well, this postdates.

5 DAVID MAXWELL: Postdates.

6 MICHAEL WYNNE: You know, you do all
7 this, search. You hire somebody to carry over the
8 rest of the boxes. And then two weeks later, when
9 he starts asking questions, his company starts
10 asking questions, where is my stuff?

11 And while he's asking those questions,
12 the owner is trucking stuff over to the FBI
13 instead of answering pursuant to the -- to the
14 contract. And then you're covering your tracks
15 later by sending a grand jury subpoena telling the
16 guy, the storage unit, "Hey, don't worry, man.
17 We're FBI. We're U.S. attorney. We've got your
18 back. Don't worry about your obligation. Don't
19 return his call. Just hold on, and we'll send you
20 a grand jury subpoena August 30th, which matches
21 up with the last day he got in his truck."

22 Now, the grand jury subpoena itself
23 ain't issued until September 9th. Now, government
24 attorneys, we all can talk about any grand jury
25 subpoena we get. We walk out of the grand jury

1 room and blab to the press.

2 A government attorney under 6-C has to
3 respect that grand jury process and can't be
4 disclosing stuff, much less giving somebody a
5 heads up. We're going to -- we're going to be
6 serving a grand jury subpoena that's postdated
7 here.

8 DAVID MAXWELL: Well, Michael, why
9 didn't you go to office of inspector general with
10 this?

11 NATE PAUL: Just so we --

12 MICHAEL WYNNE: I came in -- I came in
13 in January. I don't know if you came in
14 earlier --

15 NATE PAUL: Yeah.

16 MICHAEL WYNNE: -- but we didn't know
17 each other.

18 NATE PAUL: But also we --

19 MICHAEL WYNNE: We didn't know each
20 other.

21 NATE PAUL: But also we --

22 MICHAEL WYNNE: I mean, I know him
23 through my brother-in-law.

24 NATE PAUL: Yeah.

25 MICHAEL WYNNE: My brother-in-law

1 knows a friend of his and we're talking over the
2 holidays about stuff, and that's how I got
3 involved in this. I'm in Houston. Oh, I would
4 have gone way back when.

5 NATE PAUL: But also --

6 DAVID MAXWELL: Most of all --

7 NATE PAUL: But also -- but also --

8 DAVID MAXWELL: All of this is
9 procedure stuff --

10 MICHAEL WYNNE: Yeah.

11 DAVID MAXWELL: -- that would be done
12 at trial or with the office of inspector general.

13 MICHAEL WYNNE: We've talked about
14 maybe doing that.

15 DAVID MAXWELL: I mean --

16 NATE PAUL: But also this -- we just
17 got this last week.

18 MICHAEL WYNNE: And we -- they just
19 got that.

20 NATE PAUL: This just came from
21 discovery --

22 DAVID MAXWELL: Well, you realize that
23 we're the State.

24 MICHAEL WYNNE: I know.

25 DAVID MAXWELL: And you're in the

1 wrong office, and you know that.

2 MICHAEL WYNNE: Well, I don't know
3 about that because I studied the Penal Code --

4 DAVID MAXWELL: All right.

5 MICHAEL WYNNE: -- and the case law,
6 and there is a state statute.

7 DAVID MAXWELL: There is a state
8 statute.

9 MICHAEL WYNNE: So there's some
10 precedent.

11 NATE PAUL: And there are
12 state important law --

13 DAVID MAXWELL: Well, you also know
14 that they're not going to share anything with us
15 and don't have to. It's an ongoing grand jury
16 investigation, a federal investigation.

17 Now, if you were the A -- the AUSA on
18 this case and I came to you --

19 MICHAEL WYNNE: That's like --

20 DAVID MAXWELL: -- and I said,
21 "Michael, I know y'all are doing this
22 investigation on financial fraud. We've had a
23 complaint from the defendant -- a possible
24 defendant. I want to see your records," what are
25 you going to tell me?

1 MICHAEL WYNNE: If I were the agency
2 or the magistrate, "Michael, here it all is. I'll
3 show it to you."

4 And I've asked I don't know how many
5 times, and I get the door slammed in my face.

6 DAVID MAXWELL: I've never had that
7 experience. I've been working with the feds for
8 40 years.

9 MICHAEL WYNNE: I was in the feds for
10 12 years. I always did that. That's why --
11 that's why we're with you --

12 DAVID MAXWELL: Yeah.

13 MICHAEL WYNNE: -- because I called
14 him. Alan and I went to law school together. We
15 were in the same class.

16 I said, "Alan, what's up, man? Why
17 won't you talk to me?"

18 And I don't know. We went to the
19 magistrate's office, said, you know, "Could we
20 just see the original copies of these things,
21 match them up and compare them? What's wrong with
22 that?"

23 And we got, "No," and he -- we get
24 shoved out the door. So my concern is -- you
25 know, and this was my concern as an AUSA,

1 especially early on when they switched me from
2 civil to criminal, stuck me on the Concorde crash
3 investigation.

4 DAVID MAXWELL: Yeah, yeah.

5 MICHAEL WYNNE: And then -- I did
6 that. I investigated kind of the landlines on
7 behalf of the French government. And the Dennis
8 and Laramie, the people who died in Iowa in the --
9 in the railroad car. And the nationwide Candyman
10 case where there ended up being an error in the
11 search warrant.

12 Jeff Benney was the -- I was a
13 first-year federal prosecutor. I got a search
14 warrant going out to 5,000 searches. And it says
15 that if you press a key, you automatically get all
16 the child porn that day. Turned out that wasn't
17 true so I got a freaking error that the head of
18 the computer crimes section with the FBI sticks in
19 the search warrant that I present, and my ass is
20 on the line.

21 Michael Shelby goes to bat for me. I
22 was a first freaking year prosecutor. OPR comes
23 down on me. I'm real sensitive to this stuff. My
24 ass and my career -- and, you know, the only way
25 you can screw up 10 years in AUSA is if you stick

1 your neck out on a case.

2 DAVID MAXWELL: That's true.

3 MICHAEL WYNNE: You go for the king.

4 You shoot to kill. And if you might have

5 missed -- and Alan missed. I know Alan from law

6 school. He missed. Then you're trying to cover

7 yourself any way you can. And that's what

8 happened. And that's why Alan didn't -- won't

9 have this conversation with me.

10 DAVID MAXWELL: I --

11 MICHAEL WYNNE: And that's why we're

12 here. That's why we're here.

13 NATE PAUL: That's why we're here.

14 MICHAEL WYNNE: That's why we're here.

15 NATE PAUL: They didn't --

16 DAVID MAXWELL: Show me what document

17 you think was altered.

18 NATE PAUL: All the search warrants.

19 I think all the search warrants were edited.

20 DAVID MAXWELL: Why do you think --

21 now, you think the original search warrants, which

22 were documents, were altered. Why?

23 NATE PAUL: Well, there's many reasons

24 behind it.

25 DAVID MAXWELL: Give me something

1 that's more than --

2 MICHAEL WYNNE: Okay. Here's why.

3 The predicate for these searches goes back to the
4 Yassin investigation.

5 DAVID MAXWELL: The what?

6 MICHAEL WYNNE: Yassin back in 2012.

7 There's a reference to a nightclub down -- that he
8 was going to purchase, Yassin.

9 NATE PAUL: It was to that building.

10 MICHAEL WYNNE: It was 2012.

11 DAVID MAXWELL: Yeah, I remember.

12 MICHAEL WYNNE: Alan Buie was on the
13 scene as part of the tax case. All right. And
14 they thought that they were going to recover some
15 records relating to drug narcotic trafficking,
16 including the particular folder relating to the
17 closing of that transaction that didn't go
18 through.

19 We know it because that's spelled out
20 very clearly. That's one of the things. You've
21 got boxes, boxes, boxes and then that transaction
22 on the -- on the return. The questions that they
23 asked him, the questions that they asked -- for
24 instance, at the office, they talked to an
25 African-American boy. They said, "Surely you know

1 where the drugs are."

2 They're going and asking and looking

3 for drugs and --

4 NATE PAUL: Guns.

5 MICHAEL WYNNE: -- or guns and

6 narcotics. Where are the guns? Where are the

7 narcotics? They look up the chimney. They ripped

8 the heads off the dolls looking for drugs.

9 Everything they do is consistent

10 with -- they have a OCDETF guy they bring in from

11 the Borag to do it. Everything is consistent with

12 a drug raid. They don't find it.

13 Something happens around the middle

14 of -- the middle of the search. Around

15 11:00 a.m., there's a change. Someone accesses --

16 Alan Buie, according to metadata accessing the

17 text of the search warrant document at 11:00 a.m.

18 in the middle of the search.

19 Why do you do that? You only do it if

20 you're in there -- if the affidavit -- if what

21 you're searching for and the predicate to the

22 search which you presented to the magistrate is

23 for guns and drugs and money.

24 That was the story, he's laundering

25 money through his companies. And you've got to

1 freaking act on if you switch it to something

2 else, if you switch it to a Ponzi scheme or some

3 type of securities fraud or something. That's

4 what happened.

5 NATE PAUL: In the extreme in all of

6 the --

7 MICHAEL WYNNE: That's what happened.

8 NATE PAUL: Every document that was

9 sent to us --

10 MICHAEL WYNNE: You save your freaking

11 face because you're already -- you're already --

12 you have the media there. You can't go back.

13 You've got another team poised to go into

14 another -- they were at the Frost Bank Tower.

15 They were going to go and do another investigation

16 for basically --

17 DAVID MAXWELL: That's where your

18 headquarters is. Right?

19 NATE PAUL: Those were our former

20 headquarters.

21 MICHAEL WYNNE: Well, there were --

22 there were two there. There was another team

23 getting ready to roll. As soon as they found the

24 binder and whatever else they did, hoping to get

25 it at Nate's house, that was the coup to go

1 execute -- and that team disbands at
2 11:00 o'clock.

3 NATE PAUL: And the reason why -- so
4 with the --

5 MICHAEL WYNNE: That team disbands.

6 DAVID MAXWELL: So let me ask you
7 this. So when they go into Frost -- did they go
8 into Frost and search or not?

9 MICHAEL WYNNE: No. They were waiting
10 to go in.

11 DAVID MAXWELL: Huh?

12 MICHAEL WYNNE: They were waiting to
13 go in to Frost. He moved in May to the
14 Hirschfield Manor, which he's renovating. It's
15 pretty freaking cool inside now, the way they're
16 doing it.

17 NATE PAUL: And they searched that.

18 MICHAEL WYNNE: And they searched
19 that, but they had a team ready at Frost. They
20 knew damn well that he'd already moved. They were
21 going to go search --

22 DAVID MAXWELL: So did --

23 MICHAEL WYNNE: -- Robert Smith.

24 DAVID MAXWELL: So did they do --

25 MICHAEL WYNNE: They were going to do

1 Robert Smith. They stood down because they didn't
2 get the letter --

3 NATE PAUL: That's --

4 MICHAEL WYNNE: -- the predicate.

5 NATE PAUL: That's --

6 MICHAEL WYNNE: Robert Smith, the
7 African-American guy. That's where they were
8 going.

9 DAVID MAXWELL: So the three searches
10 they did that day, what were they? Your house,
11 obviously?

12 NATE PAUL: Yeah.

13 DAVID MAXWELL: What else?

14 NATE PAUL: Our office.

15 MICHAEL WYNNE: The new office at the
16 mansion.

17 NATE PAUL: At Hirschfield, Lavaca.

18 DAVID MAXWELL: Okay.

19 NATE PAUL: And our server room, which
20 is in another building we own on Congress.

21 DAVID MAXWELL: Were the phone calls,
22 affidavits all the same for all three searches?

23 NATE PAUL: Yes.

24 DAVID MAXWELL: Okay.

25 NATE PAUL: So all of them were

1 identical. They were kind of the reason for --

2 DAVID MAXWELL: And was the phone call
3 definitely set?

4 MICHAEL WYNNE: Somebody, based on my
5 experience writing very, very complicated search
6 warrants, did these in a haphazard, rushed
7 fashion. They got, for instance, this -- they got
8 the same drive, DF driver's license for different
9 people. They got six-digit Zip codes.

10 There's other things that people --
11 you don't -- you don't get those through -- if
12 you're going to be searching these kind of
13 high-profile searches, including on attorneys'
14 offices, and cart away all the sexual harassment,
15 slip and fall, all that stuff, in-house counsel,
16 that needs -- and I know it needs -- I know how
17 hard it is to get approved by the assistant
18 attorney generals.

19 DAVID MAXWELL: Yeah.

20 MICHAEL WYNNE: It's tough to get a
21 search of an attorney's office, and you have to
22 show that you have exhausted -- you have exhausted
23 all other possibilities and that you've done that.

24 That has to be in your PSAU
25 memorandum. I have done this. I know the stuff

1 is there. I expect it may be attorney-client
2 privileged. I know that because he has three
3 in-house counsel that handle slip and falls,
4 sexual harassments and all these other things, and
5 we will be careful not to do that. And you get
6 the assistant attorney general to sign it off, but
7 they didn't do that.

8 DAVID MAXWELL: Right.

9 MICHAEL WYNNE: So that's why --
10 that's why I'm concerned that the predicate was
11 something else, and then there was scrambling on
12 your feet to try to create some other case to
13 justify a search that had already taken place.

14 NATE PAUL: Well, then -- and there's
15 a couple of things that play into it.

16 MICHAEL WYNNE: And there's more to
17 that.

18 NATE PAUL: Well, for example, so we
19 said, "We want to see a copy of the actual search
20 warrants because, you know, counsel is questioning
21 the validity."

22 And at that point Ryan Harper, an
23 AUSA, that said, "I'm opposed to that because if
24 you're not hiding anything, then you show this."

25 He says, "Okay. I'm not opposed."

1 So we filed a motion. And we filed a
2 motion, and what we came to learn after the fact
3 was not only did you file an unopposed motion, it
4 gets -- it moves pretty quickly if they file it.
5 That was filed October 4th, and for some reason it
6 was silent for two weeks and then filed again on
7 October 17th.

8 And they notified counsel. "Hey,
9 yeah, it's approved."

10 The clerk for the magistrate judge,
11 Gerry Morris, one of our attorneys here who's part
12 of the team, went to go get the documents. He
13 gets in the middle of a little bit documents and
14 they say, "These are the actual search warrant
15 documents."

16 And, you know, we looked at them and
17 said, "These look similar to what we have," but
18 there were only three that were associated with
19 the first search. And then there's the one for
20 Contego.

21 Well, when Michael got involved, and
22 he -- you know, when he said -- whenever he came
23 onboard, he said, "Do we have an order to the
24 actual copies?" He went to the courthouse and
25 went to --

1 DAVID MAXWELL: Right.

2 NATE PAUL: Said, "Let me -- we have
3 an -- we have an order."

4 DAVID MAXWELL: That's what I was
5 going to say. You can just go to the courthouse
6 and get them.

7 NATE PAUL: Yep. And she says, "We're
8 not going to give them to you."

9 DAVID MAXWELL: Because? Are they
10 sealed?

11 NATE PAUL: But it -- so the case was
12 sealed.

13 MICHAEL WYNNE: But the search
14 warrants themselves and the inventories, the
15 person who is substum [phon], under Rule 41, gets
16 those.

17 NATE PAUL: Yes. And it --

18 MICHAEL WYNNE: Not because it's
19 illegal for us. No. They didn't give them to be
20 nice.

21 NATE PAUL: But even bigger, though,
22 Michael, we have a signed order from the judge --

23 DAVID MAXWELL: Yeah.

24 NATE PAUL: -- saying, "You have --
25 no. You have a right to them." So --

1 DAVID MAXWELL: But does it give you
2 the right to the search warrant and the inventory
3 or the probable cause affidavit with the search
4 warrant and the inventory?

5 MICHAEL WYNNE: Not the prob -- not
6 the --

7 DAVID MAXWELL: So he doesn't --

8 MICHAEL WYNNE: Not the probable
9 cause. What I got on August -- or February 28th
10 after a hearing, and I said, "What I'd like to
11 have, Your Honor, is the search warrant that was
12 supposed to be left with us and the inventory."

13 And, you know, when you go back with
14 the inventory and the returns, put the inventory
15 on top of the returns --

16 DAVID MAXWELL: Right.

17 MICHAEL WYNNE: -- two weeks later,
18 whenever it is, you attach another copy of the
19 search warrant.

20 DAVID MAXWELL: Right.

21 MICHAEL WYNNE: And it's stamped, in
22 this case, August 23rd.

23 So I initially went out to the -- to
24 the clerk's office. With the clerk, I'm not
25 getting very -- much help here. So I went up to

1 the magistrate's chamber.

2 I said, "Well, there has to be" -- and

3 he's telling me about these metadata things.

4 "Well, there has to be a copy with a signature on

5 it" --

6 NATE PAUL: Original.

7 MICHAEL WYNNE: -- "a wet ink or a

8 stamp or something. Can I just look at that and

9 compare it to what -- you know, what Gerry got

10 here? I'll look at them and we'll be done."

11 And they wouldn't do that. They set

12 it for a hearing. Go to the hearing. And I ask

13 under Rule 41, "I'd like" -- and I get, as a

14 matter of right, the original inventory --

15 DAVID MAXWELL: Right.

16 MICHAEL WYNNE: -- the original

17 August 12th search warrant.

18 He said, "All right. Come back

19 August -- come back at 4:00 o'clock. You'll get

20 them."

21 Well, I said, "Okay. That's great.

22 We'll be back at 4:00."

23 I open the thing up, and I get not

24 August 12th. What I get is a search warrant with

25 a peace warrant August 23rd. I get the copy that

1 was --

2 DAVID MAXWELL: You said August 12th.

3 You meant 22nd?

4 MICHAEL WYNNE: No, no, no. These --

5 NATE PAUL: These are for the first
6 ones.

7 MICHAEL WYNNE: They're -- the search
8 warrants for the house and the office and the
9 server room are all dated August 12th. That's
10 when they presented them, present the application.
11 You get it stamped.

12 DAVID MAXWELL: Okay.

13 MICHAEL WYNNE: And then you go roll.

14 I said, "I want the August 12th. I
15 don't want August 23rd, which is when you" --

16 NATE PAUL: Returned.

17 MICHAEL WYNNE: -- "when you did the
18 return. And when you did the return, you filed
19 another copy of the search warrant. I want the
20 one that says August 12th, not August 23rd."

21 DAVID MAXWELL: Right.

22 MICHAEL WYNNE: So I go into the
23 clerk's office at 4:00 and pick these up. I open
24 it.

25 I say, "This still ain't it. Would

1 you, Clerk -- Deputy Clerk, call upstairs and --
2 while I'm here? I've got to drive back to
3 Houston. It's Friday. I've got a four-year-old
4 daughter. Would you -- would you -- would you get
5 the August 12th and print them out?"

6 And she gets the magistrate on the
7 phone, and he goes freaking ballistic on me.
8 "Mr. Wynne, next time you file a motion, make sure
9 you're asking -- you're filing exactly what you
10 want. You're lucky you got this. You're lucky
11 I'm even -- I'm even on the phone or doing
12 anything with you."

13 I said, "Your Honor, I just think
14 maybe somebody made a mistake," and I just got
15 blasted. I put it on speakerphone so everybody
16 can hear. And I'm getting -- maybe I'm getting
17 hometowned, but this is a little too far.

18 NATE PAUL: Well, let's tell him about
19 the other thing that popped up.

20 MICHAEL WYNNE: So --

21 NATE PAUL: What we learned that day
22 was there were three other search warrants.

23 MICHAEL WYNNE: They searched --

24 NATE PAUL: There were six.

25 MICHAEL WYNNE: -- him and his --

1 NATE PAUL: So then --

2 MICHAEL WYNNE: -- sister, who's a
3 practicing attorney --

4 NATE PAUL: So then there's that --

5 MICHAEL WYNNE: -- the person.

6 NATE PAUL: Then they said we had --
7 they had a search warrant for my vehicle, for me
8 as a person -- or any of my property in the
9 district where she was involved as a person
10 entering the district.

11 And they -- and Alan Buie says, "Oh,
12 yes. No. We did have three other search
13 warrants, but they were just in case we needed
14 them. You know, we preemptively got those."

15 DAVID MAXWELL: Right. They did not
16 use them.

17 MICHAEL WYNNE: Well --

18 NATE PAUL: Well --

19 MICHAEL WYNNE: -- the problem is they
20 did. They took things off of his person.

21 NATE PAUL: And their inventory that
22 the --

23 MICHAEL WYNNE: More troubling to
24 me -- and I did bring this up to Judge Lane, and
25 he shot me down. He turned red faced and shot me

1 down, because based on my -- I've gotten search
2 warrants on judges, on attorneys, on people
3 running for Congress --

4 DAVID MAXWELL: Sure.

5 MICHAEL WYNNE: -- DA's. I did that.
6 To gain entry on it, you know, a freaking pain in
7 the neck.

8 But if you're getting a search warrant
9 to search the person of an attorney, Sheena, for
10 evidence of her, quote -- evidence of her state of
11 mind -- evidence of her state of mind, that's by
12 definition more private. Okay? And that --
13 that's what it is.

14 So did you -- and I -- in the hearing
15 on the 28th, I said, "Your Honor, it's my view,
16 based on my experience, that they would have had
17 to get PSEU, an assistant attorney general, to
18 search the person of an attorney for state of
19 mind."

20 And the attorney -- magistrate blows
21 freaking up, turns red. "This hearing is
22 adjourned. Mr. Wynne, you know you don't have a
23 remedy for that."

24 NATE PAUL: No. What he --

25 MICHAEL WYNNE: And he turns --

1 NATE PAUL: What he said was he
2 said, "I don't know if they did anything wrong.
3 That's on them if they did anything wrong."

4 MICHAEL WYNNE: And -- but the -- I
5 was talking just like I am with you. I said,
6 "This creates another issue, Your Honor. I want
7 to, you know, nip it in the bud," and he just
8 blows up.

9 The only explanation I have -- I've
10 been doing this for 20 years -- is the magistrate
11 didn't ask the right questions when the agent came
12 in. The magistrate may not have read whatever is
13 in that affidavit. He may have gone back and read
14 it now and realized -- and I don't know -- may
15 have realized there wasn't probable cause.

16 NATE PAUL: But the bigger problem --

17 MICHAEL WYNNE: And he may have
18 realized, oops. She's an attorney. I shouldn't
19 have done this.

20 NATE PAUL: Even bigger than that --

21 MICHAEL WYNNE: So that's why we're
22 getting this.

23 NATE PAUL: Whenever we had the signed
24 order to get a copy of all the warrants on -- in
25 October and he goes there to get the file, there

1 was no mention, nothing of those in there.

2 Now, on February 28th, he was,

3 like, "Oh, yeah. No. There's these other ones,

4 too. You know, here's a copy of them. They're

5 unexecuted, but they're part of the file. They're

6 part of the same day file," but then they

7 stated -- so who is having control of that info?

8 DAVID MAXWELL: Well, I'm surprised

9 they gave you the copies of unexecuted search

10 warrants. They didn't search -- they didn't

11 execute them. They don't have to give them to

12 you.

13 MICHAEL WYNNE: Well, the -- they did.

14 DAVID MAXWELL: So, I mean, that's

15 something in your favor --

16 MICHAEL WYNNE: Oh, yeah. Oh, yeah.

17 DAVID MAXWELL: -- because they don't

18 have to do that.

19 MICHAEL WYNNE: Oh, yeah.

20 DAVID MAXWELL: That's part of the

21 investigation which is ongoing. So they are under

22 no obligation to tell you about it. So them not

23 telling you about it is not a problem. They don't

24 have to.

25 This is a criminal investigation, and

1 they don't have to give it to you because they
2 didn't execute it. So they're not obligated under
3 Chapter 41 to give you a copy of that. Right?

4 MICHAEL WYNNE: I'm just -- there's so
5 many investigations, as we read in the paper
6 almost every day, that have gone -- has gone
7 south.

8 And the problem is your Michael Flynn's
9 of the world. By the time you're exonerated, your
10 life has been completely upturned. He's got three
11 young kids, and they're getting all sorts of crap
12 at school.

13 And I think -- in fact, I'm convinced
14 that what happened here is they went down a wrong
15 trail, but because it's public they can't say,
16 "Oops. Sorry. We'll take it back."

17 NATE PAUL: And we're not one to
18 (unintelligible) --

19 (Simultaneous crosstalk)

20 MICHAEL WYNNE: That's the problem. I
21 don't think they're --

22 NATE PAUL: I don't --

23 MICHAEL WYNNE: I don't think they're
24 evil people from the core.

25 NATE PAUL: Yeah.

1 MICHAEL WYNNE: They just got the --
2 they listened to the wrong people and got it
3 wrong, and they can't come forward and say,
4 "Oops."

5 DAVID MAXWELL: But if they got it
6 wrong, it's either going to go away or --

7 MICHAEL WYNNE: I know. But in the
8 meantime, his kids really --

9 NATE PAUL: No, no, no. But even more
10 than that -- like I can -- I can deal with that
11 aspect. Right? But the question is -- you know,
12 that's fine.

13 But when it comes to changing the
14 documents that are being used. Right? Look, I
15 understand. So really we're not trying to impede
16 the investigation or anything like that.

17 DAVID MAXWELL: All right. So let's
18 go back over what it is you think they changed.
19 You're talking about, you know, they changed the
20 date they signed it?

21 NATE PAUL: The entire search warrant
22 that was on -- for the file storage company, we
23 would -- it's fabricated. It was not -- did not
24 exist when they said it did.

25 DAVID MAXWELL: You think they went

1 and did a search without a search warrant?

2 NATE PAUL: Correct.

3 DAVID MAXWELL: That's pretty hard to
4 believe, and let me tell you why. You worked in
5 the federal system. It has -- the FBI is not
6 going to go out and do a search without the
7 U.S. attorney's office involved. And the
8 U.S. attorney's office is not going to do a search
9 without a search warrant.

10 MICHAEL WYNNE: I have serious --
11 well, that's why I am here with you today, because
12 this suggests -- this suggests that that is
13 plausible. It could have well happened here.
14 They very well could have made a mistake, and it's
15 something that warrants an investigation because
16 it's inconsistent with everything else I've seen
17 for the past 20 years.

18 DAVID MAXWELL: What I would say is
19 that the office of inspector general is the one
20 who would have access to it and can do it and get
21 to the bottom of it. We're going to be very
22 limited in what we can do.

23 MICHAEL WYNNE: Yeah.

24 DAVID MAXWELL: You know, I have
25 problems getting copies of investigative reports

1 from the FBI that belong to me.

2 NATE PAUL: Yeah.

3 DAVID MAXWELL: I'd give them copies
4 of my report and ask for it back, and then they
5 don't want to give it back to me.

6 MICHAEL WYNNE: Well, I was hoping not
7 to escalate it there to the degree that, you know,
8 what I -- what I think is some people really need
9 to save face and I go to OIG/OPR and I know how
10 freaking miserable that is.

11 If there's a way we can do it without
12 doing that, that's the preference, but maybe not.

13 DAVID MAXWELL: I don't think so,
14 Michael. I mean --

15 MICHAEL WYNNE: I'd rather not go in
16 over there because then --

17 DAVID MAXWELL: Michael --

18 NATE PAUL: Another question is
19 whenever you look at this document the way it's
20 covered, right, if you're serving this on someone
21 on August 30th for a subpoena that's not signed
22 until September 9th, there's two things that
23 either happened.

24 One, you're serving it to them, and
25 saying, "Hey, here's the heads up. This is coming

1 in 11 days," which is a clear violation under 6-E,

2 or did this document -- is this document real?

3 Does this exist or was it manufactured?"

4 DAVID MAXWELL: It's not unusual to
5 get issued a subpoena and not get it served right
6 away. We do that all the time.

7 NATE PAUL: No. Agreed. But -- no,
8 but he's serving it before it issued. He serves
9 this on August 30th. The subpoena is not issued
10 until September 9th.

11 DAVID MAXWELL: So he wrote the
12 letter.

13 NATE PAUL: And --

14 MICHAEL WYNNE: And sent the subpoena.

15 DAVID MAXWELL: And sent the subpoena.

16 MICHAEL WYNNE: Sent the subpoena.

17 NATE PAUL: And the --

18 MICHAEL WYNNE: Issued the subpoena --
19 (Simultaneous crosstalk)

20 MICHAEL WYNNE: Served the subpoena --

21 NATE PAUL: On August 3rd.

22 MICHAEL WYNNE: Served the subpoena
23 before it was --

24 DAVID MAXWELL: Okay. As far as these
25 are --

1 MICHAEL WYNNE: -- ever issued.

2 DAVID MAXWELL: Okay.

3 NATE PAUL: He received this on
4 August 30th.

5 MICHAEL WYNNE: That's for --

6 NATE PAUL: He just wants his money.

7 MICHAEL WYNNE: -- the storage guy.

8 NATE PAUL: And it's in their
9 pleadings.

10 MICHAEL WYNNE: And I know you can
11 be -- that's flying a little too fast, at least
12 for the grand jury.

13 NATE PAUL: And this is one of our --
14 they put everything outside. This document alone,
15 I would say, how do you serve this -- how do you
16 serve a subpoena when it's not issued?

17 MICHAEL WYNNE: It's an election year,
18 too. It's an election year. You want me to go to
19 OIG in an election year right now in this
20 environment? I mean, we'll do that but --

21 DAVID MAXWELL: I'm just -- I'm trying
22 to help y'all.

23 MICHAEL WYNNE: Yeah. No, no.

24 NATE PAUL: I appreciate it.

25 DAVID MAXWELL: I don't -- I don't see

1 a path that we could help you find remedy under
2 the state. Now, under the state, if we look to
3 the statute, it's a third degree felony.

4 NATE PAUL: 37.09.

5 DAVID MAXWELL: Yeah. So, I mean, I
6 under -- I've followed lots of cases on falsifying
7 government documents in the past. It's going to
8 be difficult for us to get the evidence if this
9 did occur, if this is what happened, to be able to
10 do that on the state level --

11 MICHAEL WYNNE: Yeah.

12 DAVID MAXWELL: -- because we're not
13 going to have access to it.

14 MICHAEL WYNNE: Well, it's impossible
15 for us to do it.

16 NATE PAUL: Well, let's -- but --

17 (Simultaneous crosstalk)

18 DAVID MAXWELL: I know, but I mean --

19 NATE PAUL: Look at some of the
20 evidence we have on this one. Okay?

21 MICHAEL WYNNE: We have great --

22 NATE PAUL: Look, you can't falsify a
23 doc -- you can't falsify it a little bit or a lot
24 of it. You either falsified it or not, right,
25 when it comes down to falsifying documents?

1 Right?

2 When it comes to the grand jury
3 subpoena, obviously we got this legal process with
4 the arbitration. We have it, you know, the
5 letters, August 30th from the government and the
6 subpoena is issued on September 9th.

7 We have -- clearly their own document
8 states that they gave it to them ahead of time.
9 The recipient, Contego, states both in their legal
10 filings that they were served on August 30th. We
11 have the video testimony where he says, "I was
12 served on this August 30th."

13 How do you serve a subpoena that
14 doesn't exist? That's a -- that's a -- when it
15 comes to the evidence. Right? Well, that's a
16 question that's -- we have the test -- we have the
17 sworn testimony from the one witness who's
18 involved, the recipient, saying he's received it
19 on a different day.

20 The document says that and this says
21 September 9th. I don't know how that's -- you
22 know, how it's possible. How is that possible it
23 happened if it hasn't been issued yet? Okay. I
24 mean, when you think about from falsifying or
25 tampering the document, something's wrong here,

1 clearly. Right?

2 DAVID MAXWELL: Yeah. I mean, I --

3 obviously that doesn't match.

4 NATE PAUL: Yeah. And his records
5 shows us this date. Their records says this date.

6 This says this date. Right? That's why this is

7 very, very troubling, all right, and we kind of

8 show there's other things where it can be a little

9 bit of wiggle room. I mean, that's a big problem.

10 I mean, there are other parts that

11 play into things that are just kind of black and

12 white, right, when the search warrant returns,

13 which we received, and there's a state employee

14 who signed them, you know, Rani Sabban from the

15 Texas State Securities Board.

16 He signed and certified search

17 warrants where he was not there. He was not

18 present. He's the one certifying it, but he was

19 in one location. And stating he left them with

20 two attorneys that didn't have a receipt from him,

21 and that's -- his search warrant return says he

22 needed to stay. He got this. The court gave

23 this.

24 DAVID MAXWELL: Right.

25 NATE PAUL: Our attorney was saying,

1 "He didn't leave that with us. This is -- it's
2 incorrect."

3 All right? So those are kind of --
4 I'm trying to give you the black and white ones.
5 Right.

6 MICHAEL WYNNE: I understand.

7 NATE PAUL: And we understand all the
8 hearsay. I don't even meddle in that. Right?
9 When we have those, we said, "Okay. This is where
10 when it comes to, you know, obviously getting a
11 remedy or obviously bringing an issue up, right,
12 when you look at -- under the state penal code and
13 look under those, we have a lot of the, you know,
14 kind of clearcut documents from them that we have
15 received.

16 Obviously, you know, under the
17 investigative coverage, right, you'll probably be
18 able to uncover more, but for your own validation
19 of everything that plays --

20 DAVID MAXWELL: It will have --
21 they'll come after us and --

22 NATE PAUL: Yeah. But the good part
23 is -- right, is when you have sworn testimony and
24 you have the actual documents, right, those are
25 the two -- obviously the main components that came

1 in.

2 With Rani Sabban, it's very, very
3 troubling. Like I say, he's a state employee.
4 Right? First and foremost, he lied about his name
5 the date of the search, which was odd. He told us
6 he was a different name, deputy agent, then later
7 in the day he disclosed who he was. That's -- I
8 know it's all going to have to be backed up from
9 metadata.

10 DAVID MAXWELL: He's probably -- he's
11 probably a TFO.

12 NATE PAUL: Yes, he was, a task force
13 officer.

14 DAVID MAXWELL: Yeah.

15 NATE PAUL: Now, what's interesting
16 and plays into this --

17 MICHAEL WYNNE: He gave the wrong
18 actual proper name, too.

19 NATE PAUL: He said his name was David
20 Hall and David Hall is another agent involved.

21 MICHAEL WYNNE: Right.

22 NATE PAUL: He and Rani Sabban were
23 going to (unintelligible). Why he decided to do
24 that and --

25 MICHAEL WYNNE: I know you can lie

1 about it, but --

2 DAVID MAXWELL: You can --

3 MICHAEL WYNNE: -- I mean, why bother
4 with it? I do -- I don't know. A lot of these --

5 NATE PAUL: Yeah.

6 (Simultaneous crosstalk)

7 MICHAEL WYNNE: I mean, come on.

8 NATE PAUL: What's interesting is he's
9 the only person who certified any of the documents
10 that were returned. There's not one other FBI
11 agent. There's a ton of agents involved. He's
12 the only one who signed anything, the only one who
13 signed any application, any affidavit, any --

14 DAVID MAXWELL: Typically -- yeah.
15 Typically whoever signs the affidavit signs the
16 returns.

17 NATE PAUL: Whether or not they're
18 there.

19 DAVID MAXWELL: Whether or not they're
20 there, they sign the returns. So --

21 NATE PAUL: But the returns also had
22 wrong info --

23 MICHAEL WYNNE: Right.

24 NATE PAUL: -- saying that he left
25 them with people he didn't leave them with.

1 DAVID MAXWELL: Yeah. That could be.

2 NATE PAUL: They didn't leave the
3 return.

4 DAVID MAXWELL: There again, that's
5 something you address in -- if and when you're
6 ever indicted and you're charged with a criminal
7 offense.

8 You know, what you guys are saying is
9 that you have a real problem with the way they did
10 their business. I can't change how they do their
11 business. OIG can. I mean, the office of
12 inspector general can do that.

13 NATE PAUL: So I think -- I
14 think everybody agrees that we have a problem with
15 the way they do their business, but I think most
16 troubling is we have documents that, one, like
17 this, couldn't be correct, like it's impossible to
18 search --

19 DAVID MAXWELL: Well, this is -- this
20 is -- if there is going to be a case here, it has
21 to go through the Travis County DA's office.

22 NATE PAUL: Correct.

23 DAVID MAXWELL: Okay? I'll take a
24 look at this and we'll talk to the DA's office and
25 get their take on it. But they put it -- they

1 give it to us.

2 NATE PAUL: Correct.

3 DAVID MAXWELL: Because I know y'all
4 filed over there. So what I'll have to do is --
5 and get with the DA's office and talk to them
6 about it.

7 NATE PAUL: Okay.

8 DAVID MAXWELL: Okay? But you --

9 MICHAEL WYNNE: Is there anything else
10 we can give you to help this? He's cited a lot of
11 things. It's a little hard to absorb it all.
12 We've thrown out a lot of dates. It's very --

13 DAVID MAXWELL: Can you make copies of
14 stuff that we -- we have talked about --

15 MICHAEL WYNNE: Yes.

16 DAVID MAXWELL: -- and that you have
17 questions about?

18 MICHAEL WYNNE: Sure.

19 DAVID MAXWELL: And let me look at
20 those.

21 MICHAEL WYNNE: Yeah. There's just,
22 you know, a lot of stuff to it.

23 DAVID MAXWELL: I try to remember
24 dates from, you know -- but yeah. I'd prefer that
25 you give me copies of what you think and a

1 synopsis of why you think they're questionable.

2 MICHAEL WYNNE: Okay.

3 DAVID MAXWELL: Okay?

4 MICHAEL WYNNE: One of the things
5 beside being a criminal defense lawyer I do most
6 often is sort of corporate victim advocacy where
7 you have some partner who was defrauded and then
8 presenting that case; for instance, a hospital
9 system that was embezzled by an employee or
10 somebody else --

11 DAVID MAXWELL: Sure.

12 MICHAEL WYNNE: -- to a healthcare
13 fraud. That's probably a third of my practice is
14 doing that. And this is kind of that kind of
15 category.

16 DAVID MAXWELL: Why do you have HIPAA
17 stuff? Is that on your employees or --

18 NATE PAUL: Well, yeah. HIPAA stuff
19 is we just -- we have 400-plus employees so we've
20 got --

21 DAVID MAXWELL: So it's all on your
22 employees?

23 NATE PAUL: Yeah, but the --

24 DAVID MAXWELL: Yeah.

25 NATE PAUL: The storage company, the

1 file record company, they have records for
2 government agencies, for --

3 DAVID MAXWELL: Yeah.

4 NATE PAUL: -- everything else.
5 Right. So --

6 MICHAEL WYNNE: I mention that because
7 when I first saw it, I said, "Oh, he owns the
8 storage." So I said, "Why don't you store your
9 own stuff in your own storage facility?"

10 Well, he doesn't because he wants a
11 specialized storage facility. If you're looking
12 in Austin, you're thinking, all right. I've got
13 to find somebody who's really, really good,
14 somebody who handles HIPAA stuff properly, is on
15 the ball and has great security. That's where I'm
16 going to go with my most sensitive stuff. I'm not
17 just going to put it in my storage facility. Go
18 with that. They're the experts.

19 DAVID MAXWELL: Yeah.

20 MICHAEL WYNNE: And that's why we were
21 so upset, or he was, with the expert that we
22 specifically chose because you market you do all
23 this stuff, and if you get a subpoena from anybody
24 you call and you say --

25 DAVID MAXWELL: Right. This is

1 what --

2 MICHAEL WYNNE: -- 11 -- what the --
3 and that's why he was so mad, because he
4 specifically selected them because they handled
5 HIPAA stuff.

6 Well, do you do other stuff, too?
7 Yeah, we do. So let's -- what other sensitive
8 stuff?

9 (Simultaneous crosstalk)

10 NATE PAUL: I didn't mention --

11 MICHAEL WYNNE: He's got all sorts of
12 other --

13 NATE PAUL: I didn't mention there's
14 10 to 15 phone calls between the FBI agents and
15 the file search company before they produce these
16 documents back to us.

17 MICHAEL WYNNE: Why didn't they pick
18 up and say, you know, "Hey, World Class, these
19 guys are coming and looking at your stuff. We
20 promised we wouldn't show anybody"? Just a call.
21 Just a call.

22 DAVID MAXWELL: I'm sure they -- I'm
23 sure they scared him.

24 NATE PAUL: Oh, yeah. Oh, yeah.
25 There's emails where he --

1 DAVID MAXWELL: Showed him the --

2 MICHAEL WYNNE: Well, that's why he --

3 that's why he wanted to cover.

4 DAVID MAXWELL: Yeah.

5 MICHAEL WYNNE: That's why they wanted

6 to cover. "We've got your back, buddy. Don't

7 worry about it."

8 NATE PAUL: Well, there's also emails

9 where he emailed the FBI agent and says, "Hey, I

10 lied to him. I told him that you came here two

11 weeks ago and did it."

12 He goes, "You did the right thing."

13 MICHAEL WYNNE: Right.

14 NATE PAUL: Those are pretty -- you

15 know, whenever he had just delivered boxes to them

16 five days before. "I told him you came and

17 searched here two weeks ago."

18 And so they're corroborating when the

19 phone calls are --

20 DAVID MAXWELL: So they ended up

21 backing the subpoena with a search warrant, I'm

22 assuming?

23 MICHAEL WYNNE: But -- no. Actually

24 they had the search warrant first and they tried

25 to back the search warrant up with a subpoena,

1 which is ass backwards.

2 DAVID MAXWELL: A subpoena doesn't do
3 any good for a search warrant.

4 MICHAEL WYNNE: No.

5 NATE PAUL: No.

6 MICHAEL WYNNE: This is -- this is an
7 effort to try to --

8 DAVID MAXWELL: No. This doesn't help
9 them --

10 MICHAEL WYNNE: Why are you -- why are
11 you doing that?

12 DAVID MAXWELL: Because --

13 MICHAEL WYNNE: Because you sign --

14 DAVID MAXWELL: You get the
15 information on the search -- on a subpoena, you'll
16 block it, you know. You had -- if you go into
17 search warrants, you can't block that.

18 MICHAEL WYNNE: You go into search
19 warrants --

20 NATE PAUL: That's not --

21 MICHAEL WYNNE: -- first and then you
22 try to paper it with this.

23 DAVID MAXWELL: That doesn't do
24 them --

25 MICHAEL WYNNE: No, it doesn't do them

1 any, but why would they ever do that --

2 DAVID MAXWELL: I don't know.

3 MICHAEL WYNNE: -- unless they're
4 trying to --

5 NATE PAUL: Unless they didn't exist.

6 MICHAEL WYNNE: Unless they, you
7 know --

8 NATE PAUL: And the serving of all
9 these --

10 DAVID MAXWELL: I don't -- I don't
11 believe it. You're not going to get a judge,
12 AUSA, FBI, all these people to go into somebody
13 without a search warrant. I don't believe that
14 and you don't either.

15 MICHAEL WYNNE: Well, the question is
16 did the FBI agents go there informally and conduct
17 some side search without the AUSA and judge or
18 anybody else knowing about it or, more likely, did
19 the task force officer who has a background as a
20 Wal-Mart loss prevention officer -- that's what he
21 was before he got this spot. Did he do some of
22 these funky things without authority of the
23 magistrate?

24 But I don't think there's a magistrate
25 in the world that's going to authorize the search

1 without -- you know, without -- this type of
2 search warrant, or even an AUSA. Alan ain't going
3 to do it, but some of the people working under,
4 yeah, they probably did.

5 And, you know, I wouldn't clearly be
6 here unless -- you know, I scratched my head and
7 said, "There's something funky looking here." And
8 I don't know what the remedy is. We wait two
9 years on a suppression, yeah, we win every fucking
10 suppression motion, everything is taken it from
11 everywhere, but in the meantime there's a lot of
12 stuff, damage to personal --

13 NATE PAUL: Well, very personal. The
14 way I look at it also it's his word -- his word --

15 MICHAEL WYNNE: Part of it --

16 NATE PAUL: Am I concerned about the
17 allegations? No. We know we didn't do anything
18 wrong and we know that Lotzee was legitimate, the
19 way they went about it. They've never spoken to
20 us since.

21 There's been a lot of our inbound
22 questioning to them and there's been huge other
23 mistakes, random return of things that were had
24 and a lot of parts that are very, very
25 questionable.

1 DAVID MAXWELL: Well --

2 NATE PAUL: But all that aside -- you
3 know, all that aside, right, the bigger picture in
4 here is there's -- and there's a lot more out
5 there. We can get you copies of it, which would
6 have made this a lot more clear. If they're -- if
7 they're willing to change these documents here,
8 how widespread is this practice?

9 MICHAEL WYNNE: Right. And it's hard
10 to find. I mean, he had to spend I don't know how
11 many all-nighters finding the metadata and he's a
12 pro at it. I couldn't begin to describe the tech.
13 He's 20 years younger than me, believe it or not.
14 And he can do the stuff I can't, but --

15 DAVID MAXWELL: You know, that would
16 be one of my kids.

17 MICHAEL WYNNE: I couldn't do the
18 metadata, but he showed me the different things
19 that are moved around.

20 DAVID MAXWELL: Well, we have -- we
21 have experts to do that.

22 MICHAEL WYNNE: Okay. I couldn't do
23 that.

24 DAVID MAXWELL: We have a forensics
25 section that does nothing but computers and phones

1 and stuff like that.

2 MICHAEL WYNNE: It's pretty cool when
3 you -- when he breaks it down.

4 DAVID MAXWELL: Yeah. The only thing
5 that I can see -- I can look at this and I can
6 talk to the DA's office and see where we get. I
7 don't know what that gets you, though.

8 MICHAEL WYNNE: Well, it gets me going
9 to the office of inspector general and say, "We
10 have exhausted all remedies here. I hate to bring
11 this up in an election year, but here we are."

12 DAVID MAXWELL: We'll see. I mean, I
13 don't -- I'm just telling you from my experience
14 we're going to get stonewalled.

15 MICHAEL WYNNE: Yeah.

16 DAVID MAXWELL: And I can go to the
17 DA's office. And understand this. And you know
18 this, but you don't, they can choose to do it or
19 they can choose not to, and that is totally at
20 their discretion and we have no control over it.
21 If we present them the best case in the world,
22 they can say, "No, thank you."

23 NATE PAUL: Yeah. So...

24 DAVID MAXWELL: And so, you know,
25 Mike, I'm just -- you know I'm telling you the

1 truth.

2 MICHAEL WYNNE: I know. I mean, it's

3 an uphill battle. That's why we --

4 DAVID MAXWELL: I'm telling you now.

5 MICHAEL WYNNE: It's a huge uphill

6 battle.

7 DAVID MAXWELL: So I'll look at this.

8 MICHAEL WYNNE: You know, I'm --

9 that's why we're grateful you're even giving us

10 the time here.

11 DAVID MAXWELL: I'll look and see.

12 MICHAEL WYNNE: It's an uphill battle.

13 DAVID MAXWELL: And I want the

14 information on the metadata that you say was

15 changed.

16 NATE PAUL: All right.

17 DAVID MAXWELL: And I'll look at that.

18 NATE PAUL: Okay. And we used it

19 for -- on the other documents that were -- some of

20 them we haven't covered yet today but --

21 DAVID MAXWELL: Okay.

22 NATE PAUL: -- they fit into the same

23 mold where, you know, I think you'll --

24 DAVID MAXWELL: Don't give me stuff I

25 don't have any use for. Okay?

1 NATE PAUL: Oh, no, no, no. We're
2 only going to give you the things where --

3 MICHAEL WYNNE: You got it.

4 NATE PAUL: Yeah.

5 DAVID MAXWELL: All right. I don't
6 have a lot of hope that anything's going to come
7 of this. I think that y'all belong in the office
8 of inspector general's, and that would be my
9 recommendation because I can't change or mitigate
10 anything that's gone on. That's all in the
11 federal system and y'all know what the recourse
12 is.

13 NATE PAUL: Oh, yeah, we do. It would
14 be -- the article will be -- if it's out there and
15 you have the information that sees that, you know,
16 they -- there's some additional aspects where we
17 know what you need. Right? If we have clear
18 evidence of tampering with a document --

19 DAVID MAXWELL: Maybe I can get some
20 answers for you.

21 NATE PAUL: Yeah. That would --

22 DAVID MAXWELL: All right?

23 MICHAEL WYNNE: And maybe we're wrong,
24 but I don't think so.

25 DAVID MAXWELL: Okay. I don't know.

1 MICHAEL WYNNE: I -- but even our
2 having this conversation helps me, you know, when
3 I go to the OIG and say, "Hey, you know, we talked
4 to head of law enforcement" --

5 DAVID MAXWELL: Right.

6 MICHAEL WYNNE: -- "for the state of
7 Texas and he told us to come to you. If we're
8 completely out of our mind, he wouldn't have told
9 us to come to you."

10 DAVID MAXWELL: Right.

11 MICHAEL WYNNE: So that helps me out a
12 little bit.

13 DAVID MAXWELL: No. I think that -- I
14 think that's where you need to go. You have --
15 you have too many -- you raise too many questions
16 that you'll have answers for and all -- most of it
17 is procedural and I can't get involved. I mean, I
18 have no control over that.

19 MICHAEL WYNNE: Yeah, I know.

20 DAVID MAXWELL: Everybody's in the
21 wrong place for you to do that.

22 MICHAEL WYNNE: Oh, no, no. Agree.

23 DAVID MAXWELL: So I will look at this
24 and I will look at the metadata just to see what
25 our people tell me about it because I pay a lot of

1 money to get them trained and they will know.

2 Okay?

3 NATE PAUL: That's good.

4 DAVID MAXWELL: But then we'll -- I'll
5 sit down with the DA. And if we have something,
6 we do. If we don't, and they say no, that's as
7 far as I can go with it.

8 MICHAEL WYNNE: And one of the things,
9 you know, that Ben will focus on if I was in his
10 spot or backed into a corner, you know, this
11 was -- by our even pursuing these types of things
12 and raising questions that we're somehow
13 obstructing justice.

14 Now, we're not contacting any
15 potential witnesses. We sued Kenebel, but
16 immediately he told the AUSA and the AUSA got
17 (unintelligible) and search warrants. He's fair
18 game. But I don't think that our raising these
19 kinds of questions, talking to you, talking to Ken
20 or whoever, is any way of obstruction. We're just
21 trying to figure out what happened.

22 DAVID MAXWELL: I understand, but
23 they're going to think that that's what we're
24 doing is trying to obstruct a federal
25 investigation.

1 MICHAEL WYNNE: I don't -- I know
2 it's -- you can argue both points, but I would --
3 that's why I wanted to come to you today so we
4 could vocalize that to you.

5 NATE PAUL: Yeah. We, in turn --

6 MICHAEL WYNNE: And we have no
7 interest --

8 NATE PAUL: We've been --

9 (Simultaneous crosstalk)

10 MICHAEL WYNNE: No interest in getting
11 involved --

12 NATE PAUL: -- without any --

13 MICHAEL WYNNE: Work's been in the
14 procedure. Right?

15 NATE PAUL: I think part of the reason
16 why --

17 MICHAEL WYNNE: It's in the procedure.

18 NATE PAUL: And part of the reason why
19 I came to this standpoint is, you know, whenever
20 in June right before -- when we got this and we
21 got some of the other aspects that came in, we
22 said, "Okay. Wait a second. Now, this is a
23 different issue." Right?

24 We weren't going down that path
25 before. Obviously whenever we see documents where

1 it's highly in question, and saying, "Hey,
2 that's -- would we be -- we'd be aware of a crime,
3 right, that we failed to do -- report it. Right?

4 That happened -- yeah. Has it
5 happened to me? Have I also had involvement?
6 Yeah, it does. It's kind of two issues separate
7 and apart. Their investigation is ongoing.
8 Right?

9 If there's people who created
10 documents that were false, whatnot, that's an
11 additional item and that's obviously why we
12 brought it forth.

13 MICHAEL WYNNE: Yeah.

14 NATE PAUL: It was not to impede
15 but to -- you know, we want to be aware of
16 something. Are we aware that it's wrong and not
17 say anything about it?

18 MICHAEL WYNNE: Let me -- let me try
19 again. The investigation -- quote, federal
20 investigation has to relate to events in the past
21 because there has to be a search warrant relating
22 to trans --

23 DAVID MAXWELL: Sure.

24 MICHAEL WYNNE: -- business
25 transactions that investors defrauded or not

1 defrauded --

2 DAVID MAXWELL: Right.

3 MICHAEL WYNNE: -- in the past. All
4 right. An obstruction would be getting rid of
5 documents, papering those transactions or talking
6 to the individuals involved in those transactions,
7 victims who feel like they got misrepresentations
8 and prospectuses from various investments.

9 Well, we ain't doing any of that,
10 going into the past. What we're doing is trying
11 to find out the present. And if -- you know, if
12 they follow the right procedures under Rule 41 and
13 6-C and if there's a possibility the documents
14 that were presented to the court were inaccurate,
15 an obstruction would be going back and talking to
16 those guys, the investors, who say they were in
17 default, if there are any, and trying to get their
18 sort of stories straight, but we ain't doing that
19 and we're not getting rid of any documents that
20 may have papered those transactions. If anything,
21 we're trying to collect those.

22 DAVID MAXWELL: Yeah.

23 MICHAEL WYNNE: So if there is any
24 whispers or anything like that, it's simply not
25 what's going on. I ain't going to be part of any

1 shit like that. If he asked me to do it, I ain't
2 going to be part of his shit like that.

3 DAVID MAXWELL: Okay.

4 MICHAEL WYNNE: Okay. It's not worth
5 it.

6 DAVID MAXWELL: And I'm not going to
7 be a part of obstructing someone else in this
8 case.

9 MICHAEL WYNNE: No. We're not
10 obstructing their investigation.

11 NATE PAUL: No, no.

12 MICHAEL WYNNE: They can investigate
13 all they want to investigate. Whatever support
14 necessary to supports it, whether it's right or
15 wrong, whether he defaults on something or not, is
16 completely irrelevant to this.

17 After all of this is, you know, how
18 they went about it and whether they filed the
19 proper procedures and whether they abused the
20 grand jury system or whether they had a search
21 warrant for one thing and they had to switch
22 midstream when they realized they didn't --
23 couldn't find it. That's -- that has nothing to
24 do -- that has nothing to do with a proper
25 investigation. It has nothing to do with the

1 substance of their investigation.

2 DAVID MAXWELL: Right.

3 MICHAEL WYNNE: It has to do with
4 them, not the investigation.

5 DAVID MAXWELL: And that's
6 something --

7 MICHAEL WYNNE: So I imagine those
8 conversations have taken place.

9 DAVID MAXWELL: Right.

10 MICHAEL WYNNE: They've got to be
11 taking place. And that's why I want to try to
12 make sure that we make it clear that we have no
13 interest in obstructing the investigation.

14 He did what he did or he didn't do
15 what he didn't do, and that can include laundering
16 money for, you know, the Zetas. Who cares? All
17 right. We're worried about his -- you've got to
18 follow the procedure. Okay?

19 DAVID MAXWELL: Yeah. No. I think
20 that's -- OIG is where you go with that.

21 MICHAEL WYNNE: That's the life that
22 goes on, you know, obstruction, obstruction,
23 obstruction. I think what's going on here -- and
24 I've been through enough of these that I walked in
25 my real life.

1 I wired up a judge, talked to a DA
2 once. I know the freaking life. Okay?

3 DAVID MAXWELL: Yeah.

4 MICHAEL WYNNE: I know it to a T.

5 DAVID MAXWELL: Yeah.

6 MICHAEL WYNNE: And I ain't going to
7 cross it.

8 DAVID MAXWELL: Good. Yeah. Me
9 either.

10 MICHAEL WYNNE: So I just wanted to
11 make sure that message is clear.

12 DAVID MAXWELL: And I appreciate that.

13 MICHAEL WYNNE: I will not let the
14 line be crossed.

15 DAVID MAXWELL: All right. Good.

16 MICHAEL WYNNE: I'll walk away from
17 this stuff before I do that.

18 DAVID MAXWELL: Okay. Well, I think
19 we have an understanding.

20 MICHAEL WYNNE: Okay.

21 DAVID MAXWELL: But I think that's
22 what you need to do, Mike, is --

23 MICHAEL WYNNE: All right.

24 DAVID MAXWELL: And then I'll get with
25 the DA on this and we'll take a look at it and

1 we'll go from there.

2 MICHAEL WYNNE: Okay. Did you know
3 Bruce Marshall with the Rangers?

4 DAVID MAXWELL: Bruce, yeah.

5 MICHAEL WYNNE: Okay. We worked
6 together on a couple of matters, including
7 Kendleton, taking down the city (unintelligible).
8 I worked with him.

9 DAVID MAXWELL: You did?

10 MICHAEL WYNNE: Yeah. I tried that
11 case.

12 DAVID MAXWELL: Yeah. I gave it to
13 Mike.

14 MICHAEL WYNNE: Oh.

15 DAVID MAXWELL: I mean Bruce.

16 MICHAEL WYNNE: Yeah. No. I ended up
17 trying the case.

18 DAVID MAXWELL: Yeah. I worked it
19 first. I did a couple of 3-C's before they got
20 rid of -- before those came in and then they -- of
21 course they got me and a half into the state and
22 they had 30-something reserve deputies out there.
23 I can tell you all kind of stories about
24 Kendleton.

25 MICHAEL WYNNE: They have a little

1 stretch of 59.

2 DAVID MAXWELL: Yeah. Yeah, they did.

3 MICHAEL WYNNE: Speed entrapment. The
4 other guy who flipped his burning warrants in his
5 barbecue grill.

6 NATE PAUL: Were you -- were you from
7 Bay City?

8 DAVID MAXWELL: I was in Bay City.

9 NATE PAUL: You were in Bay City.
10 Okay.

11 DAVID MAXWELL: Yeah. I'm actually
12 from Baytown.

13 NATE PAUL: Oh, you are? Okay. So
14 I'm from Victoria.

15 DAVID MAXWELL: Victoria?

16 NATE PAUL: I was born and raised in
17 Victoria.

18 DAVID MAXWELL: I was a ranger in Bay
19 City for 13 years and I was a ranger in Baytown
20 before that in the Houston area.

21 NATE PAUL: Yeah. I owned -- I sell
22 storage in Baytown.

23 DAVID MAXWELL: Huh?

24 NATE PAUL: I sold storage --

25 DAVID MAXWELL: Yeah, yeah.

1 They're --

2 NATE PAUL: -- there in Baytown and --

3 DAVID MAXWELL: I was born and
4 raised -- born and raised there. My daughter and
5 her family are still there.

6 NATE PAUL: Okay.

7 MICHAEL WYNNE: Do you keep up with
8 Bruce by any chance? He's got --

9 DAVID MAXWELL: I have --

10 MICHAEL WYNNE: -- to be retired now.

11 DAVID MAXWELL: Oh, he's retired,
12 yeah, yeah. He retired and he went to work for
13 the Fort Bend County DA's office as chief of their
14 investigators.

15 MICHAEL WYNNE: Oh, okay.

16 DAVID MAXWELL: And then quit that a
17 couple of years ago. And, yeah, as far as I know,
18 he's just being retired now.

19 MICHAEL WYNNE: Oh.

20 DAVID MAXWELL: Yeah. I gave that
21 crappy case to him. You want it? Here it is.
22 Well, I mean, it was just -- it was always
23 something with Kendleton. Like I say, I got rid
24 of two police chiefs before that one and then
25 started working that one and then Bruce got

1 involved in it, so yeah.

2 MICHAEL WYNNE: I enjoyed working with
3 him. He was a very fine agent.

4 DAVID MAXWELL: Good guy. Really good
5 guy.

6 MICHAEL WYNNE: Yeah.

7 DAVID MAXWELL: Yeah. What did --
8 what did he get? You know he had -- he was
9 operating on (unintelligible).

10 MICHAEL WYNNE: It's (unintelligible).

11 DAVID MAXWELL: Because we -- I found
12 a criminal record on him from probably 1959 with
13 his fingerprints where he had another name.

14 MICHAEL WYNNE: Oh.

15 DAVID MAXWELL: Yeah.

16 MICHAEL WYNNE: Oh, Shaman, I think he
17 got -- Lee Munchin got six years. It's been a
18 long time.

19 DAVID MAXWELL: Yeah.

20 MICHAEL WYNNE: A long time. I think
21 about it every time I drive through there.

22 DAVID MAXWELL: I do, too. He -- one
23 of his little officers caught me coming through
24 there one night. I had been at the execution of
25 Karla Faye Tucker. Karla Faye Tucker was a female

1 who was an axe murderess. She was the first
2 female to be executed since the Civil War. So I
3 was there for that.

4 And I had had a guy in Wharton
5 actually, a triple murder that I had worked a
6 couple of weeks before and I got a confession
7 from, and he tried to kill me, and so we had him
8 there in jail. And when I was at the execution,
9 he hung himself so I was going back to Wharton
10 about 1:00 o'clock in the morning to go work that
11 in-custody death and one of the guys stops me.

12 I slowed down going through there
13 because I didn't want to have to mess with them.
14 Right? Well, he stops me not in the city but in
15 Wharton County. He didn't stop me until I got in
16 Wharton County, which is against -- it's illegal.
17 You can't do that. It's his jurisdiction to
18 understand that.

19 He comes up. And I said, "What did
20 you stop me for?"

21 "Ugh, ugh, you have a license plate
22 light out."

23 I said, "I do not." I said, "You
24 know, if I wasn't going to work a homicide right
25 now, I'd have you -- haul your car off and I would

1 put your ass in jail."

2 I said, "You'd better not ever do this
3 again, stop somebody outside of your jurisdiction
4 for a BS charge."

5 "Yes, sir. I'm sorry."

6 (Simultaneous crosstalk)

7 MICHAEL WYNNE: Yeah.

8 DAVID MAXWELL: We went to see -- I
9 took the DA. We went to see a man the next
10 morning.

11 I told him, "Next time this happens,
12 you're going to jail."

13 MICHAEL WYNNE: Well, he did.

14 DAVID MAXWELL: Yeah.

15 MICHAEL WYNNE: Eventually he did.

16 DAVID MAXWELL: Well, I'm glad to --
17 I'm glad to meet you.

18 MICHAEL WYNNE: Good to me you.

19 NATE PAUL: Thank you. I appreciate
20 it.

21 DAVID MAXWELL: Okay.

22 NATE PAUL: Thank you very much.

23 DAVID MAXWELL: You take care.

24 (End of digital recording)

25

1 THE STATE OF TEXAS)

2 COUNTY OF HARRIS)

3

4 I, Diana Ramos, Certified Shorthand
5 Reporter in and for the State of Texas, do hereby
6 certify that the above and foregoing is a correct
7 transcription from the audio recording provided to
8 me in the above-entitled matter, taken down by me
9 in machine shorthand and later reduced to
10 typewritten form to the best of my ability.

11 Certified to by me this 12th day of
12 August, 2023.

13

14

Diana Ramos, CSR
CSR No. 3133, Expires 1-31-2025
Infinity Reporting Group, LLC
Firm Registration No. 782
11231 Richmond Avenue, Suite D110
Houston, Texas 77082
Phone: (832) 930-4484

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Exhibit 3

[EX 003 Maxwell 2020.08.05 Interview of Paul & Wynne.avi](#)

EXHIBIT 003-A

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TRANSCRIPTION OF RECORDED CONVERSATION

BETWEEN MARK PENLEY, DAVID MAXWELL,

MICHAEL WYNNE AND NATE PAUL

AUGUST 5, 2020

(Duration: 1:54)

DISCLAIMER

The transcription and translation of the contents of this digital file recorded material are based upon the recording as heard on the particular electronic equipment used, the quality of the recording provided, the speaking speed, and the content of the conversation as understood by the reporter. Furthermore, proper names were spelled phonetically.

1 DAVID MAXWELL: Okay. Come on in.

2 I'm David.

3 NATE PAUL: Good morning.

4 MARK PENLEY: Good morning, Mr. Paul.

5 How are you?

6 NATE PAUL: Good. Nate Paul.

7 MARK PENLEY: Yeah, yeah, all the way.

8 We're going -- we're going here, here and there.

9 DAVID MAXWELL: Oh, that's right.

10 That's right.

11 MARK PENLEY: Mr. Haynes, how are you?

12 I'm Mark Penley.

13 MICHAEL WYNNE: I'm Michael Wynne.

14 MARK PENLEY: Oh, Michael. Okay.

15 Good. Good to see you.

16 MICHAEL WYNNE: Good to see you, too.

17 DAVID MAXWELL: That's Michael Wynne.

18 MARK PENLEY: Yeah, yeah. We met.

19 MICHAEL WYNNE: You want to just put

20 that one in?

21 MARK PENLEY: Let's see. There's a
22 chair right there if you want to take that. We'll
23 get y'all to have a seat.

24 MICHAEL WYNNE: Thank you.

25 MARK PENLEY: My card for you. Extra

1 card.

2 NATE PAUL: Appreciate it.

3 MICHAEL WYNNE: I'll give you a couple
4 of copies of mine.

5 MARK PENLEY: Okay. Good. Thank you.
6 You're down in Houston. All right.

7 David, I don't know if you got one
8 last time.

9 DAVID MAXWELL: I do. I've got --

10 MARK PENLEY: Oh, you got one?

11 DAVID MAXWELL: I've got a fistful of
12 them.

13 MARK PENLEY: Oh, you got -- okay.

14 DAVID MAXWELL: I've been handing them
15 out down there to the homeless. I told them if
16 they -- if they needed anything give me a call.

17 MARK PENLEY: Give you a call.

18 (Unintelligible) that cart. Just give them out.

19 DAVID MAXWELL: That's what we used to
20 do to rookie Rangers when they'd get their cards.
21 You know, they would be so proud. And I worked in
22 Houston.

23 And so, "Hey, can I have some of your
24 cards?"

25 "Sure."

1 I'd go downtown to court and of course
2 the homeless are down there and I'd start handing
3 them out and say, "Man, if y'all have any
4 problems, you give me a call. Here's my card."

5 MICHAEL WYNNE: We've got to do that
6 with some of our --

7 DAVID MAXWELL: So you made a rookie
8 mistake by giving me a whole bunch of them.

9 MICHAEL WYNNE: Yeah.

10 DAVID MAXWELL: I only needed one.

11 MICHAEL WYNNE: Yeah. No. That's
12 fine.

13 NATE PAUL: Now you know where the
14 calls are coming from.

15 MICHAEL WYNNE: I haven't gotten one
16 yet so I think I'm good. (Unintelligible) we have
17 a website. I have them manage, my legal
18 assistant, the website. And I'll tell you what.
19 I -- we've got a Spanish version as well.

20 DAVID MAXWELL: Oh, yeah.

21 MICHAEL WYNNE: And I get so many --

22 DAVID MAXWELL: I bet you do.

23 MICHAEL WYNNE: -- you know, illegal
24 reentry cases, you know, in freaking shitholes,
25 you know, some in California, somewhere in New

1 Mexico. They just -- I mean, God bless them.
2 They all need legal advice, they really do, but
3 we've only got so much time.

4 DAVID MAXWELL: That's it.

5 MICHAEL WYNNE: So just -- that's
6 going to be a margin of the (unintelligible).

7 DAVID MAXWELL: I'd say, you know, it
8 probably won't hurt you.

9 MICHAEL WYNNE: It's all right. It's
10 good practice with Spanish so...

11 Well, thanks for making the time --

12 MARK PENLEY: Yeah.

13 MICHAEL WYNNE: -- for us. We really
14 appreciate it. Apologies for being a few minutes
15 late.

16 MARK PENLEY: Oh, that's all right.

17 MICHAEL WYNNE: We were trying to find
18 our -- find our way. There's -- you know, the --
19 I'm going to try to get, you know, straight to
20 the -- to the point here and based on some of
21 these, you know, other discussions. And after our
22 discussion, I went back and looked at some things.

23 MARK PENLEY: Okay.

24 MICHAEL WYNNE: It really is -- it
25 really is just black and white. I know that these

1 statutes -- the sweep statutes, 37.10 and
2 39.03 have been used in very, very different
3 circumstances.

4 The closest that I have found is the
5 Lewis versus State case out of Corpus Christi
6 where the JP didn't attach a copy of a complaint
7 to an arrest warrant. So they're not
8 unprecedented. And it's very clear. And I've
9 looked through the definitional section in 37.01,
10 including a government mail record, including a
11 warrant --

12 MARK PENLEY: Right.

13 MICHAEL WYNNE: -- you know, isn't in
14 the definition for state purposes. Although it is
15 a little bit unorthodox, it is a provision in
16 state law.

17 We are here and y'all are respectfully
18 state law -- highest, you know, state law
19 enforcement. What we've found are things I didn't
20 want to believe, especially involving some of my
21 former colleagues.

22 The AUSA is a law school classmate.
23 What we're finding is very personally troubling,
24 having been an AUSA and having had substantial
25 responsibility for very serious cases early on.

1 In retrospect, there are things I can see
2 happening when you start with sort of the wrong
3 theory and you keep going down that path.

4 And instead of owning up to it you're
5 stuck in a bind and then you have to keep doing
6 thing after thing after thing to keep consistent
7 and not expose that you started going down the
8 wrong path in the first place.

9 I saw people do it in my office. I
10 can't say I've walked into situations where it
11 wasn't tempting to do it myself, especially since,
12 you know, as an AUSA, the closest thing to
13 academic tenure. My dad was a professor in
14 Sturgiss, a pretty secure spot.

15 If something happens, especially when
16 it's perhaps initiated by a junior agent, it's
17 difficult to get out of. And that's where we find
18 the magistrate, the magistrate's deputy clerk, the
19 AUSA, perhaps the FBI agent, certainly Madison
20 Bond, who is on the State Securities Board acting
21 under the mantle of the FBI task force.

22 So it's with some reluctance and
23 complete sobriety of the implications of what I'm
24 doing here. We're here today.

25 DAVID MAXWELL: Did you send us the

1 documents?

2 MICHAEL WYNNE: We were just able to
3 finish compiling. That's it. We also have a
4 PowerPoint presentation, which is -- will guide
5 our discussion.

6 Part of the question was also being
7 able to distill quite a bit of information -- this
8 has been, as you might imagine, Nate's life for
9 the past 11 months -- and try to put it into
10 something that we can all talk about as well on
11 tufla [phon] today and then you've got my
12 information. You've got a couple of my cards.
13 Feel free to call --

14 NATE PAUL: If you need -- if you need
15 more.

16 DAVID MAXWELL: I've got some more --

17 NATE PAUL: Email --

18 DAVID MAXWELL: -- if you need some
19 more.

20 MICHAEL WYNNE: -- because the -- this
21 has gradually become my life, too. Right?

22 DAVID MAXWELL: Okay.

23 MARK PENLEY: Well, show us what you
24 found, Michael. We're --

25 MICHAEL WYNNE: So --

1 MARK PENLEY: We're here to listen.

2 MICHAEL WYNNE: And I'm asking Nate to
3 jump in whenever appropriate because, believe it
4 or not, he's 20 years younger than me and he has a
5 firmer grasp on that detach.

6 I'd like to start.

7 NATE PAUL: One thing I'd like to kind
8 of mention is we can called you guys for our
9 discussion.

10 And, David, last time I said, you
11 know, a lot of things that we'll flush out. I
12 mean, we're here for a purpose. Right? Let's
13 focus on clear violations of state law with
14 evidence, with backup, with the documents, you
15 name it. Not procedurally or how I was mistreated
16 or this, that and the other.

17 MARK PENLEY: Yeah.

18 NATE PAUL: Like I said, you know,
19 that's a much bigger aspect, but that's not why
20 we're here because --

21 MARK PENLEY: Well, and we don't
22 have jurisdiction over any of that --

23 NATE PAUL: Absolutely.

24 MARK PENLEY: -- as Michael and I
25 discussed.

1 NATE PAUL: He told me. And that

2 is --

3 MARK PENLEY: And he understands.

4 NATE PAUL: Absolutely. That's why I

5 said maybe the best way -- and obviously I have

6 respect for everyone's time and to be the most

7 efficient, you know, kind of with Michael, as

8 we've gone through this, is this is only intended

9 to go through some of the clear facts so that way

10 you're able to kind of clearly see these

11 gymnastics.

12 Michael, you want --

13 MICHAEL WYNNE: Yeah. What it -- what

14 it -- I assume that you have a general

15 understanding of the calendar.

16 MARK PENLEY: Yeah. 8 -- let's see.

17 August 14th was the day the first warrants were

18 executed and they were issued -- those three were

19 issued on the 12th.

20 NATE PAUL: Right.

21 MICHAEL WYNNE: That's correct.

22 MARK PENLEY: Okay.

23 MICHAEL WYNNE: It appeared that they

24 were issued on the 12th.

25 MARK PENLEY: Okay.

1 MICHAEL WYNNE: There were, in fact,
2 six search warrants issued on the 12th. 4, 5 and
3 6 we did not become aware of until later, and
4 we'll get to those. For now --

5 MARK PENLEY: And were those other
6 three executed or they were not?

7 MICHAEL WYNNE: Well, that is -- the
8 AUSA said during our hearing on February 28th that
9 they were not, but they were returned -- they were
10 returned September 5th.

11 And those were respectively -- No. 4
12 was on his vehicle. No. 5 was on his person. No.
13 6 was on the person of his sister, who is an
14 officer of the company, a practicing attorney and
15 a former attorney with Skadden & Arps in New York.
16 And I say that obviously to lend credibility that
17 she's a real practicing attorney.

18 MARK PENLEY: Right.

19 MICHAEL WYNNE: Okay. And --

20 MARK PENLEY: So there were returns
21 September 5th?

22 MICHAEL WYNNE: September 5th.

23 NATE PAUL: They were returned
24 unexecuted for what was submitted.

25 MARK PENLEY: Okay.

1 NATE PAUL: However, you know, in
2 the -- you know, the vehicle was searched because
3 of the residence. And then for my person, as we
4 started getting some of the returned property, you
5 know, whenever Sabban came and took my phone out
6 of my pocket, you know, whenever that came back
7 across, which location it was from, it was from
8 Nate Paul, person. So, you know, the evidence
9 states that they would have executed that based on
10 that, but go ahead.

11 MICHAEL WYNNE: But it turns out they
12 were, quote, just in case search warrants that you
13 have in your pocket, just in case you need them,
14 which is unorthodox at best, but also the context
15 does go everything.

16 Monday, the 12th, Wednesday, the
17 14th --

18 MARK PENLEY: Okay.

19 MICHAEL WYNNE: -- they begin
20 executing at 9:00 o'clock a.m.

21 MARK PENLEY: Okay.

22 MICHAEL WYNNE: And then keep in mind,
23 Friday, the 16th, the weekend heading into --

24 MARK PENLEY: Okay.

25 MICHAEL WYNNE: -- the 17th, 18th,

1 19th, 20, 21, 22. That will become relevant

2 shortly. But Monday, Wednesday, Friday.

3 Now, No. 1 -- parenthetical 1 is on

4 the business, Hirschfield Manor at 814 Lavaca.

5 It's all 4 -- they're all under 431, 431-1

6 parenthetical.

7 NATE PAUL: Is the -- is the office.

8 MICHAEL WYNNE: 431-1.

9 MARK PENLEY: Okay.

10 MICHAEL WYNNE: 431-2 is going to be

11 the room in which the servers are housed.

12 MARK PENLEY: Okay.

13 MICHAEL WYNNE: That's downtown. I

14 think it's above the Joseph A. Bank store.

15 MARK PENLEY: So you're calling that

16 Search Warrant No. 1.

17 MICHAEL WYNNE: Well, I'm -- I am and,

18 in fact, they are because it is 19-1, Austin,

19 19 MJ, magistrate, 431 case number,

20 parenthetical 1.

21 MARK PENLEY: 1.

22 MICHAEL WYNNE: And Mark Lane.

23 MARK PENLEY: Mark Lane. Okay.

24 MICHAEL WYNNE: Now --

25 MARK PENLEY: And that was executed at

1 the office, you said?

2 MICHAEL WYNNE: Office.

3 MARK PENLEY: Okay.

4 MICHAEL WYNNE: And this is the return

5 for his search warrant. Okay? So the search

6 warrant is Monday, the 12th. Application, search

7 warrant, Monday, the 12th. It's returned due --

8 under Rule 41, you do the return plus the

9 inventory plus another copy of the search warrant,

10 and that was August 23rd, 2019.

11 MARK PENLEY: Okay.

12 MICHAEL WYNNE: And the clerk's

13 initial here. And we know this is -- this is

14 provided to us on the -- on the Pacer system.

15 MARK PENLEY: Right.

16 MICHAEL WYNNE: The person executing

17 the return, that's Rani Sabban. 8-23-19, taken

18 out of his -- keep this handwriting in mind.

19 NATE PAUL: Try the metadata for this

20 group, this (unintelligible).

21 MICHAEL WYNNE: Yeah. Okay. All

22 right.

23 MARK PENLEY: All right. Do y'all

24 contend there's anything wrong with the metadata

25 on this?

1 MICHAEL WYNNE: So --

2 MARK PENLEY: Do you -- do you contend
3 there's --

4 MICHAEL WYNNE: We're going to go back
5 to what he has.

6 MARK PENLEY: -- anything wrong with
7 what he --

8 NATE PAUL: Yes. If you follow
9 this -- the best way to do it. So the reason why
10 we gave it to you in a thumb drive and not just a
11 hard copy is because the metadata is obviously in
12 the PDF. If you print it off, there is no
13 metadata.

14 DAVID MAXWELL: Right.

15 MARK PENLEY: Okay.

16 NATE PAUL: And so kind of important
17 facts. This is on the second day, that first page
18 right here. That's over here on the first page
19 any verbiage. So there are three search warrants
20 all simultaneously executed at 9:00 a.m. on
21 Wednesday, August 14th.

22 Copies of the actual search warrants
23 were not given to any parties present, as we
24 discussed, and none -- no copies of the search
25 warrants were left behind. So when it comes to

1 analyzing the metadata behind what's in there,
2 they all came from emails from the AUSA over the
3 course of the next several days after the search.

4 MARK PENLEY: Okay.

5 NATE PAUL: So the first -- the first
6 email came across that evening from Alan Buie to
7 counsel right at 6:00 p.m.

8 MARK PENLEY: Okay.

9 NATE PAUL: And that was solely the
10 search warrant for three, which is the residence.
11 The next evening, on the 15th, at 8:29 at night,
12 Buie sent an email with the search warrant for the
13 server room. There were two. And then
14 subsequently the next day shared with -- on the --
15 on the office, which is the Search Warrant No. 1.
16 And so --

17 MARK PENLEY: Wait a minute. So the
18 copy of Search Warrant 1 was sent by AUSA Buie by
19 email on what date?

20 NATE PAUL: I believe that was on the
21 16th.

22 MARK PENLEY: On 8-16. Okay.

23 MICHAEL WYNNE: And what's pertinent
24 here, they were not left with the -- anyone at
25 the --

1 NATE PAUL: There's no physical
2 copies.

3 MARK PENLEY: And can --

4 NATE PAUL: We should never have --

5 MICHAEL WYNNE: Although this says it
6 was. A copy of the warrant --

7 NATE PAUL: We'll go back to that
8 part.

9 MARK PENLEY: Let me -- let me say
10 this. That doesn't strike me again as part of a
11 state crime unless it was altered. If that's a
12 misstatement or a mistake, I don't see that as --
13 I mean, I don't know yet.

14 NATE PAUL: We believe it is --

15 MARK PENLEY: I'm not giving you a --

16 NATE PAUL: Yeah. That's the --
17 that's the next page. That's the next page.

18 MARK PENLEY: But I'm just saying what
19 I want to focus on -- if we can, as we go through,
20 focus me on where you believe alterations
21 occurred. That's what's material to me right now.

22 NATE PAUL: Right.

23 MARK PENLEY: So I know you may want
24 to give me some background of the procedural
25 problems, which, as we discussed the other day, is

1 totally a federal issue and not our issue.

2 MICHAEL WYNNE: Here's why I'm doing
3 some of this is one of the elements is
4 knowingly --

5 MARK PENLEY: Okay.

6 MICHAEL WYNNE: -- and so something
7 like this --

8 MARK PENLEY: Okay.

9 MICHAEL WYNNE: -- is going to go to
10 the mens rea element under 37.10 --

11 MARK PENLEY: Okay.

12 MICHAEL WYNNE: -- knowingly because
13 Aaron Borden wasn't there. He -- he's a lawyer
14 from Dallas. He wasn't at this site. We know he
15 wasn't at this site. I talked to people at the
16 site. He wasn't there, much less was a copy of
17 the warrant left with him. So that statement,
18 black and white, is flat out false.

19 MARK PENLEY: Okay.

20 MICHAEL WYNNE: This document was
21 filed. Okay. So going through things that
22 initially appear procedural, I understand that,
23 but they are mens rea elements if there's a
24 question of knowledge.

25 MARK PENLEY: And I'm not arguing

1 that.

2 MICHAEL WYNNE: No. I --

3 (unintelligible).

4 MARK PENLEY: Did AUSA Buie or someone
5 else email a copy of the warrant inventory to
6 Aaron Borden at some point in time?

7 MICHAEL WYNNE: Some points in time.

8 NATE PAUL: So we'll go through this.

9 MARK PENLEY: And Aaron Borden did
10 receive a copy?

11 NATE PAUL: We -- that's on the --
12 that's on the third page here. So I think it
13 was -- and the best way to do it, to answer your
14 question, right, is the metadata first. Right?

15 MARK PENLEY: Okay. Yeah. Let's go
16 to the metadata.

17 NATE PAUL: And this one kind of walks
18 through the sequence.

19 MARK PENLEY: Okay.

20 NATE PAUL: Back to the questions that
21 David asked the last time we were here.

22 DAVID MAXWELL: Yeah. I already
23 read -- I already read this. It's totally
24 (unintelligible).

25 NATE PAUL: Absolutely.

1 MARK PENLEY: I mean, part of what I'm
2 thinking about, Michael, is if we decide there's a
3 crime, if we decide that we need to make a
4 decision about filing a charge on somebody, how's
5 a jury going to perceive this?

6 Are they going to perceive this as a
7 ticky-tacky foul or is this a material violation?

8 MICHAEL WYNNE: Yeah. That's --

9 MARK PENLEY: I mean --

10 MICHAEL WYNNE: We're on the same
11 page.

12 NATE PAUL: Yeah.

13 MARK PENLEY: And, I mean, to me a
14 material violation is somebody files a document in
15 court, that's Version A. Then they somehow alter
16 the document and go present it to somebody and
17 say, "David, here's a document signed by the
18 judge."

19 MICHAEL WYNNE: Correct.

20 MARK PENLEY: But now it's been
21 altered. I don't tell them it's been altered and
22 I don't go back and tell the judge I got the order
23 from that I changed his order after he signed
24 it --

25 MICHAEL WYNNE: Oh, we're --

1 MARK PENLEY: -- you know, so
2 that's --

3 MICHAEL WYNNE: We're on the same
4 page.

5 MARK PENLEY: That's huge. That's a
6 material alteration.

7 NATE PAUL: Yeah.

8 MICHAEL WYNNE: Yeah. If this were
9 all there was --

10 MARK PENLEY: Okay.

11 MICHAEL WYNNE: And I -- I've done
12 this. And maybe it's -- maybe it's too basic but
13 in order to fix the dates --

14 MARK PENLEY: Yeah, yeah. No, no.
15 That's okay. You --

16 MICHAEL WYNNE: Not at the -- I agree.
17 If that's all I had, decline.

18 NATE PAUL: Yeah. We wouldn't be --

19 MICHAEL WYNNE: Decline prosecution.
20 If I were the AUSA, decline.

21 NATE PAUL: One thing we told
22 Mr. Maxwell is --

23 MICHAEL WYNNE: Decline, decline,
24 decline, absolutely.

25 NATE PAUL: One thing that just -- we

1 talked about being clearly on the same page --

2 DAVID MAXWELL: Well, and it's also
3 common practice when you go get a search warrant,
4 you know, the first thing I'm going to do, when I
5 get through doing it, is hand it to everybody in
6 the room and say, "Go over this," because I'm
7 going to make mistakes.

8 And, you know, what your mind does is
9 that you know what you wrote. And if you leave
10 words out or misstate it, you -- your mind fills
11 it in so other people catch it.

12 And then a lot of times when you go to
13 a judge, the judge will look at it and he
14 says, "Well, David, it looks pretty good, but I
15 need more protocols here" or "I need -- I don't
16 like this verbiage. I need you to change it," so
17 you go back in and you change it. Every time you
18 change it, it's going to show it in the
19 metadata --

20 NATE PAUL: Yeah. That's what --

21 DAVID MAXWELL: -- until you get the
22 final product that they actually signed. So just
23 the fact that I can change the metadata doesn't
24 tell me anything.

25 NATE PAUL: Yeah. And we're going

1 to -- we'll carve into that, which we clearly
2 agreed to. And, I mean, an important aspect of
3 that is, you know, back to the other point. I
4 skipped ahead on the -- on Sabban on that
5 document.

6 Another reason why that's important is
7 we had a hearing on February 28th --

8 MARK PENLEY: Right.

9 NATE PAUL: -- at which point, you
10 know, Alan Buie told Judge Lane, "A copy of the
11 inventories and warrants were left at every
12 location." Right?

13 If you look at the returns, you know,
14 they were all left with these people, and that was
15 clearly incorrect, and Buie knew that was
16 incorrect because we also give you an email in the
17 PDF's as saying, "Hey, we know you need them.
18 It's coming from you."

19 And so that will tie back into that
20 one. But, you know, part of it, when we received
21 this and we started noticing things were off and
22 we -- we'll get you this report, which is from
23 third-party forensics, which I know you guys have
24 your team as well, obviously, as we expect, but
25 the part that was immediately kind of shocking to

1 us was when you look at the metadata of when it
2 was created and when it was modified, right,
3 because the search warrant was issued on
4 August 12th at 10:00 a.m. and they executed it
5 that day as far as 9:00 a.m. on August 14th.

6 And so here on this page -- and
7 actually we should have --

8 MARK PENLEY: The next page over.

9 NATE PAUL: Correct, yes. And then it
10 goes through some of the key highlights of the
11 metadata from 1, 2 and 3. And you'll see that --
12 Michael, you want to walk them through?

13 MICHAEL WYNNE: Yeah.

14 NATE PAUL: And was it created?

15 MICHAEL WYNNE: When we finally
16 obtained the search warrants that are going to be
17 attachments -- PDF attachments to emails, okay,
18 and -- they were received in reverse order.

19 So the last one received is No. 1.
20 And it's just about metadata and a, you know, hard
21 copy of it shows that it was executed at 9:00 a.m.
22 And this is the final one. This is the one signed
23 by the judge.

24 After execution began, the metadata
25 shows it was, in fact, created -- not modified,

1 created August 14th at 11:31:03, which is two and
2 a half hours into the search, and that the --
3 NATE PAUL: The document did -- the
4 document did not preexist at the start of the
5 search.

6 MARK PENLEY: How can you tell that?

7 NATE PAUL: It's in the -- in the
8 metadata when you -- when you pull it where it
9 says this document is created when and there's --
10 if they don't do a metadata scrub, it has all the
11 modifications thereafter. This is -- this
12 probably gets you to the --

13 MICHAEL WYNNE: Not the text before
14 you sign it. It's not going to change in the
15 affidavit. The actual signed copy by the judge
16 was changed after the judge signed it.

17 NATE PAUL: That's correct. So
18 that -- that's the -- that's the black and white
19 of it. So -- and here's the -- here's what it
20 looks like when you -- when you get the report
21 pulled, right, of what's in --

22 DAVID MAXWELL: Well, the judge would
23 have kept copies of it when he let.

24 MICHAEL WYNNE: You would think.

25 DAVID MAXWELL: No. They do. And

1 the --

2 MICHAEL WYNNE: I know.

3 DAVID MAXWELL: They keep multiple
4 copies of it when you sign it.

5 MICHAEL WYNNE: That's why we went up
6 and visited and I asked to see it.

7 And he said, "We don't have it."

8 DAVID MAXWELL: Well, they don't --

9 MARK PENLEY: The judge doesn't have
10 it?

11 NATE PAUL: They said, "We don't have
12 it."

13 DAVID MAXWELL: The judge --

14 MICHAEL WYNNE: February 27th, I
15 said, "Well, I just came -- you've got to have a
16 hard copy here. Do you mind? I'll look at the
17 hard copy and compare it to what Mr. Paul has
18 shown me. I'm two weeks on the case. If they're
19 the same, sayonara, I'm out of here. My job is
20 done."

21 He wouldn't give it to me. And, in
22 fact, essentially I should be out of the office.
23 Instead, he went around the corner and called Alan
24 Buie and then his clerk closed the door. He comes
25 out and calls a hearing for the next morning, at

1 which he completely chews me out in a way that
2 just was bewildering.

3 DAVID MAXWELL: I'm not sure how it
4 works on the federal side, but on the state side
5 when we give it to the judge the judge then gives
6 it to the clerk, which is filed with the clerk,
7 the original that is signed. And then when we
8 make a return, then that's attached to the
9 original.

10 MICHAEL WYNNE: Likewise.

11 DAVID MAXWELL: Yeah. Okay.

12 NATE PAUL: The same --

13 MICHAEL WYNNE: Likewise. I would go
14 in and talk to the magistrate and it would
15 actually physically be there.

16 DAVID MAXWELL: Right.

17 MICHAEL WYNNE: And it ain't.

18 NATE PAUL: Did it a hundred times and
19 this was --

20 MICHAEL WYNNE: There's no original.

21 "These signs that are stamped, there
22 has to be an original somewhere."

23 He said, "No. Everything's
24 electronic."

25 I said, "Well, there had to be an

1 original to sign somewhere."

2 NATE PAUL: He signed the document.

3 Right?

4 DAVID MAXWELL: Yeah, he did sign it.

5 MICHAEL WYNNE: I was just shaking my
6 head.

7 NATE PAUL: It probably wasn't issued
8 in Texas and he --

9 MARK PENLEY: The electronic is a
10 copy.

11 MICHAEL WYNNE: Yeah.

12 MARK PENLEY: So there's an original
13 to make a copy from.

14 MICHAEL WYNNE: And I -- "Show me and
15 then I'm out of here, you know."

16 MARK PENLEY: And you never --

17 NATE PAUL: And he agreed to it.

18 MICHAEL WYNNE: No.

19 MARK PENLEY: You never received it?

20 MICHAEL WYNNE: And that's what we've
21 been trying to do over and over and over.

22 NATE PAUL: And then there was a
23 hearing about that, and we made a similar request.

24 And we can get you the transcript of that, you
25 know.

1 MICHAEL WYNNE: We wouldn't be here.

2 He says, "This -- here's the minutes. Show me the

3 original. Show me this. Let's put them

4 through --

5 NATE PAUL: So one of the --

6 MARK PENLEY: So let's keep walking

7 through this and then we'll come back --

8 MICHAEL WYNNE: Sure.

9 MARK PENLEY: -- to the hearing --

10 MICHAEL WYNNE: Yes.

11 NATE PAUL: It's preexisting --

12 MARK PENLEY: -- because I'll get

13 confused.

14 NATE PAUL: So the way --

15 MARK PENLEY: I'm trying to stay on

16 top of it.

17 NATE PAUL: So the way the metadata

18 works, right, if you think about it, it's kind of

19 in a -- I'm going to break it down into a -- from

20 a simple aspect is if the judge signs it on the

21 12th, they get a copy of the PDF. Here's the

22 search warrant that's -- as approved, you name it,

23 and they're going to go -- they have a hard copy

24 and they have the PDF, everything under the sun.

25 That's a document that's a true

1 document of the court. Correct? There's one
2 of them. It doesn't change -- after that point
3 when the judge has agreed to it is one point in
4 time.

5 The reason why you use the metadata is
6 to say is, is that the original document? Are
7 there modifications along the way? One thing a
8 lot of people don't realize -- and there are --
9 there are things that were back to -- extremely
10 alarming, the claim to this. So here's the
11 vehicle -- here's the first one which was for the
12 residence that was sent.

13 When you carve into the metadata
14 behind it, this document was created. That means
15 the first time the document came into existence
16 was at 11:11 a.m. on 8-14, so two hours, you know,
17 10 minutes after it started.

18 MARK PENLEY: Let me ask you this
19 question, Mr. Paul. What if I've got that saved
20 on my -- on one of my drives --

21 NATE PAUL: Good question.

22 MARK PENLEY: -- and I want to --

23 NATE PAUL: Good question.

24 MARK PENLEY: -- email it to an
25 attorney --

1 NATE PAUL: Absolutely.

2 MARK PENLEY: -- so I sit down at my
3 desk, I open up that drive and I say print.

4 NATE PAUL: Absolutely.

5 MARK PENLEY: And I'm going to scan
6 and email that to an attorney.

7 NATE PAUL: Correct.

8 MARK PENLEY: Instead of going to find
9 the file-stamped copy that I've already given to
10 the file clerk somewhere, I just say you know
11 what? I'll just print one off my computer. I'll
12 scan it. I'll email it. I've got the attorney's
13 email right here. I'll do that and in five
14 minutes I'm done.

15 NATE PAUL: Yeah.

16 MARK PENLEY: Would it --

17 NATE PAUL: Great question.

18 MARK PENLEY: Would that be consistent
19 with what this is showing?

20 NATE PAUL: No. And it was a great
21 question. That was -- that's the first question I
22 asked as we got through it, too.

23 I said, "Well, what if they did it
24 that way?"

25 But the next part is the creator

1 tool -- and this is where it says the PScript 5.

2 That means that, you know, if you're typing

3 something in Word and you're editing a document

4 and you're saving the PDF, like you're converting

5 it to a PDF, then in the metadata it will show

6 that's what's done.

7 So when the document's created 11-11,

8 the format, it gets turned into a PDF, but it was

9 a temporary file here, previously a Word document

10 or a PostScript document where you can still edit

11 it.

12 And it's -- when the document's

13 created, the creator tool will tell you what it

14 is. Right? So this means that PDF's being

15 created for the first time so it's not scanned in.

16 If it's scanned in, it will say, you know, coming

17 in from an HP or, you know, Minolta, kind of a --

18 or like a Samsung scanner. It will say what it

19 is.

20 This means that this document is just

21 being created for the first time. So that's a

22 Word document more than likely that's been edited

23 and then you save -- you save this PDF, and that's

24 where the creator tool comes in this way.

25 DAVID MAXWELL: So let me ask you a

1 question. So when you turned it into a PDF and
2 you say, "Okay. Gotcha. I found another
3 mistake," when you unlock it so that it can be
4 modified, isn't that creating it again?

5 NATE PAUL: No. That's modified. So
6 that's a good question.

7 DAVID MAXWELL: It would show -- it
8 would show Marvin Pino? You've already saved it
9 as a PDF --

10 NATE PAUL: Correct.

11 DAVID MAXWELL: -- it would show
12 modifications and not -- and not recreated?

13 NATE PAUL: Right. That's modified
14 data. This here, on this specific one you'll see
15 other ways where it was done differently. On this
16 one, once it was created this way, there was an
17 additional -- an additional modified in the PDF.

18 Now, if you went back and did it as
19 Word and went and created it new again, that would
20 be a new file, but you're editing it in PDF, then
21 these two times will be different, which you'll
22 see on the Contego ones and the other ones.
23 Right?

24 And another part that kind of -- back
25 to attribution, when this document was sent, a lot

1 of times from government computers, right, in your

2 command it's going to amend this forever. So once

3 it's being sent, it scrubs all the modifications.

4 DAVID MAXWELL: Let me -- let me ask

5 another question. Okay. So I create most

6 documents in Word.

7 NATE PAUL: Correct.

8 DAVID MAXWELL: And when I want to

9 create it as a PDF, I use Adobe.

10 NATE PAUL: Correct.

11 DAVID MAXWELL: So if I made -- if I

12 wanted to make the changes and I went back to my

13 Word file and made it in Word and then saved it as

14 a PDF in Adobe again, would it show as a new

15 document?

16 NATE PAUL: If -- the creation date --

17 DAVID MAXWELL: Yes.

18 NATE PAUL: -- is the first time the

19 PDF is made.

20 DAVID MAXWELL: It would show it as a

21 new document?

22 MARK PENLEY: Correct.

23 DAVID MAXWELL: Okay.

24 NATE PAUL: So this would be a new

25 document.

1 DAVID MAXWELL: Right.

2 NATE PAUL: Right?

3 DAVID MAXWELL: So what I'm saying is
4 it could be the same document with minor
5 modifications and it won't show it as modified.
6 It will show it as a new document because you did
7 your corrections in Word, which is what I always
8 did.

9 NATE PAUL: Well, it --

10 DAVID MAXWELL: I didn't -- I didn't
11 create or modify it in Adobe.

12 NATE PAUL: So --

13 DAVID MAXWELL: I did the
14 modifications in Word.

15 NATE PAUL: So, one, we need to back
16 up and say what this document is. Right? This is
17 the search warrant signed with the magistrate. So
18 when it comes to modifications, there should be no
19 modifications after this.

20 The judge issued it on Monday, the
21 12th. Right? That document is locked at that
22 point in time.

23 MARK PENLEY: No. I understand. I'm
24 just trying to sort out the various possibilities.
25 I'm not arguing.

1 DAVID MAXWELL: And I am, too. I'm
2 just trying to --

3 MARK PENLEY: We're just trying to say
4 what other --

5 DAVID MAXWELL: And I need --

6 MARK PENLEY: The computer tells us a
7 lot of things --

8 NATE PAUL: That's correct.

9 MARK PENLEY: -- but how do we put it
10 together and know --

11 NATE PAUL: Yeah.

12 MARK PENLEY: -- if it's telling us
13 what actually happened?

14 NATE PAUL: Yeah.

15 MARK PENLEY: That's what I'm thinking
16 about, Mr. Paul. If you -- we go back to my
17 scenario, I'm sitting at my computer. I go on my
18 G drive or wherever I keep my working case files
19 and I, you know, say, "I need an extra copy of
20 this search warrant."

21 You know, maybe it's already been
22 scanned in by one of the admin people. It's in my
23 case investigation file. I go to it. I -- you
24 know, here, you know, print this. Convert it to a
25 PDF and then I'm going to scan it to the attorney.

1 NATE PAUL: Right.

2 MARK PENLEY: Will that show the
3 document created at the time I'm doing all that?

4 MICHAEL WYNNE: Yes, it will.

5 NATE PAUL: If you're --

6 MARK PENLEY: Even though -- even
7 though I haven't changed the document --

8 NATE PAUL: Yes.

9 MARK PENLEY: -- but I've changed
10 it --

11 NATE PAUL: Let me finish.

12 MARK PENLEY: -- into a PDF?

13 NATE PAUL: Yes. So the answer is if
14 you're -- let me just say if we're scanning this
15 document in right now for the first time --

16 MARK PENLEY: Yeah.

17 NATE PAUL: -- that's a new -- that's
18 a new document being created that's never been
19 created before --

20 MARK PENLEY: Okay.

21 NATE PAUL: -- but it's scanned in.
22 The creator tool will tell you, "This is a
23 document that's been scanned in." Right? It's
24 being created from a scan.

25 This -- when it says how it's created,

1 this PScript 5, Version 5.22, that's telling you
2 this was not scanned in. That's saying this is
3 something that was in another format, Microsoft
4 Word, and saved to PDF. So that's why the creator
5 tool is very important because the creator tool is
6 what is being used.

7 MARK PENLEY: Okay. Here's where I'm
8 confused. Let's go back to this document right
9 here, Michael, if we can.

10 NATE PAUL: Yes. So that one is
11 completely different. So this is just on the
12 search warrant.

13 MARK PENLEY: That's on the warrant?

14 NATE PAUL: Yes. So these are --

15 MARK PENLEY: Not on return?

16 NATE PAUL: Yeah.

17 MICHAEL WYNNE: No.

18 NATE PAUL: So yeah. So this is just
19 on the search warrant from Judge Lane.

20 MARK PENLEY: Do you have a copy --

21 NATE PAUL: Yes.

22 MARK PENLEY: -- of this document that
23 we can look at?

24 NATE PAUL: Yes, I do.

25 DAVID MAXWELL: It's right in here.

1 Right?

2 NATE PAUL: Yes. It's all on there.

3 MARK PENLEY: It's all on there.

4 That's all the documents -- all the documents that
5 you want --

6 NATE PAUL: Actually -- you know, we
7 could actually pull -- we could pull that up if
8 you wanted to and see because you can -- well,
9 what we also put in here is the original email
10 where it came from so you'll see the email from
11 Alan Buie sent to Gerry Morris so you have all
12 the IP addresses and everything in there. Right?

13 So -- and when you click open that, it
14 has what the -- yeah. Here's the documents.

15 MICHAEL WYNNE: This is the --

16 MARK PENLEY: Yeah.

17 MICHAEL WYNNE: -- search warrant.

18 MARK PENLEY: Okay.

19 MICHAEL WYNNE: This is signed
20 August 12th.

21 MARK PENLEY: Right.

22 NATE PAUL: That --

23 MICHAEL WYNNE: This becomes -- when
24 you take this, you put it -- it's a PDF. You scan
25 it, whatever you do when you go from the clerk's

1 office upstairs to the U.S. attorney's office or
2 wherever you're going.

3 MARK PENLEY: Do we know -- do we have
4 any idea if Alan Buie got this in electronic
5 version only or would he have received a paper
6 copy from the clerk's office as well as an
7 electronic copy?

8 MICHAEL WYNNE: My experience with
9 sealed documents there is that you get them by
10 hand.

11 MARK PENLEY: Yeah. That was my
12 experience.

13 MICHAEL WYNNE: That's always. You
14 don't -- they're not emailing search warrants
15 around. You get them by hand.

16 MARK PENLEY: Yeah.

17 NATE PAUL: That's the way they --

18 MARK PENLEY: That was my experience.

19 MICHAEL WYNNE: So once he has this by
20 hand -- now, the form is a U.S. attorney's form,
21 as you may recall. You get the form. You get
22 them ready. You type in the stuff and --

23 MARK PENLEY: Right.

24 MICHAEL WYNNE: -- then you take it
25 over.

1 MARK PENLEY: Right.

2 MICHAEL WYNNE: So you've got -- so --
3 and you do that -- y'all can do it in Word based
4 on one of these merge forms you've got.

5 MARK PENLEY: In templates or
6 something.

7 MICHAEL WYNNE: And he printed it off.
8 So you've got a Word document. But once you have
9 this on the 12th, signed by the judge --

10 MARK PENLEY: Right.

11 MICHAEL WYNNE: -- there's no reason
12 to go back in Word --

13 NATE PAUL: And --

14 MICHAEL WYNNE: -- and do something
15 else.

16 MARK PENLEY: I agree. I mean, I --
17 that's what I'm trying to figure out, how --

18 MICHAEL WYNNE: And this is that day.

19 NATE PAUL: And so the next version
20 is -- so one thing that's important, back to --
21 you get to look at where's the genesis of the
22 document?

23 MARK PENLEY: Let me stop you one
24 second. What I'm saying is my experience is
25 consistent with yours. I always got a paper copy.

1 I'd go file it with the clerk. I'd go to the
2 magistrate. The magistrate would sign it and say,
3 "Take this down to the clerk's office."

4 I would take it to the clerk's office.
5 They would process it and bring me back two
6 copies. And I would go downstairs and make more
7 copies to give to the agents, to leave at the
8 search site and for their file and to do the
9 return with, and I'd have my work copy.

10 MICHAEL WYNNE: Exactly.

11 MARK PENLEY: So I've got a -- I've
12 got a case copy.

13 MICHAEL WYNNE: Exactly.

14 MARK PENLEY: They've got their
15 copies.

16 MICHAEL WYNNE: Exactly.

17 MARK PENLEY: And the court has the
18 original and then they turn that into an
19 electronic copy.

20 MICHAEL WYNNE: Absolutely.

21 MARK PENLEY: But what I'm saying
22 is -- I'm relating this to my experience. I have
23 no idea how this document --

24 MICHAEL WYNNE: Mine is the same as
25 yours, yeah.

1 MARK PENLEY: If I'm going to email
2 this to an attorney, you know, that day or the
3 next day or the next day, whenever that email
4 occurred, all I've got is a paper copy to begin
5 with. So either I or my admin assistant is going
6 to put that on the computer somehow. They're
7 going to scan that in.

8 And what I'm asking is, because I
9 don't know, what kind of computer evidence trail
10 does that leave --

11 MICHAEL WYNNE: Yeah.

12 MARK PENLEY: -- when I take this from
13 paper, run it through a scanner, put it on the
14 office drive where I keep investigation materials,
15 and then I'm going to retrieve that electronically,
16 convert it to a PDF and I'm going to email it to
17 your attorney.

18 MICHAEL WYNNE: Sure.

19 MARK PENLEY: What sort of track
20 record does that leave? And, you know, trust me,
21 it won't be me making the computer forensics
22 decisions.

23 But what electronic evidence trail
24 would that leave when I convert this to a scanned
25 document in the U.S. attorney's office and then

1 retrieve it out of the system, put it in a PDF and
2 email it to that attorney's IP address?

3 NATE PAUL: I can give you this. My
4 answer (unintelligible). The good part is it's
5 black and white, which is -- which I've mentioned
6 that, but it's the next line we get to.

7 So once a paper is in hard copy,
8 right, this has no metadata anymore. Right? Like
9 this document, there's no metadata. You scan this
10 into the system. There's no metadata, the history
11 or the creator or anything else. Right?

12 So when you scan it in, it can't read
13 that, right, because that's -- it's created. So
14 if it was just scanned in, it would have no
15 metadata. Right? The only data it would have in
16 there is the date you created that PDF for the
17 first time.

18 You may -- you know, you print it off
19 at the U.S. attorney's office. You scan it in and
20 that becomes a PDF. Right? At that moment you'll
21 have a creation date of that, but it won't have
22 been created using that tool. This tells you --

23 MARK PENLEY: So you're saying it's
24 the tool that is a red flag?

25 NATE PAUL: Well, it's -- well, the

1 red flag is one part, right, but then it also

2 tells you where it came from. So this PDF was

3 created from this temporary file.

4 Now, here's the big, big -- the aha

5 moment. The creator is Alan Buie. A. Buie is who

6 this Adobe license is registered to so this means

7 it was made on A. Buie's computer. And when that

8 comes in, that tells you the PDF that's been

9 created.

10 So this form that they -- the

11 U.S. attorney's office used that's in Word that

12 they do before they go present it when you're

13 doing application, you know, if you're doing the

14 front end, you're taking it down to, you know,

15 present to a magistrate.

16 Once they've issued it, you're getting

17 it as a, you know, hard file or as a PDF, and

18 that's it. Now, if you're going back in and

19 re-editing the document, well, that's when you'd

20 have a temporary file that you're using PostScript

21 to create a PDF --

22 DAVID MAXWELL: Let me ask you --

23 NATE PAUL: -- and the office --

24 DAVID MAXWELL: Let me ask a question.

25 So you're saying the judge signed it on the 12th?

1 NATE PAUL: Correct.

2 DAVID MAXWELL: And the metadata said
3 it was created on the 14th and modified on the
4 14th. Correct?

5 And they served the search warrant on
6 the 16th?

7 NATE PAUL: 14th, the morning.

8 DAVID MAXWELL: Morning of the 14th.

9 NATE PAUL: So --

10 DAVID MAXWELL: What time did they
11 serve the search warrant?

12 NATE PAUL: 9:00 a.m.

13 DAVID MAXWELL: 9:00 a.m.

14 NATE PAUL: So these head -- this
15 document was created two hours after the search
16 warrant started. So at -- 11:11 is when the
17 document is turned from Word to PDF by Alan Buie
18 using PostScript, you know, 5.VLO, Version 5.22,
19 to create a P -- so this has got -- so this is the
20 time where he turned it from a Word document into
21 PDF. This is the previous file and here's the
22 creator.

23 MARK PENLEY: Okay.

24 NATE PAUL: All right. So that
25 document that he sent us, right, had been created

1 after the search started. Right? Which changes
2 are in there or what was changed -- you know, I
3 can't tell you exactly what was changed, but it
4 was changed from what was originally given to the
5 judge because you're editing this document. If
6 you edit a PDF, if you -- if you're --

7 DAVID MAXWELL: So you're saying that
8 that document that y'all have is the altered
9 document?

10 NATE PAUL: Correct. We don't have
11 the --

12 DAVID MAXWELL: And you don't have any
13 idea what --

14 NATE PAUL: The original said.

15 MARK PENLEY: And you would have no
16 ability to compare it to an original because the
17 judge --

18 NATE PAUL: We don't have it.

19 MARK PENLEY: -- the judge in the
20 court did not give that to you?

21 MICHAEL WYNNE: Yeah. No.

22 MARK PENLEY: And the judge denied
23 having an original?

24 NATE PAUL: The judge said, "I do not
25 have an original."

1 MARK PENLEY: He said, "I don't have
2 it." So who would have an original?

3 MICHAEL WYNNE: Well, that is a good
4 question. I went to the clerk.

5 MARK PENLEY: Alan Buie must have the
6 original.

7 MICHAEL WYNNE: I would think the --
8 either the clerk --

9 NATE PAUL: Here's the thing.

10 MICHAEL WYNNE: -- or the judge.

11 NATE PAUL: It's a great question.

12 MICHAEL WYNNE: The clerk said, "We
13 don't have one."

14 I go upstairs to the magistrate.
15 "Well, do you have one?"

16 MARK PENLEY: Which is not --

17 MICHAEL WYNNE: And first the
18 administrative person said, "No." And -- well,
19 the judge said, "No." I was scratching my head.
20 We're here.

21 MARK PENLEY: No. I hear you. I hear
22 you. Okay. So keep going. I didn't mean to bog
23 you down.

24 NATE PAUL: No problem. So the next
25 one would be -- and so this shows the --

1 MARK PENLEY: Are you -- are you going

2 to leave a copy of this document --

3 NATE PAUL: Yes, yes, yes.

4 MARK PENLEY: -- with us or is it on

5 here?

6 MICHAEL WYNNE: It's on here.

7 NATE PAUL: Well, here, but here we're

8 giving you hard copies as well.

9 MARK PENLEY: Okay. Good.

10 NATE PAUL: So --

11 MARK PENLEY: You know, because I want

12 provide it to the guys.

13 NATE PAUL: Yes, absolutely. Here's

14 No. 2.

15 MARK PENLEY: Okay.

16 NATE PAUL: 2 is for the server room.

17 Right? And this is Search Warrant Gupta.

18 MICHAEL WYNNE: We've got the

19 application as well.

20 NATE PAUL: So the server room, you'll

21 see here, this was similarly executed at 9:00 a.m.

22 on Wednesday, August 14th. On this one, you'll

23 see in the PDF.

24 Now, this was emailed to -- we

25 received this for the first time at 8:29 p.m. on

1 August 15th so we didn't -- we never had a copy of
2 the search warrant on the date of the search.
3 Alan Buie emails it to Gerry Morris at 8:29 p.m.
4 that Thursday.

5 MICHAEL WYNNE: No. Wednesday.

6 NATE PAUL: Thursday.

7 MICHAEL WYNNE: I didn't --

8 NATE PAUL: Thursday night. And that
9 document's metadata shows that it was created at
10 11:39 a.m. on August 14th so kind of --

11 MARK PENLEY: Same --

12 NATE PAUL: -- sequentially --

13 MARK PENLEY: Same time as the other
14 one basically?

15 MICHAEL WYNNE: A little bit later,
16 yeah.

17 NATE PAUL: So all the -- all the
18 searches start at 9:00 a.m. The metadata shows
19 that at the residence. That search warrant was
20 created at 11:11 a.m. And we have on the server
21 room that the search warrant was created at
22 11:39 a.m. And this one, it was created at
23 11:39 a.m. and it was modified inside the PDF.

24 So your question, did you make changes
25 in the PDF? And that's at 11:58 a.m.

1 MARK PENLEY: Right.

2 NATE PAUL: Comparing it to the one we
3 had before, to producer, this is iText 2.1.7.
4 Now, back to what -- the forensics folks said this
5 is a red flag is that iText, that's an application
6 used to manipulate PDF's.

7 So that's -- if you're going in to
8 change a PDF, that's what you use. It's not a
9 typical -- that's not like KW, you know, an
10 Acrobat and Microsoft Word and everything else.
11 This is a specific app used to change PDF's.

12 So it was created -- let's say
13 presumably it was created the same way, in
14 Microsoft Word, turned into a PDF by Buie. That's
15 the 11:39 a.m. timestamp. At 11:58 a.m.,
16 19 minutes later, when it's created in this
17 version, this version, the final one, is
18 used using iText.

19 MARK PENLEY: Right.

20 NATE PAUL: So the original PDF was at
21 11:39 a.m. and then he modified it before it was
22 sent at 11:58 a.m. He didn't send it until the
23 next day, but now that's going to -- that plays
24 into it as well.

25 DAVID MAXWELL: And which search

1 warrant was this one?

2 NATE PAUL: That's for the server

3 room. That's for --

4 DAVID MAXWELL: The server room?

5 NATE PAUL: -- No. 2, right.

6 MARK PENLEY: Right.

7 DAVID MAXWELL: Okay. The search

8 warrant would include the return. Right?

9 NATE PAUL: No. These were the

10 original search warrants they had to execute the

11 search.

12 DAVID MAXWELL: I understand. But was

13 there, in turn, also a part of that PDF?

14 MICHAEL WYNNE: Those were sent --

15 DAVID MAXWELL: We don't know that.

16 MICHAEL WYNNE: Those were sent over

17 August 14th, August 15th, August 16th. The return

18 was not made until August 23rd.

19 MARK PENLEY: No. I know it wasn't

20 made until -- let me explain to you the way we do

21 it. All right. So everything's on my computer in

22 our -- in our reporting system.

23 So when I go out and do a search

24 warrant, you know, you create -- you create the

25 file. Now, when I do a search warrant, I would

1 put the information into the report. And at the
2 end, I could print out a copy of the return, just
3 the return itself, not the search warrant or
4 anything else. If it's all on the same system,
5 then the times would be consistent with trying to
6 create the return.

7 NATE PAUL: This is this search. The
8 search -- the searches started at 9:00 a.m. and
9 went until 9:00 p.m.

10 DAVID MAXWELL: 9:00 p.m.

11 NATE PAUL: So they didn't finish the
12 searches until that night. These were -- all
13 three of them were created. Didn't know the day.
14 Right?

15 So when you look at kind of the
16 different times, you had first the -- first the
17 residence, you know, search warrant was created at
18 11:11 a.m. The officer's warrant was created at
19 11:31 a.m. And the server room was created at
20 11:39 a.m.

21 DAVID MAXWELL: All right. Now, what
22 can also happen on a search warrant is you go out
23 there, you find something during the search that
24 you don't have the authority to take, so then you
25 have to create another search warrant in order

1 to -- and you can -- you can hold the scene,
2 continue with the search, but until you have a
3 search warrant authorizing you to take the
4 additional stuff, then you have to wait until that
5 is done.

6 MICHAEL WYNNE: Absolutely.

7 NATE PAUL: That would be a different
8 search warrant.

9 MICHAEL WYNNE: (Unintelligible) time
10 now. They're the same at that point in time.

11 DAVID MAXWELL: You had -- you had
12 kind of intimated last time that there was some
13 language in the probable cause that tied it to
14 another case. And was that just speculation on
15 your part?

16 MICHAEL WYNNE: No. That was not
17 in -- not probable cause language. In the
18 returns. And going back to --

19 DAVID MAXWELL: The return?

20 MICHAEL WYNNE: -- if they were --

21 DAVID MAXWELL: I didn't think y'all
22 had it all.

23 MICHAEL WYNNE: Actually in the -- in
24 the -- in the inventory, not the returns, which is
25 what you see is these on that date are on the --

1 when the -- when what is attached to us on the
2 23rd, they are handwritten.

3 DAVID MAXWELL: Right.

4 MICHAEL WYNNE: And so you're not
5 going back into --

6 DAVID MAXWELL: Right, yeah.

7 MICHAEL WYNNE: Okay. Now, there are
8 some things in these handwritten -- if you take
9 the time the time to read every single line, there
10 are things written in here and the files say
11 written over in bold, underlined, whoever's filled
12 them out, that relate to -- or suggest some
13 relation to a 212 -- 2012 case.

14 NATE PAUL: Let's do this.

15 MICHAEL WYNNE: Okay. And that --

16 NATE PAUL: I want to go easy on --

17 MICHAEL WYNNE: And so why is that?
18 That's what I was talking about.

19 DAVID MAXWELL: Okay.

20 NATE PAUL: So that covers the first
21 three as far as metadata goes. Right? So --

22 DAVID MAXWELL: Okay.

23 NATE PAUL: But that's going to --
24 that plays in time. Now, the --

25 DAVID MAXWELL: Right.

1 NATE PAUL: Now, the fourth room.

2 MARK PENLEY: We're -- where are we
3 now? We -- we've gone through these.

4 NATE PAUL: We're on the search
5 warrant produced on 9-6-21.

6 MARK PENLEY: Okay. So on 3, that was
7 the residence search warrant --

8 NATE PAUL: Correct.

9 MARK PENLEY: -- that was created at
10 11:11:46. So all these are being done around
11 11:00 a.m. and shortly thereafter?

12 NATE PAUL: Correct.

13 MARK PENLEY: And the searches began
14 at 9:00?

15 NATE PAUL: The search --

16 MICHAEL WYNNE: Correct.

17 NATE PAUL: -- started at 9:00.

18 MARK PENLEY: That's kind of the key
19 points to take away there.

20 NATE PAUL: Yes. So -- and it was --
21 two of the biggest takeaways that -- all these --
22 all these documents are created a little over two
23 hours into the search. And from Buie. Right?
24 So whenever you -- you're looking at
25 kind of where's the origination, these are coming

1 from his device through his license. So when it's
2 a situation like that, you can actually kind of
3 clearly pinpoint, you know, where -- where's the
4 beginning point for this data. Right?

5 If you were -- if you were going to
6 find -- well, what was it beforehand? Where you
7 find it is Egru's license with this temporary file
8 that's on his device. That is what the document
9 would have been beforehand. And, in fact, kind of
10 just the genesis of where was it before, like what
11 did it look like before in the big picture?

12 The next one is on Contigo. And the
13 biggest thing to know on Contigo, the whole plan
14 to it is -- so this was a search that --

15 MARK PENLEY: The record storage unit?

16 NATE PAUL: Correct. And this one,
17 you know -- we'll probably spend most of the time
18 talking about this one because of the -- all the
19 data that's around kind of the -- what happened on
20 this one.

21 We have a lot of -- we have a lot of
22 information here. We don't know what
23 (unintelligible). So this is the one that was
24 never disclosed to us, that it occurred, meaning
25 that the search even happened.

1 And, you know, we were able to find
2 out about it on -- we found out about it on
3 August 27th when one of my employees called
4 Contigo, which is a third-party file storage --

5 MARK PENLEY: Right.

6 NATE PAUL: -- company, and asked
7 about our boxes. And three hours later, he
8 responds and says, "If you -- if you need your
9 boxes, you contact Preston Joy with the FBI."

10 And, you know, where all this
11 information that we have that we're going to talk
12 about today, we were able to go depose and get
13 test -- sworn testimony under oath from the CEO,
14 Bob Churchman, who was there, who was served, who
15 was a part of it, filling records and everything
16 else.

17 That's the most kind of damning part
18 of it as far as it plays into what happened
19 because it's -- you can clearly see the -- kind
20 of, you know, what took place. Now, the -- let's
21 talk about -- mention on the metadata.

22 You know, according to what they
23 filed, this search warrant was issued by Judge
24 Lane on August 16th at 1:30 p.m. According to
25 what they filed, Sabban finds that he executed it

1 on August 22nd, 2019.

2 MARK PENLEY: Okay. Sabban signed on
3 the return --

4 NATE PAUL: On the return.

5 MARK PENLEY: -- that it was
6 executed --

7 NATE PAUL: On 8-22-19. And the
8 return was filed at 2:38 p.m. on 9-5-19. The time
9 on that's important for --

10 MARK PENLEY: Okay.

11 NATE PAUL: -- for purposes of --

12 MARK PENLEY: So it was issued on the
13 16th. Allegedly it was executed six days later.

14 NATE PAUL: Correct.

15 MARK PENLEY: Did you find evidence in
16 the Contigo lawsuit, your civil case, that
17 verified when the search warrant was executed?

18 NATE PAUL: It's -- that -- that's a
19 false -- a false document.

20 MARK PENLEY: When was it executed?

21 NATE PAUL: So the testimony that's in
22 the transcript of the video --

23 MICHAEL WYNNE: Is very important.

24 NATE PAUL: No. Actually what he said
25 is he said -- his story was very clear. He said

1 he was served. They came and executed and served
2 the search warrant on August 16th.

3 MICHAEL WYNNE: Which is the Friday.
4 Wednesday, Thursday, Friday.

5 NATE PAUL: And he said --

6 MARK PENLEY: Wait, wait, wait just a
7 minute. How -- okay. So it was signed on the
8 16th at 1:30. What time does he say that he
9 served it?

10 NATE PAUL: He didn't have an exact
11 time. He said he was served on the 16th. And
12 they served him with a search warrant and said,
13 "We'll come back for this stuff." This is his
14 sworn testimony.

15 MARK PENLEY: So they had a warrant.
16 They served it, according to him.

17 NATE PAUL: And ex -- he's serving it
18 at the facility and then says, "We'll come back
19 and get it." His testimony is that, yes, but his
20 testimony also is -- yes, it was.

21 So then he said they came back for the
22 first time on August 22nd to take boxes, which
23 obviously was, you know, hugely puzzling to us
24 because it's completely contrary to what they
25 filed.

1 That's not what -- according to the
2 government filings that Sabban and Joy signed,
3 that's not what happened. You know, Sabban's
4 filing says on the search warrant return the
5 search warrant was executed on 8-22-19, no other
6 dates or anything else around there.

7 In addition, on 8-27, the date we
8 called, two minutes after, he sends me a note,
9 telling us to contact Preston Joy for our boxes.
10 He sends Preston Joy an email saying, "We have
11 18 more boxes of their stuff. I'm going to put it
12 in my truck and come deliver it to you."

13 So then you've got some documents in
14 boxes that are delivered to Joy afterwards.
15 That's not part of the search on 8-22 that's
16 executed. This is a new -- it's not from that
17 location. This is delivered back to the FBI
18 offices, which is not what's -- what they filed
19 with the --

20 DAVID MAXWELL: All right. I'm going
21 to -- if we can go back just a minute. So you're
22 saying the guy voluntarily brought it to them from
23 the storage, documents belonging to you?

24 NATE PAUL: We don't -- we don't
25 know --

1 DAVID MAXWELL: What is covered in the
2 search warrant on the 22nd. I mean, he can say --
3 he can do that. I mean, you may not want him to
4 do that, but there's nothing wrong with him doing
5 that.

6 NATE PAUL: There is wrong with that.
7 Right? One, that's -- that was property. Right?
8 He has no right to that -- our stuff. That's a
9 separate point, back to his wrongdoing. But even
10 bigger than that, when you look at the agents,
11 they filed documents in the court. We had no clue
12 that that happened. Their documents say --

13 DAVID MAXWELL: They don't have to
14 have them.

15 NATE PAUL: No, but they filed a
16 document that said that it was actually done on
17 8-22.

18 DAVID MAXWELL: Yeah.

19 MICHAEL WYNNE: The return says, "Yes,
20 a copy was left here. This is the inventory.
21 We're done. This is the day that I signed it as a
22 witness under oath."

23 DAVID MAXWELL: Right.

24 MICHAEL WYNNE: "This is the way it
25 went down," not, "Oh, this is kind of the way it

1 went down."

2 I mean, they actually did it three
3 times. And to tell you also what also happened is
4 that this guy came back another couple of times
5 later the following week and dropped off some
6 boxes, and we -- and that -- that's not in there.

7 DAVID MAXWELL: Well, what that may be
8 in -- I guarantee that's probably in the report.

9 MICHAEL WYNNE: Guarantee -- I
10 wouldn't guarantee it's in the report. Whatever's
11 in the report, it's not the filing in the clerk's
12 office which --

13 DAVID MAXWELL: Well, the report --

14 MICHAEL WYNNE: -- they've got no
15 record.

16 DAVID MAXWELL: The report is not
17 going to be along with the search warrant. The
18 report is going to be the investigative report.

19 MARK PENLEY: Yeah.

20 DAVID MAXWELL: And the search warrant
21 being served on the 22nd -- it depends on how it's
22 worded -- would allow them to take all of those
23 records, whether they got them all at one time or
24 not.

25 And the first one -- because he

1 cooperated and brought them to them, it's
2 certainly not a violation of law and certainly not
3 something that doesn't happen in white collar
4 cases.

5 NATE PAUL: A federal search warrant
6 is -- when they do a search and seizure warrant is
7 one fell and continuous search where you can start
8 between 6:00 a.m. and 10:00 p.m. And you do the
9 search -- you can start the search and you're
10 there until the completion of the search.

11 Kind of the obvious reason behind that
12 is active people putting things in there that
13 weren't there. And obviously the bigger thing is,
14 you know, they're saying they executed it. Well,
15 there's supposed to be an element of surprise.
16 Right?

17 On August 22nd, his testimony is
18 completely different. He said, "No. They came
19 actually on August 16th."

20 When he executed it, he didn't end up
21 taking anything. He said, "We'll come back and
22 get it." And, you know, what -- and we're talking
23 about just the fact of law. Right?

24 What Sabban filed, his return, is
25 false. That's not what occurred. That's the --

1 kind of the black and white of it. Here, when he
2 filed this, he says the date and time the warrant
3 was executed was 8-22-2019. Now --

4 DAVID MAXWELL: Which is the first
5 time he sees anything. Right? You say --

6 NATE PAUL: I don't know.

7 DAVID MAXWELL: He's saying he got
8 served with a warrant on the 16th, but he actually
9 came back the first time on the 22nd to take
10 boxes?

11 NATE PAUL: Correct.

12 DAVID MAXWELL: Is that right?

13 NATE PAUL: Correct.

14 DAVID MAXWELL: Okay. Well, that's
15 great then. Right?

16 NATE PAUL: No. If the -- if the
17 search warrant is executed -- you go and execute a
18 search warrant and deliver it to someone on the
19 16th --

20 MARK PENLEY: Let me ask you this,
21 Michael. Did they give you a copy of the
22 inventory from the Contigo storage unit?

23 MICHAEL WYNNE: No.

24 MARK PENLEY: They never have?

25 MICHAEL WYNNE: Oh, they finally did.

1 NATE PAUL: Yeah.

2 MICHAEL WYNNE: They finally did a
3 couple of weeks later.

4 MARK PENLEY: Okay.

5 MICHAEL WYNNE: A couple of weeks
6 later after they were called out on it.

7 MARK PENLEY: Right.

8 MICHAEL WYNNE: After they were called
9 out that they weren't going to do it, prior
10 counsel called Alan out on it and he says, "Oh, I
11 guess you got me on that one."

12 "Well, send me the search warrant."

13 They waited another day until
14 September 6th to send it.

15 MARK PENLEY: So they sent you the
16 warrant with the inventory?

17 NATE PAUL: Correct.

18 MICHAEL WYNNE: With the inventory.
19 They're called out on it. Suddenly they do the
20 return and send it not that moment -- you figure
21 you've got it. Why not just send it? No. They
22 waited another day.

23 And there's some interesting
24 happenings that happened in that 24 hours. And I
25 wish there were another explanation for it. I

1 hope you find it. I can't.

2 MARK PENLEY: Is there any belief that
3 the Contigo search warrant -- disregarding whether
4 the return was filled out accurately, properly,
5 honestly, is there any evidence in your mind that
6 the Contigo search warrant was altered in any way?

7 NATE PAUL: A hundred percent it was.

8 MICHAEL WYNNE: This is -- this is the
9 next piece of metadata.

10 MARK PENLEY: Okay.

11 MICHAEL WYNNE: I'll let him get the
12 names correct.

13 NATE PAUL: So the Contigo metadata --
14 so that day --

15 MARK PENLEY: Oh, I'm sorry. One
16 question. What date were the 18 boxes delivered
17 by the manager?

18 MICHAEL WYNNE: The 22nd.

19 NATE PAUL: The 22nd. And then he
20 also went and delivered another box on the 30th.

21 MARK PENLEY: Okay. Okay. I'm sorry.
22 So the metadata, what does it show us about the
23 Contigo warrant?

24 NATE PAUL: The metadata shows that
25 the Contigo search warrant was created at

1 11:24 a.m. on September 6th within, so three weeks

2 after --

3 MARK PENLEY: Okay.

4 NATE PAUL: -- it was issued -- before

5 it was issued. It was modified at 11:31 a.m. on

6 9-6.

7 MARK PENLEY: And do you know what

8 date you got the search warrant emailed to you or

9 your attorney?

10 NATE PAUL: 9-6.

11 MARK PENLEY: 9-6.

12 NATE PAUL: So it was created at

13 11:24, modified at 11:31. It was emailed to Gerry

14 Morris at 11:35.

15 MARK PENLEY: At 11:35?

16 NATE PAUL: Yes, sir.

17 MARK PENLEY: Okay. Okay. Anything

18 else about --

19 NATE PAUL: So --

20 MARK PENLEY: -- that search warrant

21 that should have -- that was altered other than

22 the metadata?

23 NATE PAUL: Yes, absolutely.

24 MARK PENLEY: I mean --

25 NATE PAUL: There's --

1 MARK PENLEY: Allegedly it was issued
2 on August 16th, but the metadata is showing it was
3 created on 9-6 --

4 NATE PAUL: Correct.

5 MARK PENLEY: -- 20 days later more or
6 less.

7 NATE PAUL: Correct. And, in
8 addition, there's a whole host of things that play
9 into that to make it highly questionable. One,
10 when we discovered that on the 27th, then counsel
11 calls Kevin Bell from Contigo. He stated he never
12 received the search warrant.

13 He said, "I don't have a search
14 warrant on the 27th. I've never had a search
15 warrant. If you want one, you need to contact
16 Preston Joy."

17 So he never had a search warrant on
18 the 27th.

19 MARK PENLEY: That's what he said in
20 his deposition testimony?

21 NATE PAUL: Let us know if -- that's
22 what he said to our people in person as it's
23 happening.

24 MARK PENLEY: Okay.

25 NATE PAUL: And --

1 MARK PENLEY: And Nebel's the manager?

2 NATE PAUL: Correct.

3 MARK PENLEY: And did he say he ever
4 got a search warrant at anytime?

5 NATE PAUL: In his sworn -- in his
6 sworn testimony, he states he received a search
7 warrant on August 16th.

8 DAVID MAXWELL: August 16th. They
9 took the first documents on the 27th --

10 NATE PAUL: Yeah.

11 DAVID MAXWELL: -- 22nd.

12 NATE PAUL: Yeah.

13 DAVID MAXWELL: And now on the 27th.
14 And then on the 30th, he brought him additional
15 documents. Is that correct?

16 NATE PAUL: An additional box,
17 correct.

18 DAVID MAXWELL: And that's also when
19 you allege that the draft of a subpoena was on the
20 30th. Right?

21 NATE PAUL: Not the draft. He -- in
22 his sworn testimony --

23 MARK PENLEY: Did he -- did --

24 DAVID MAXWELL: No. What about that
25 the subpoena that you showed me?

1 MICHAEL WYNNE: Yeah. There's a
2 letter dated that -- yeah.

3 DAVID MAXWELL: Letter on the 30th,
4 yes.

5 NATE PAUL: Okay. So --

6 MARK PENLEY: Let me slow down here,
7 Mr. Paul. Let me slow down. So you took the
8 deposition of Mr. Nebel?

9 NATE PAUL: Correct.

10 MARK PENLEY: And that's the manager
11 at Contigo?

12 NATE PAUL: He's the manager/owner.

13 MARK PENLEY: Did he produce documents
14 at the deposition?

15 NATE PAUL: Oh, yeah.

16 MARK PENLEY: Did he produce the
17 search warrant at the deposition?

18 NATE PAUL: He -- part of the
19 discovery is he did produce a search warrant.

20 MICHAEL WYNNE: Before the
21 deposition --

22 MARK PENLEY: Before.

23 MICHAEL WYNNE: -- yeah,
24 (unintelligible).

25 MARK PENLEY: Okay. This search

1 warrant that you produced --

2 NATE PAUL: Was emailed to him on 9-6.

3 MARK PENLEY: It was emailed to him on
4 9-6?

5 NATE PAUL: Correct.

6 MARK PENLEY: Where's the copy he
7 allegedly received on 8-16?

8 NATE PAUL: That wasn't part of what
9 was produced.

10 MARK PENLEY: He's never produced it?

11 NATE PAUL: No.

12 MARK PENLEY: Was he asked about that
13 in his deposition?

14 NATE PAUL: The only one he had was a
15 search warrant that was emailed to him at 11:48
16 from Preston Joy.

17 And the email says, "Attached are the
18 documents that we left -- that the FBI left behind
19 pursuant to a federal search warrant that was
20 executed." This is a very formal way.

21 And he sent him the search warrants
22 then, you know, Attachment A and B on the search
23 warrant. And from their production, that's the
24 only copy of the search warrant that we have in
25 production that he -- we received from them. He

1 didn't have a separate copy or a copy that he had
2 produced from that point in time.

3 MARK PENLEY: All right. Let me ask
4 this question again. And I'm not -- I'm not
5 arguing here.

6 NATE PAUL: I know.

7 MARK PENLEY: I'm playing devil's
8 advocate here.

9 MICHAEL WYNNE: Sure.

10 MARK PENLEY: Is it possible that the
11 FBI did -- we're saying they first did the search
12 on the 22nd of August. They didn't search
13 anything on the 16th. Is that right?

14 MICHAEL WYNNE: That appears to be
15 consistent with the testimony. They didn't search
16 anything on the 16th.

17 MARK PENLEY: They just delivered the
18 search warrant?

19 MICHAEL WYNNE: That's what Nebel
20 says.

21 MARK PENLEY: That's -- why would they
22 come out there and drop off the search warrant and
23 not do the search?

24 MICHAEL WYNNE: That's another
25 question.

1 NATE PAUL: When you think of that --

2 MICHAEL WYNNE: And I --

3 NATE PAUL: -- question on how that --

4 MICHAEL WYNNE: -- never got a good
5 answer.

6 MARK PENLEY: I mean, I've got an
7 answer, but it's just supposition.

8 NATE PAUL: It's not a good answer.

9 MARK PENLEY: Well, one agent ran out
10 there and said, "Hey, we're giving you a heads up.
11 We're going to search this place out."

12 MICHAEL WYNNE: Get your stuff ready?

13 MARK PENLEY: "Get your stuff ready.
14 I don't have a team of agents ready yet. I've got
15 to get a truck. I've got to get a group of
16 agents. I've got to get a photographer."

17 DAVID MAXWELL: I have searched --
18 I've searched -- I've had a search warrant where
19 we did that, where we went out there and we were
20 going to take everything.

21 And in negotiations with them, they
22 said, "Look, we'll get it all together. We don't
23 want you to take files that are not pertinent,"
24 you know, and so we waited and they did get all
25 the files together and give it to us rather than

1 us just taking it.

2 MICHAEL WYNNE: Exactly. That's what
3 I suspected and so I questioned this guy Nebel on
4 that for, what, about six hours every which way to
5 Sunday.

6 MARK PENLEY: Okay.

7 MICHAEL WYNNE: None of that occurred.

8 MARK PENLEY: So what did he say?
9 Walk me through his --

10 MICHAEL WYNNE: He said he got a copy.
11 He was served with a copy on the 16th.

12 "Was that by email or did somebody
13 drop me off -- drop it off?"

14 "Hmmm, Hmmm, Hmmm. Well, I don't
15 know."

16 NATE PAUL: I don't remember.

17 MICHAEL WYNNE: "I don't remember."

18 DAVID MAXWELL: I'm wondering -- and
19 this is speculation on my part -- if maybe they
20 gave him a grand jury subpoena, which was not a
21 search warrant, and then they came back with a
22 search warrant on the 22nd.

23 NATE PAUL: No. He -- so he testified
24 to that.

25 MICHAEL WYNNE: And it says the 16th.

1 NATE PAUL: No, but there -- but this
2 is a very important point.

3 MICHAEL WYNNE: Yeah.

4 NATE PAUL: He testifies under oath
5 that he had a grand jury subpoena after the search
6 warrant was over.

7 DAVID MAXWELL: Yeah. And that's
8 not --

9 MICHAEL WYNNE: Already he was --
10 (Simultaneous crosstalk)

11 NATE PAUL: He said -- he said he was
12 served with a grand jury subpoena on August 30th
13 after the search and seizures are completed, but
14 the -- you know, and the document with Alan Buie's
15 letter says August 30th, but the most troubling
16 part about that is the subpoena was never issued
17 until September 9th.

18 How do you issue -- how do you send
19 him a grand jury subpoena that doesn't exist? The
20 grand jury subpoena is dated September 9th --
21 September 9th to appear October 15th. So he
22 swears under oath that he received it August 30th.
23 He issued a document.

24 Alan Buie's letter says August 30th.
25 When you look at the grand jury subpoena, it says

1 September 9th. We're talking about a --

2 MICHAEL WYNNE: What form could it
3 possibly --

4 DAVID MAXWELL: Right. What I --
5 that's what I was asking about.

6 NATE PAUL: It's impossible to serve
7 a -- you know, just from an outstanding point,
8 back to false engagement of documents, on
9 August 30th you served him something that's future
10 dated for --

11 DAVID MAXWELL: But did he say in his
12 testimony that he received a copy of the search
13 warrant on the 16th?

14 NATE PAUL: Yes.

15 DAVID MAXWELL: Okay.

16 NATE PAUL: He said he received a copy
17 of the search and seizure on the 16th.

18 DAVID MAXWELL: Right.

19 NATE PAUL: He said he received a copy
20 of the grand jury subpoena --

21 DAVID MAXWELL: Oh, I understand all
22 that.

23 NATE PAUL: -- on August 30th and --

24 DAVID MAXWELL: I'm just --

25 NATE PAUL: -- and his pleadings

1 were --

2 DAVID MAXWELL: I'm just trying to
3 understand why did -- was he not able to produce
4 it then?

5 MICHAEL WYNNE: That's a good
6 question, yeah.

7 DAVID MAXWELL: If he received it on
8 the 16th, he's very clear that -- the difference
9 between a subpoena and a search warrant.

10 NATE PAUL: Yeah. He's going to be
11 their --

12 DAVID MAXWELL: Then why didn't -- was
13 he not able to produce that?

14 NATE PAUL: Because one didn't exist.

15 DAVID MAXWELL: Huh?

16 NATE PAUL: We believe it's because
17 one didn't exist. I know you say you don't
18 believe that there's any way to do it, but I --
19 my --

20 DAVID MAXWELL: My -- well, all right.
21 So why would he cooperate? That doesn't make any
22 sense.

23 NATE PAUL: Why would he cooperate
24 with them?

25 MICHAEL WYNNE: Well, why -- well,

1 he's got a subpoena to be --

2 DAVID MAXWELL: I know.

3 MICHAEL WYNNE: -- deposed in our case
4 because they violated --

5 DAVID MAXWELL: No, no, no.

6 MICHAEL WYNNE: -- the terms of the --

7 DAVID MAXWELL: I'm saying why would
8 he cooperate in the beginning and lie and say that
9 he received a search warrant on the 16th and they
10 executed it on the 22nd and on the 27th and then
11 on the 30th he took some additional? So why would
12 he lie about not having received a search warrant?

13 MICHAEL WYNNE: Well, we're getting
14 into those motive questions. I mean, we can -- we
15 can get into that because there are some questions
16 later and some correspondence suggesting and it
17 can have information to his former counsel that
18 there was a search warrant so someone has to -- so
19 that search warrant has to appear.

20 NATE PAUL: Yes.

21 MICHAEL WYNNE: So in the --

22 NATE PAUL: And there's an email.

23 MICHAEL WYNNE: -- 27, 28, 29, 30 when
24 he's trying to figure out what's going on with
25 Contigo, calls aren't getting returned, calls to

1 the agents --

2 NATE PAUL: Buie --

3 MICHAEL WYNNE: -- aren't getting
4 returned.

5 (Simultaneous crosstalk)

6 NATE PAUL: Buie won't get in -- Buie
7 won't call us --

8 MICHAEL WYNNE: Buie's traveling
9 somewhere or the other so there's --

10 NATE PAUL: But he's -- but he's --
11 he's traveling, but he's issuing grand jury
12 subpoenas. He is unavailable for 10 days.

13 MICHAEL WYNNE: So we're trying to
14 figure this out. And there is, of course -- well,
15 and there's the detection -- well, that we did
16 have -- from the agent, we did have a search
17 warrant.

18 So you've got to find the search
19 warrant or create a search warrant because you've
20 got an agent telling defense counsel at the time
21 there was a search warrant.

22 MARK PENLEY: Which agent?

23 MICHAEL WYNNE: That was Joy.

24 NATE PAUL: Preston Joy. So it --
25 another interesting fact. Rani Sabban never steps

1 foot on Contigo. His -- he signs everything and
2 he says -- I mean, all the -- it's him in the --
3 in --

4 DAVID MAXWELL: Is he also the affiant
5 on the search warrant?

6 NATE PAUL: Yes.

7 DAVID MAXWELL: All right. Affiant on
8 the search warrant who just signs the return
9 whether he's there or not.

10 NATE PAUL: Yeah.

11 DAVID MAXWELL: So that's -- that
12 doesn't make any difference.

13 NATE PAUL: Okay. But --

14 MICHAEL WYNNE: Well, sure. Taken in
15 isolation, we can say that about a lot of these,
16 and initially I did. Initially I had the same
17 skepticism and it took a while to get me to the
18 point where --

19 NATE PAUL: Well, one of the questions
20 I had is --

21 MICHAEL WYNNE: I can't figure it out.

22 NATE PAUL: So for all the officers
23 who --

24 MICHAEL WYNNE: Too many things.

25 NATE PAUL: So one question we had,

1 just kind of a clarification question, so officers
2 were doing investigations or searches and
3 everything else. Right?

4 So they have a state-issued phone.
5 Correct? They have a state-issued phone. Is it
6 the requirement that they use that phone for all
7 the business they're conducting?

8 MARK PENLEY: I know --

9 NATE PAUL: Well, for the reason --
10 well, the reason that plays into it is Rani Sabban
11 specifically is a state employee. After Jeremy
12 Stoler, one of my employees, calls Contigo to ask
13 about the invoice where we discovered the boxes
14 were taken, about an hour later he starts getting
15 two phone calls back to back from Rani Sabban.

16 We have the voicemails and the
17 timestamps and everything. Rani Sabban is
18 contacting this employee directly after he was
19 finding out, no, that's a bigger procedural
20 problem on that. He's represented by counsel.
21 They know that. They're not allowed to contact
22 our employees at that point.

23 I mean, this is many weeks after --
24 two weeks after the search. Right? That's a
25 problem, but -- not a problem for state law, but,

1 you know, a problem to ask anyway. And, of
2 course, as he does that, he asks him to return his
3 call and then provides his state-issued cellphone.

4 Well, in Contigo's deposition, in our
5 litigation with them, we have a copy of his phone
6 records that Rani Sabban only ever called him on
7 his personal cellphone with AT&T and he has many
8 phone calls back and forth with --

9 DAVID MAXWELL: That doesn't -- that
10 doesn't mean anything. I mix my two phones. I
11 mix them. Sometimes I use my state. Sometimes I
12 use my personal. That doesn't -- that doesn't
13 mean anything.

14 But what you're asking us to believe
15 is this. You're asking us to believe that someone
16 you paid good money to to store and protect your
17 documents, a fellow magistrate, the AUSA, the FBI,
18 DPS and a task force officer all conspired to
19 falsify documents to commit searches on you and
20 your person, your property, your house for what
21 reason?

22 NATE PAUL: That's what -- that -- you
23 know --

24 DAVID MAXWELL: What -- tell me --
25 tell me why you're such a big fish.

1 NATE PAUL: I don't know.

2 DAVID MAXWELL: I mean, what crimes
3 have you committed that --

4 NATE PAUL: I'm wondering --

5 DAVID MAXWELL: -- all these people
6 are going to --

7 NATE PAUL: I'm wondering what the --

8 DAVID MAXWELL: -- come after you like
9 that?

10 NATE PAUL: Well, I'm wondering why
11 they have such an interest. Right? That's --

12 DAVID MAXWELL: Yeah.

13 NATE PAUL: That's for them to say,
14 not for me.

15 DAVID MAXWELL: I mean, do you
16 understand where I'm going with this?

17 NATE PAUL: No, not really.

18 DAVID MAXWELL: You might -- all
19 right. Well, you might have -- you might have
20 somebody that makes a mistake and tries to cover
21 it up, but you're trying to say that everybody
22 involved in this investigation has lied and
23 falsified evidence in order to conduct an
24 investigation on you.

25 NATE PAUL: Yeah. I --

1 DAVID MAXWELL: That's not very
2 plausible.

3 MICHAEL WYNNE: I hear what you're
4 saying and I have similar skepticism. All right?
5 Because I've heard that before. I heard it as an
6 AUSA. I heard it from past claims, a lot of white
7 collar past claims.

8 And I don't think that you're going to
9 have this collection of people sometime in the
10 early summer of 2019 sitting around saying that
11 Nate Paul, he looks different from the rest of us.
12 He's young.

13 How the hell did he get this much
14 money this young? He must have done something.
15 He must have done something. And let's concoct
16 this thing to do it. That ain't what happened.
17 That ain't what happened.

18 What happened is they had some
19 information and they went in and they came out,
20 you know, we have some evidence alleged, maybe
21 financial fraud, something like that. We're going
22 to go in and we're going to find a bunch of drugs
23 and money and guns, and that's going to be what we
24 see in plain sight and that's going to be what
25 we'll be looking for.

1 NATE PAUL: That's what --

2 MICHAEL WYNNE: We're going to get it
3 in plain sight. We're going to get in his house.
4 We're going to get in the office and we're going
5 to ask the African-American woman, "Hey, you're
6 doing something over on the drug side."

7 All right. So that was their mindset.
8 That's where you're going to get close to that
9 agent going into the house. No other reason.

10 DAVID MAXWELL: Are you saying
11 that this is an OCDETF case?

12 MICHAEL WYNNE: No. You're pulling
13 people from the task force in.

14 DAVID MAXWELL: Yeah.

15 MICHAEL WYNNE: This could be the task
16 force. I mean, you pull people from all over the
17 place --

18 DAVID MAXWELL: Well, I know.

19 MICHAEL WYNNE: -- all over the place,
20 all over the place, and especially if you're
21 looking for something like that. So I don't think
22 that he was set up in that fashion.

23 I do think they may have had some
24 misinformation suggesting that you can use a
25 financial something or the other because you had

1 to have at least a body or the text of these
2 search warrants beforehand. You didn't go in just
3 flat out blind.

4 You changed them at 11:00 o'clock and
5 you changed them for some reason because the
6 predicate for the original search has changed.
7 Something has gone wrong. What, I sure wish I
8 knew, but the metadata doesn't tell that.

9 So what you have afterwards -- what
10 you have afterwards, there's no expectation that
11 somebody like this is going to dig in to every
12 little detail obsessively. This guy's a
13 complete -- I'm getting emails at 3:00 a.m.
14 You're not expecting that.

15 So what you have is a bunch of stuff
16 you think is just going to go away. Right? Or
17 it's not going to be discovered. Or if it is
18 discovered, the case is eventually charged and
19 you're going to take it all to Nate Scotty.

20 So I don't think there was a big
21 meeting of minds and a conspiracy. What you had
22 is a series of events and reactions to those
23 events. And certainly you would say, "Shit, man,
24 I missed the ceiling date here. What am I gonna
25 do? I missed it by five days. I'm going to do

1 something else. I'm going to just -- I'm going to
2 get over and I'm going to extend the ceiling even
3 though it's five days later." Or I -- "gosh, my
4 MSJ was just intent. Put a motion in order to
5 seal the original search warrant. Let's do that
6 afterwards."

7 DAVID MAXWELL: I also see you have a
8 partial unsealing document.

9 MICHAEL WYNNE: See, that -- there's
10 a -- there's an interesting --

11 DAVID MAXWELL: The first part --

12 MICHAEL WYNNE: -- story to all that.

13 NATE PAUL: No. I think he's talking
14 about --

15 MICHAEL WYNNE: But I don't think it
16 was some evil vindictive conspiracy. I think it
17 was a freaking comedy of errors to a --

18 MARK PENLEY: It was a series of
19 mistakes and --

20 MICHAEL WYNNE: A comedy of errors and
21 then trying to cover --

22 MARK PENLEY: And you're --

23 MICHAEL WYNNE: -- your mistakes --

24 MARK PENLEY: -- trying to backfill.

25 MICHAEL WYNNE: -- to protect your

1 freaking career, and you do that in the clerk's
2 office. And you've got a magistrate who doesn't
3 want to admit he didn't read the stuff and he
4 didn't pay attention.

5 And Mark Lane has an impeccable
6 recommendation -- reputation. I have a lot of
7 respect for him. But you put six search warrants
8 on my desk on Monday, I'm not going to notice that
9 the driver's license for Nate and Sheena are the
10 same, the same number.

11 I'm not going to notice all -- all
12 sorts of other things. And if I as a -- if -- had
13 one of my agents gone in there or filing them in
14 there, as they do early on, to Magistrate Calvin
15 Botley, Mary Veloitte, someone like that, even
16 Fresser out of Galveston, my ass would have been
17 chewed out.

18 And so the magistrate's, "Goddamn,
19 shit. Well, I don't have the originals because --
20 I don't want to admit that I let this one fly by
21 without actually reading it."

22 So no, I don't think there's a
23 conspiracy. And then you've got the -- you've
24 got -- you've got a clerk having to enter things
25 in to the docket, and there's irregularities in

1 the docket because usually you'll have
2 something -- we'll show it to you later -- where
3 if you --

4 NATE PAUL: That's --

5 MICHAEL WYNNE: -- have an order --
6 you have an order, you have a hyperlink to the
7 motion, well, for one of these you don't. You
8 have it in parentheses. You don't have the
9 hyperlink.

10 So we can break down the docket sheet,
11 too, and show you some other things that look
12 bizarre. Now, there may be another explanation.
13 I wish -- and there may be. There very well
14 may -- I would love to see -- personally I would
15 love to see another explanation.

16 For the integrity of the job I used to
17 have, all that, yes, I sure would love it.
18 Please, dear God, have another explanation. I
19 don't know.

20 MARK PENLEY: Well, I think Step 1 for
21 us is to see if we can find any proof that a
22 document's been altered.

23 MICHAEL WYNNE: Sure.

24 MARK PENLEY: Okay? And I understand
25 that you believe they have. We hear you.

1 MICHAEL WYNNE: I don't want to
2 believe this. I don't want to.

3 MARK PENLEY: No. And I'll just --
4 I'll take it as a working assumption for today's
5 purposes that maybe someone was making mistakes on
6 handling paperwork and that people got sloppy.
7 And I understand you disagree with that, but --

8 NATE PAUL: You do, too, right,
9 based --

10 MARK PENLEY: But I --

11 NATE PAUL: -- on what I've seen.

12 MARK PENLEY: But I think what we've
13 got jurisdiction over is did someone alter a
14 document? If somebody made a false statement on a
15 document, to me that's a federal court issue.
16 That's an issue, if any case ever comes about,
17 that you would take up in such a case.

18 MICHAEL WYNNE: That's a Leon issue in
19 the search warrant.

20 MARK PENLEY: Right, yeah.

21 MICHAEL WYNNE: You look at it. It's
22 a false statement. You exercise that option if
23 there's still probable cause.

24 MARK PENLEY: Yeah.

25 MICHAEL WYNNE: That's different.

1 These are the recordkeeping system, the docket
2 system. We're beyond the Leon inquiry.

3 MARK PENLEY: Well, no, but I'm saying
4 even if a docket clerk over at the clerk's office
5 made mistakes or didn't follow procedure, that --
6 that's not us.

7 NATE PAUL: Yeah.

8 MARK PENLEY: That's not our
9 territory.

10 NATE PAUL: You're saying if they
11 knowingly --

12 MARK PENLEY: That's the federal
13 courts --

14 NATE PAUL: -- altered the documents,
15 that's intuitive but --

16 DAVID MAXWELL: Go ahead and change
17 me --

18 MARK PENLEY: I mean --

19 DAVID MAXWELL: -- once they align.

20 MARK PENLEY: Michael, what I'm trying
21 to do, I'm not trying to be argumentative.

22 MICHAEL WYNNE: No.

23 MARK PENLEY: And I'm listening.

24 MICHAEL WYNNE: Well, I appreciate it.

25 MARK PENLEY: I'm listening.

1 MICHAEL WYNNE: I really appreciate
2 it.

3 MARK PENLEY: I'm listening. This
4 is -- this is complicated, it really is. I mean,
5 our job -- you know this. You -- you've done
6 this. You and I have both done this.

7 Our job's to find the truth. I'm not
8 here -- I'm saying this for Mr. Paul's benefit.
9 And I'm not -- I'm not trying to argue with you at
10 all.

11 NATE PAUL: I appreciate it.

12 MARK PENLEY: I'm just trying to let
13 you know we've got boundaries. Our boundaries are
14 from the state law book.

15 NATE PAUL: Correct.

16 MARK PENLEY: You know, there's a
17 different book for the federal courts.

18 NATE PAUL: Yes, sir.

19 MARK PENLEY: And so our job is not to
20 referee the federal courts on how they administer
21 their process and procedure.

22 If someone, as you correctly said,
23 Michael, altered a document, you know, signed by a
24 federal judge, they altered it -- they -- in a --
25 in a material way, then that's arguably covered by

1 state law.

2 MICHAEL WYNNE: That's what this is.

3 MARK PENLEY: And that's -- and that's
4 what -- that's what we're trying to sort through
5 here.

6 NATE PAUL: I appreciate that. And,
7 look, we appreciate it from that perspective.
8 Right? When it -- when it comes into -- into your
9 question of was it that they -- that's the first
10 question I asked is, what is it you're looking
11 for?

12 What is -- what is -- what's the
13 problem? They have no answer to that question in
14 a year. The -- when we finally got moved --

15 DAVID MAXWELL: They're not going to
16 answer that because you're under investigation.

17 NATE PAUL: Well, but attachment --

18 DAVID MAXWELL: They're not going to
19 answer that question.

20 NATE PAUL: Well, Attachment A and B,
21 it talks about the documents and electronic
22 devices, you name it. Then why are you coming,
23 asking, you know, where drugs and cash and guns
24 and -- for hours and hours on end? That was
25 obviously a bizarre procedural.

1 DAVID MAXWELL: Yeah.

2 NATE PAUL: But back to --

3 DAVID MAXWELL: Right.

4 MARK PENLEY: Yeah.

5 NATE PAUL: Every one of these is
6 important. Right?

7 MARK PENLEY: So which page are we on?
8 Key discussion points?

9 NATE PAUL: Yeah. We'll go -- we'll
10 go to that one next after --

11 MICHAEL WYNNE: Did we go to Contigo?

12 MARK PENLEY: Did we do all the
13 Contigo? Did we do all --

14 MICHAEL WYNNE: Contigo metadata.

15 NATE PAUL: The Contigo metadata, the
16 search warrant was created on 11:24 -- at
17 11:24 a.m.

18 MARK PENLEY: On 9-6.

19 NATE PAUL: 9-6, correct. One of the
20 reasons I think --

21 MARK PENLEY: Well, let me -- let me
22 ask you a question. Okay. How do you know Judge
23 Lane issued that search warrant on August 16th?

24 NATE PAUL: We don't think he did.

25 MARK PENLEY: You don't think he did?

1 Is there -- when you did your motion and had your
2 hearing, did you get a copy from the clerk's
3 office of the 8-16 search warrant for Contigo?

4 MICHAEL WYNNE: We got a copy, but the
5 header on top that -- was printed on the 20 --
6 that was printed on, what, September 5th?

7 NATE PAUL: That was correct.

8 MARK PENLEY: What is --

9 DAVID MAXWELL: But it's in your -- in
10 your --

11 MARK PENLEY: What's the judge's
12 signature blank say?

13 NATE PAUL: The 16th. Right?

14 MICHAEL WYNNE: Uh-huh.

15 DAVID MAXWELL: It says it's based on
16 the search warrant produced. The search warrant
17 was signed on August 16th at 1:30 p.m.

18 MARK PENLEY: So you -- you've got
19 Judge Lane's signature dated 8-16 on the Contigo
20 search warrant. The printer, the header at the
21 top from the clerk's office says 9-5.

22 NATE PAUL: Filed 9-5.

23 MARK PENLEY: Filed 9-5.

24 NATE PAUL: With a return.

25 MARK PENLEY: Okay. Well --

1 NATE PAUL: And where this will play
2 in is --

3 MICHAEL WYNNE: Which is why I wanted
4 to see the wet signature and compare with what I
5 got.

6 MARK PENLEY: Right.

7 NATE PAUL: But one part over here
8 that's I think an important aspect of this,
9 there's a lot to be learned by getting this in,
10 which, you know, is kind of difficult.

11 We can't do it, obviously, but -- from
12 that standpoint, but looking in the Pacer system.
13 We've got a lot of things we can't go change
14 there. When was something actually put in? When
15 does something actually change, because one of the
16 parts that you'll claim to hear, the key person in
17 this is Judge Lane's clerk.

18 MARK PENLEY: Well, let me ask you
19 this, Michael. Hypothetically speaking, okay,
20 would one way to resolve this question -- I'm
21 not -- I'm not -- I'm not denying anything.
22 Everything you're presenting I'm listening to.

23 In my mind, I'm thinking, what's the
24 source document? Somewhere in my experience in a
25 federal district clerk's office there is a source

1 document. There is an original search warrant in
2 some form.

3 I don't know what the Austin federal
4 clerk's office does. I don't know if they scan
5 the paper as soon as the judge signs it and then
6 they destroy the paper copy or they keep the paper
7 copy back in the back storeroom somewhere or some
8 offsite storage.

9 They've got the original somewhere and
10 then they've got their scanned version and then
11 that what -- that's what people are going to work
12 off of in the future.

13 NATE PAUL: Right.

14 MARK PENLEY: Because they've got to
15 have that even though it's under seal right now.
16 But you've got it partially unsealed for purposes
17 of your hearing --

18 MICHAEL WYNNE: Right.

19 MARK PENLEY: -- in that order. So
20 there is a scanned copy for all of these based on
21 your hearing?

22 MICHAEL WYNNE: Just --

23 MARK PENLEY: Did you get copies or
24 alleged copies of all six search warrants?

25 NATE PAUL: Yes.

1 MICHAEL WYNNE: Or -- to all seven on
2 the 28th at close to 4:00 o'clock p.m., but they
3 were the copies that were attached to the returns.

4 MARK PENLEY: Got it. Got it. Okay.
5 All right. So that's --

6 NATE PAUL: So we don't have them.

7 MARK PENLEY: Well, okay. So let
8 me -- I'm just working through this real slowly
9 here. So you've got copies that were filed with
10 the returns executed.

11 MICHAEL WYNNE: Right.

12 MARK PENLEY: Okay. As Rule 41-F --

13 MICHAEL WYNNE: F.

14 MARK PENLEY: -- executing the return
15 the warrant requires.

16 NATE PAUL: Yeah.

17 MARK PENLEY: And which requires that
18 you be given a copy of the inventory, but you've
19 got copies of the warrant itself and the return
20 and the inventory --

21 MICHAEL WYNNE: Yes.

22 MARK PENLEY: -- on February 28th of
23 this year.

24 MICHAEL WYNNE: Which was all
25 attached. Right? I don't have the -- and I would

1 like to compare that to the wet signature,
2 wherever in the world that is.

3 MARK PENLEY: Right. And so what I'm
4 saying is what you didn't get was the copy that
5 was signed by the judge on August 12th.

6 MICHAEL WYNNE: Correct.

7 MARK PENLEY: So think of it as two
8 book ends. There should be two sets of documents
9 or at least the initial document, which is
10 incomplete, because it's signed on August 12th and
11 it's awaiting a return. But that version arguably
12 should have been scanned and in a clerk's system
13 somewhere --

14 MICHAEL WYNNE: Right.

15 MARK PENLEY: -- the August 12th
16 version --

17 MICHAEL WYNNE: Right.

18 MARK PENLEY: -- of the search
19 warrant.

20 And then on the 23rd, they come back
21 and Sabban signs and said, "We executed on the
22 14th and we left a copy of the inventory," blah,
23 blah, blah. "Here's my signed return," and that's
24 filed on the 23rd, the first three.

25 MICHAEL WYNNE: First six.

1 NATE PAUL: First three.

2 MICHAEL WYNNE: Oh, for the first
3 three, yeah.

4 MARK PENLEY: Yeah.

5 MICHAEL WYNNE: The first three. The
6 return --

7 MARK PENLEY: 4, 5 and 6 weren't
8 executed.

9 MICHAEL WYNNE: The -- the 12th, you
10 get the signed all six.

11 MARK PENLEY: Right. That's right.
12 So the three -- the first three that were
13 executed, signed on the 12th initially by Judge
14 Lane. The search warrant -- so the search
15 warrant's issued on the 12th.

16 There should be a copy. Somewhere in
17 the federal district clerk's office system, there
18 should be a paper copy somewhere and there
19 certainly should be a scanned copy that the court
20 is working off of.

21 MICHAEL WYNNE: That's exactly what I
22 said on the phone and the clerk's office said
23 4:00 o'clock on Friday, February 28th, 2020,
24 almost to the word.

25 NATE PAUL: Well, no. These are very

1 important.

2 MICHAEL WYNNE: Almost to the word.

3 MARK PENLEY: And she said, "You have
4 to call and talk to the judge"?

5 MICHAEL WYNNE: She called the
6 judge --

7 MARK PENLEY: Yeah.

8 MICHAEL WYNNE: -- hands me the phone
9 and --

10 MARK PENLEY: So she never --

11 MICHAEL WYNNE: -- put it on
12 speaker --

13 MARK PENLEY: She never answered?

14 MICHAEL WYNNE: -- and he freaking
15 blasted me.

16 NATE PAUL: And she was smiling as
17 ever.

18 MICHAEL WYNNE: Just blasted me.

19 MARK PENLEY: So she never answered
20 you. Right?

21 MICHAEL WYNNE: And he says, "You
22 should be happy to get what you get, Mr. Wynne,
23 and next time be" -- I tried to explain that --

24 NATE PAUL: Michael, just one --

25 MICHAEL WYNNE: -- very process.

1 NATE PAUL: There's one important part
2 you hasn't been said yet. It's very important.
3 When we started realizing how many irregularities
4 there were --

5 MARK PENLEY: Right.

6 NATE PAUL: -- we contacted Buie,
7 said, "What are the terms on getting this" --

8 MICHAEL WYNNE: This predates all of
9 this. This is way earlier.

10 NATE PAUL: I said, "There's some
11 things that are very off, just very, you know,
12 strange. Just as a matter of process, if there's
13 nothing wrong, do you oppose a motion for us to
14 get access to the judicial records, actuals,
15 directly from the court?"

16 He said, "I'm not -- I'm unopposed."

17 So we file a motion, unopposed, on
18 October 4th, 2019, way before all this.

19 MARK PENLEY: Wow. That's a long time
20 before February.

21 NATE PAUL: Yeah. So October 4th,
22 yeah, and it's an unopposed motion. Normally it
23 gets filed and the judge is going to turn that
24 quickly just because it's unopposed.

25 MARK PENLEY: Right.

1 NATE PAUL: He'll say sure.

2 MARK PENLEY: Right.

3 NATE PAUL: It was very bizarre that
4 from the outside, right, we -- the clerk's story
5 kept changing. It was very off. We have a
6 history of all these emails, everything from
7 counsel to her, just back to how this whole story
8 plays out.

9 And, you know, she was evasive about
10 it and it was getting to the point that it was
11 like -- the attorneys are, like, "What's really
12 going on, you know? What's the problem? It's an
13 unopposed motion."

14 Well, what we come to find out in
15 February was that it was filed on October 4th but
16 for some reason in their system our motion was
17 filed again on October 17th, which is bizarre.
18 Right? Why would they refile it again?

19 But, most importantly, when we finally
20 got a copy of it signed by the judge supposedly
21 that gave us access to the judicial records, one
22 of our counsel -- we have an affidavit from
23 this -- Gerry Morris -- he was here early -- he
24 went down to the courthouse to retrieve the
25 documents, and those documents he received were

1 not the actual judicial records.

2 October 21st, when he walks in, this
3 clerk, who had kind of (unintelligible), handed
4 him a manila envelope with, "Here's the copies of
5 the records."

6 He said, "Okay. It's already premade
7 so I'm not going to print them off in their
8 system."

9 Gerry comes back and scans them in to
10 us. And we said, "These are not" -- and they only
11 included 1, 2 and 3. 4, 5 and 6 were never in
12 there. We didn't learn about 4, 5 and 6 until
13 February.

14 MARK PENLEY: Did 1, 2 and 3 match
15 what was emailed by Alan Buie to your counsel?

16 NATE PAUL: No. Well, one more
17 important part was the ones that Gerry obtained
18 had no header so there's no Pacer number. That's
19 all been cleared out. You can't see it. And the
20 one -- the email from Alan Buie also had this
21 taken out.

22 DAVID MAXWELL: But 4, 5 and 6 were
23 executed. Right?

24 NATE PAUL: No, they weren't. You
25 know, they were not executed.

1 DAVID MAXWELL: Well, they wouldn't be
2 in the clerk's office.

3 NATE PAUL: No. The clerk's office,
4 they gave them to us afterwards.

5 DAVID MAXWELL: They did?

6 NATE PAUL: Yes, sir.

7 MICHAEL WYNNE: They've been filed.
8 They've been filed --

9 DAVID MAXWELL: They've been filed --

10 MICHAEL WYNNE: -- to the --

11 DAVID MAXWELL: -- but they just were
12 never executed.

13 NATE PAUL: And they were returned and
14 executed. So whenever we went back and
15 said, "Hey, we need to have the files," we ended
16 up getting those in February. So it's kind of
17 like who made the discretion decision of saying
18 which ones to give to us or not?

19 MARK PENLEY: Which ones did you get
20 in February for the first time? 4, 5 and 6?

21 NATE PAUL: 4, 5 and 6.

22 MARK PENLEY: And they were returned
23 unexecuted on September 5th?

24 NATE PAUL: Correct.

25 MARK PENLEY: And that's a notation on

1 the document?

2 NATE PAUL: Correct.

3 MARK PENLEY: Okay.

4 NATE PAUL: So those are -- those
5 are --

6 MARK PENLEY: So we don't have any --
7 you don't have any claim that those were altered,
8 do you?

9 NATE PAUL: On 4, 5 and 6?

10 MARK PENLEY: Yeah.

11 NATE PAUL: There's one big question
12 mark. On the docket -- if all six of these were
13 assigned at the same time and approved at the same
14 time, we should be able to punch them out, all of
15 the same things.

16 Well, the docket -- well, first of
17 all, those are the source documents. Right? All
18 these search warrants are stamped by the same
19 clerk, initials JF. They're input JF. 4, 5 and 6
20 are different on the docket. It appears that they
21 have been changed because the stamp says JF but on
22 just those ones VS is there.

23 That's the docket clerk who's made an
24 entry there. That's Veronica Sofiavera then.
25 That's Lane's deputy -- courtroom deputy, his

1 number two. She's there as the one who's edited
2 those ones, but she's not the signature. All the
3 stamps all say JF, but just on those they're
4 different.

5 DAVID MAXWELL: Maybe because they
6 weren't served. That would be -- you have to find
7 out what the protocol is in their office about
8 that. The regular clerk probably couldn't do
9 that.

10 NATE PAUL: But them being served,
11 those are input whenever they're approved by the
12 judge. They have in their date entered as
13 8:12 a.m. -- you know, 8:00 to -- 8:00 --
14 between --

15 DAVID MAXWELL: I'd still like to
16 clear one thing up on Contigo. The warrant that
17 you have was issued on the 16th and the owner says
18 he was served with the warrant on the 16th.
19 Right?

20 NATE PAUL: Yeah.

21 DAVID MAXWELL: They just couldn't
22 produce it?

23 NATE PAUL: Correct.

24 DAVID MAXWELL: Okay. So that's
25 consistent, but the warrant was issued -- signed

1 and issued on the 16th. So we know one existed.

2 NATE PAUL: We don't know one existed.

3 That's what they say.

4 DAVID MAXWELL: Huh?

5 NATE PAUL: We don't know one exists.

6 That's what they're saying.

7 DAVID MAXWELL: Well --

8 MARK PENLEY: We have them in a
9 time-out.

10 DAVID MAXWELL: That is what the
11 court's -- the court's saying there is one. You
12 got a copy of it.

13 MARK PENLEY: Did the court give you
14 this --

15 DAVID MAXWELL: And the owner says
16 he --

17 MARK PENLEY: -- the 16th version?
18 Did you get the 8-16 search warrant --

19 NATE PAUL: Yes.

20 MARK PENLEY: -- ultimately from the
21 court.

22 MICHAEL WYNNE: Ultimately --

23 NATE PAUL: Yes.

24 MARK PENLEY: When?

25 MICHAEL WYNNE: The 23rd at the top.

1 What we do know is that there's a document with
2 that on it. And what we also do is we have the
3 metadata here that indicates something was created
4 and/or changed on the 5th --

5 MARK PENLEY: Right, or the 6th.

6 MICHAEL WYNNE: -- of September.

7 MARK PENLEY: Right. No. I get that.
8 No, I'm not -- I'm not challenging the metadata
9 argument at this point. What I'm saying is the
10 data point, Judge Lane did --

11 MICHAEL WYNNE: Sign it.

12 MARK PENLEY: Based on what the paper
13 trail shows, he did sign a search warrant --

14 MICHAEL WYNNE: Yeah. I mean --

15 MARK PENLEY: -- on the 16th --

16 MICHAEL WYNNE: It's on --

17 MARK PENLEY: -- for Contigo.

18 MICHAEL WYNNE: It's right here --

19 MARK PENLEY: Okay.

20 MICHAEL WYNNE: -- on the 16th.

21 DAVID MAXWELL: Which would be
22 consistent with him giving the owner of the
23 storage place a search warrant even though he
24 didn't produce it to you.

25 MICHAEL WYNNE: Right.

1 NATE PAUL: Right.

2 MARK PENLEY: So it's --

3 DAVID MAXWELL: So it's consistent.

4 MARK PENLEY: It was possible they
5 came out showing the search warrant later in the
6 afternoon after 1:30. I think that was signed at
7 1:30, yeah, and said, "Hey, we just got a search
8 warrant for Unit" --

9 DAVID MAXWELL: "Get all your
10 stuff together."

11 MARK PENLEY: -- "1, 2, 3. Get this
12 stuff together. I'm going to get my search team.
13 I'll be back next week. I'll call you."

14 DAVID MAXWELL: "And we'll come pick
15 it all up."

16 MICHAEL WYNNE: That's possible.

17 MARK PENLEY: And so then we get into,
18 you know, they searched on the 22nd. They got a
19 bunch of boxes, then he hauls some more boxes
20 down, then hauls one more box down.

21 DAVID MAXWELL: Didn't they advise him
22 not to contact you?

23 NATE PAUL: Yes, they did.

24 DAVID MAXWELL: Okay. Well, that's
25 also consistent because that's what he's supposed

1 to do, not contact you. It's a search warrant.

2 NATE PAUL: What's that? That's
3 not --

4 MICHAEL WYNNE: But all that would
5 have come out during the deposition.

6 NATE PAUL: Well, wait a second,
7 Michael. But is that correct?

8 MICHAEL WYNNE: What's that?

9 DAVID MAXWELL: Yes.

10 NATE PAUL: He's not allowed --

11 DAVID MAXWELL: It's sealed.

12 NATE PAUL: -- to contact me?

13 DAVID MAXWELL: The search warrant is
14 sealed.

15 NATE PAUL: It's not a gag order.

16 MICHAEL WYNNE: There's no gag -- no.

17 NATE PAUL: There's a protection
18 against --

19 MICHAEL WYNNE: Correct. No.

20 NATE PAUL: You can't restrict him
21 from calling me. He -- that search warrant does
22 not restrict him from notifying us.

23 In fact, the reason why he lost the
24 arbitration with us in litigation is because he
25 has an obligation to contact us if they ever are

1 served with a subpoena or a search warrant or
2 anything, which he neglected to do and never did.
3 That goes into just Texas Penal Code, theft,
4 right, which is just stealing our documents. It's
5 a --

6 DAVID MAXWELL: It says right here
7 that there's --

8 (Simultaneous crosstalk)

9 MARK PENLEY: Do you have any --

10 DAVID MAXWELL: -- a partial --

11 MARK PENLEY: -- (unintelligible)

12 subpoena?

13 DAVID MAXWELL: -- unsealed order.

14 NATE PAUL: That's what the document
15 partial unsealed order is.

16 MICHAEL WYNNE: The subpoenaed is
17 dated August -- well, the transaction letter is
18 dated August 30th.

19 MARK PENLEY: 30th. Okay.

20 MICHAEL WYNNE: Nebel said he received
21 it August 30th. The subpoena itself was issued
22 under the authority of the grand jury on
23 September 9th.

24 DAVID MAXWELL: Weren't these --

25 MICHAEL WYNNE: It was grand jury

1 19-4.

2 DAVID MAXWELL: Weren't all of these
3 search warrants sealed?

4 MARK PENLEY: They were issued and --

5 NATE PAUL: What's that?

6 (Simultaneous crosstalk)

7 MARK PENLEY: -- they were based on --

8 DAVID MAXWELL: Were all the search
9 warrants sealed?

10 MARK PENLEY: -- the file-stamp --

11 MICHAEL WYNNE: No.

12 MARK PENLEY: -- or the grand jury
13 foreman's signature.

14 DAVID MAXWELL: You've seen the --

15 MICHAEL WYNNE: Okay. That's stuff
16 like that.

17 MARK PENLEY: The subpoena was issued
18 on --

19 DAVID MAXWELL: You do that in civil
20 court.

21 MARK PENLEY: I'm not --

22 DAVID MAXWELL: I'm talking about
23 criminal court.

24 MARK PENLEY: But how do you -- how do
25 you transmit a subpoena on the 30th --

1 NATE PAUL: That doesn't say.

2 MARK PENLEY: -- instead of 9-9?

3 NATE PAUL: No explanation.

4 MICHAEL WYNNE: That's a real good
5 question. You're giving somebody a heads up. I
6 don't know. The grand jury is going to issue a
7 subpoena.

8 MARK PENLEY: Did the transmission
9 letter say, "Attached is the subpoena"?

10 MICHAEL WYNNE: Oh, yes.

11 MARK PENLEY: "Enclosed is the
12 subpoena"?

13 MICHAEL WYNNE: Respond by, what was
14 it, October 15th?

15 MARK PENLEY: And is -- the subpoena,
16 is it dated, the copy?

17 Show me the copy that was transmitted
18 with the August 30th letter.

19 MICHAEL WYNNE: He's got it right
20 there.

21 MARK PENLEY: Because I'm really --

22 DAVID MAXWELL: Yeah.

23 MARK PENLEY: -- wrestling with that
24 one.

25 NATE PAUL: That one's the -- there's

1 no --

2 DAVID MAXWELL: Abstract.

3 NATE PAUL: There's no explanation for
4 that one. Yeah.

5 MICHAEL WYNNE: He can pull it up
6 here. I'm not sure I have the hard copy.

7 DAVID MAXWELL: Well, y'all were
8 claiming y'all had the hard copy last time.

9 MICHAEL WYNNE: I might. I might.

10 DAVID MAXWELL: You should have it.

11 MICHAEL WYNNE: I might. I might.

12 There's a lot of paper in here.

13 NATE PAUL: Here's the letter.

14 MICHAEL WYNNE: On Buie?

15 MARK PENLEY: On Buie --

16 MICHAEL WYNNE: That's to --

17 MARK PENLEY: -- August 30th, so

18 Contigo.

19 NATE PAUL: Yeah. So then here's the
20 letter from Buie to Contigo, August 30th.

21 And this says, "Pursuant to an
22 official (unintelligible), will be conducted by
23 the district attorney, FBI, expressly that your
24 company furnish by October 15th the records
25 requested in the enclosed subpoena. You're

1 requested not to disclose the existence of the
2 subpoena and this disclosure could be
3 (unintelligible)."

4 Yeah, this is on the 17th. Or sorry.
5 This is on --

6 MARK PENLEY: Okay. It says, "You're
7 requested not to disclose."

8 Okay. Question. Is it possible that
9 there were two grand jury subpoenas for -- they
10 had Contigo and the 9-9 one was the second one and
11 there was an earlier one that --

12 NATE PAUL: We did all --

13 MARK PENLEY: -- he didn't produce?

14 NATE PAUL: We did it all in the
15 testimony. He said --

16 MARK PENLEY: You went over all that?

17 MICHAEL WYNNE: All of it --

18 NATE PAUL: Yeah.

19 MICHAEL WYNNE: -- painfully.

20 MARK PENLEY: Painfully. Okay.

21 NATE PAUL: So here's the August --
22 here's the August 30th letter and here's the
23 enclosed subpoena.

24 MARK PENLEY: Okay.

25 NATE PAUL: So the enclosed subpoena

1 is 9-9-2019. So obviously a subpoena can't
2 exist -- a genuine subpoena can't exist on
3 August 30th. This is dated 9-9.

4 DAVID MAXWELL: But he said he
5 received it on --

6 NATE PAUL: August 30th.

7 DAVID MAXWELL: -- on August 30th.

8 NATE PAUL: Correct.

9 DAVID MAXWELL: Well, did he receive
10 this?

11 NATE PAUL: Yes.

12 MICHAEL WYNNE: Yes.

13 DAVID MAXWELL: Well, then obviously
14 he -- 9-9 hasn't occurred yet.

15 MICHAEL WYNNE: Right.

16 DAVID MAXWELL: So that's a mistake.

17 MICHAEL WYNNE: Yeah.

18 DAVID MAXWELL: I mean, that's a
19 mistake.

20 MICHAEL WYNNE: No. It's a puzzle.

21 DAVID MAXWELL: But that's not --

22 MICHAEL WYNNE: It's a puzzle.

23 DAVID MAXWELL: Well, no. I mean,
24 if --

25 MARK PENLEY: Can you go back down

1 just -- is there anything --

2 DAVID MAXWELL: If this document --

3 MARK PENLEY: -- (unintelligible) in
4 there?

5 DAVID MAXWELL: -- was sent to
6 Michael -- if this document was sent to him on the
7 30th, it existed on the 30th even though the date
8 was wrong.

9 MARK PENLEY: The -- sure, the
10 document existed.

11 DAVID MAXWELL: The document existed
12 on the 30th. You sent it to him. The date's
13 wrong.

14 MICHAEL WYNNE: But it wasn't locked
15 into by the grand jury foreperson at that time
16 because the grand jury foreperson had not issued
17 it because it was at the end of the night. I
18 mean --

19 MARK PENLEY: I mean, that's --

20 MICHAEL WYNNE: -- it's a puzzle.

21 I --

22 MARK PENLEY: Yeah. No.

23 MICHAEL WYNNE: I don't know. You
24 tell me.

25 MARK PENLEY: That's what -- that's

1 what -- that's what David and I are saying.

2 MICHAEL WYNNE: Yeah.

3 MARK PENLEY: I mean, again, we're not
4 discounting --

5 MICHAEL WYNNE: Sure.

6 MARK PENLEY: -- but why would
7 somebody fake a grand jury subpoena?

8 NATE PAUL: To cover their tracks for
9 legal standing.

10 MARK PENLEY: I can't -- I just can't
11 believe somebody would put their law license on
12 the table like that --

13 DAVID MAXWELL: A subpoena --
14 (Simultaneous crosstalk)

15 MARK PENLEY: -- and say, "I'm going
16 to" --

17 DAVID MAXWELL: -- does not let you
18 serve.

19 MARK PENLEY: "I'm going to fake" --

20 DAVID MAXWELL: Okay?

21 MARK PENLEY: You know, because that's
22 got to have the district clerk's signature on it.

23 DAVID MAXWELL: So it can't cover you
24 basically.

25 NATE PAUL: Well, it can't cover you

1 but it's going to have --

2 MARK PENLEY: It's reaching --

3 DAVID MAXWELL: It can't -- no, it
4 cannot cover you.

5 MARK PENLEY: Somebody signed that.

6 DAVID MAXWELL: A subpoena can't
7 cover --

8 MICHAEL WYNNE: Someone said, "Do your
9 homework" --

10 DAVID MAXWELL: -- you. It won't
11 work.

12 MICHAEL WYNNE: -- before you signed
13 off on the search warrant. That's the only reason
14 you would do it.

15 MARK PENLEY: Did he say the date he
16 received the letter? Did he get it --

17 NATE PAUL: August 30th.

18 MARK PENLEY: -- soon after?

19 NATE PAUL: Yeah.

20 MARK PENLEY: August 30th?

21 MICHAEL WYNNE: He got it on
22 August 30th.

23 MARK PENLEY: Okay.

24 MICHAEL WYNNE: We went over that --

25 NATE PAUL: That's a --

1 MICHAEL WYNNE: -- a couple of ways.

2 NATE PAUL: But also an important
3 part, Michael, it's also his attorney in their --
4 in our interrogatories and the pleadings say that
5 we received the grand jury subpoena August 30th.

6 MICHAEL WYNNE: Oh, yeah. We got
7 that. Great. Plus the testimony.

8 DAVID MAXWELL: So --

9 MARK PENLEY: Does -- Buie, did he
10 discuss this with you or did he --

11 MICHAEL WYNNE: I've tried to have
12 those informal discussions --

13 MARK PENLEY: Okay.

14 MICHAEL WYNNE: -- with him. He has
15 the same -- we were in the same law school. We
16 weren't real close, same class, kept a little bit
17 in touch, including when he was going to the
18 U.S. attorney's office. I remember he called in
19 Fort Worth because I -- I'd been an AUSA and -- or
20 I was at that time.

21 And I've -- since the hearing,
22 which was really bizarre, you know, reached out to
23 try to -- maybe we can resolve what the hell's
24 going on here --

25 MARK PENLEY: Right.

1 MICHAEL WYNNE: -- and those
2 approaches have been rebuffed.

3 MARK PENLEY: Really? What does he
4 say?

5 MICHAEL WYNNE: He said --

6 MARK PENLEY: I'm just curious.

7 MICHAEL WYNNE: He said -- I left a
8 voicemail.

9 MARK PENLEY: I mean, because you're a
10 reasonable guy. You're calling him. You --
11 you've got a client. You've got an issue. You've
12 got an area of concern.

13 MICHAEL WYNNE: Right.

14 MARK PENLEY: What does he do?

15 MICHAEL WYNNE: He responds back, "You
16 need to send everything in writing because of the
17 contested nature of this case."

18 MARK PENLEY: Okay.

19 MICHAEL WYNNE: We whined a little bit
20 in February a couple of times because these
21 searches were conducted all about the same time
22 and because things were being randomly returned to
23 Gerry Morris and left with his receptionist.

24 I asked very detailed, "Send it to me.
25 I'm a former AUSA. I did all the -- all the grunt

1 work for a long, long time on other people's
2 cases, too. Return -- would you please coordinate
3 the return of all these items and all these boxes
4 pursuant to a protocol, which would be in your
5 interest, because then you have a chain of custody
6 if you ever have to introduce everything, and not
7 just dropping it all off, but saying where every
8 single piece came from. That's going to be very
9 important." I said, "And I'll work with you to do
10 that."

11 And he just wanted to drop off
12 500 boxes somewhere. I'm, like, "Wait. No. I
13 can't do that. We're going to have to have a
14 protocol."

15 And I have a couple of emails. And
16 the last one, it's been, what, four months, and he
17 said he was going to substantively get back to me.
18 He hasn't done it yet.

19 NATE PAUL: Five months.

20 MICHAEL WYNNE: Five months.

21 NATE PAUL: And then -- and then in
22 the email Michael sent to him and copied Ashley
23 Hall, who is the first assistant U.S. attorney, he
24 says, "We know about the false testimony from --
25 you know, could we talk to you? And we know about

1 altered documents. We need to have a discussion."

2 And that was never addressed.

3 MICHAEL WYNNE: I would love to sit
4 down --

5 MARK PENLEY: Wait a minute. Who said
6 "We know about false documents"?

7 NATE PAUL: Michael said that to --

8 MICHAEL WYNNE: We can --

9 MARK PENLEY: That was your statement
10 to him?

11 MICHAEL WYNNE: I'm not sure if it was
12 Manning. The --

13 NATE PAUL: This was the 20th.

14 MICHAEL WYNNE: The point of the email
15 really, at least the first one, was let's get
16 together, as you say --

17 NATE PAUL: Well, there's --

18 MICHAEL WYNNE: -- and talk.

19 NATE PAUL: There's an important part
20 that this -- back to the timing of this. It
21 doesn't make a lot of sense to you. So Michael
22 said -- he's, "Look, I'm helping you guys out on
23 this. We have all these searches. When you
24 return the inventory -- when you're returning
25 things, let's have a protocol set up. Here's your

1 returning it. Here's what time you're returning
2 it. Where did it come from? If you took it from
3 somewhere, return the property there."

4 And Alan said, "Well, we don't know.
5 I mean, it just came from one of the locations
6 searched."

7 He said, "You can't identify where
8 things came from?"

9 "Well, it's from one of the few that
10 are there."

11 And so Alan said -- and then Michael
12 said, "Well, I'll work with you on this," because
13 he's very reasonable on everything. He said,
14 "Look, I'll work with you. Let's set up a way
15 to -- how to do it."

16 That day when we were at the
17 courthouse and talking to Judge Lane and he goes
18 into the room to call Alan Buie and schedules a
19 hearing the next day, you know what? We went --
20 he was trying to get the actual copies of the --
21 of the records.

22 When we leave, we get an email from
23 Gerry Morris while we were there after Alan got
24 called. Two agents showed up at Gerry Morris's
25 office and dumped 50 -- like 30 electronic devices

1 and all sorts of documents with the receptionist
2 and left.

3 MICHAEL WYNNE: After --

4 NATE PAUL: After the protocol was --

5 MICHAEL WYNNE: I'm the one who's
6 doing the grunt work.

7 NATE PAUL: He said he was busy.

8 MICHAEL WYNNE: The problem is --

9 NATE PAUL: He could not return back.

10 MICHAEL WYNNE: -- some of these
11 inventories are dead. I mean, how are we going to
12 sort that out in a motion to suppress someday?

13 MARK PENLEY: Yeah.

14 MICHAEL WYNNE: And we can handle it
15 now as opposed to two and a half years from now --

16 NATE PAUL: Right.

17 MICHAEL WYNNE: -- when he's moved on
18 somewhere and he has somebody else come and try
19 this case, what's -- I hoped we could work this
20 out.

21 MARK PENLEY: Is there -- just a
22 thought. Would a letter to the criminal chief
23 outlining your concerns about what appears to be
24 altered documents -- in your mind, would that get
25 you anywhere?

1 NATE PAUL: He did that in January.

2 MICHAEL WYNNE: Did that January 27th,
3 sent it to the first assistant, and it got kicked
4 to -- back to Buie.

5 MARK PENLEY: Okay. Okay.

6 MICHAEL WYNNE: I mean, I have that.
7 I sent a letter.

8 MARK PENLEY: Where -- can I see a
9 copy of your motion that you filed for the
10 February 28th hearing?

11 NATE PAUL: There's no motion.
12 That -- so just to --

13 MICHAEL WYNNE: And this is
14 interesting.

15 MARK PENLEY: Oh, the judge set the
16 hearing --

17 MICHAEL WYNNE: We were up there --

18 MARK PENLEY: -- on some motion.

19 MICHAEL WYNNE: I said, "Can I see
20 the" --

21 NATE PAUL: I mean, because it's not
22 on the calendar.

23 MICHAEL WYNNE: "No. We're going
24 to" --

25 NATE PAUL: It's not on the record.

1 MARK PENLEY: Oh.

2 MICHAEL WYNNE: No.

3 MARK PENLEY: He ordered the hearing?

4 MICHAEL WYNNE: Yeah. He said,

5 "Mr. Wynne, when can you be here?"

6 I said, "Well, I can be here

7 tomorrow." And he just ordered the hearing. We

8 don't need a hearing. All we need to do is

9 somebody go in the file cabinet and show me the

10 real -- the original one and we're done.

11 "No. We've got a hearing tomorrow."

12 MARK PENLEY: And then what did Buie

13 say at the hearing? I take it he didn't agree

14 with you?

15 MICHAEL WYNNE: He waffled all over

16 the place. What -- well, the hearing wasn't -- it

17 was incredibly unargumentative. I mean, there is

18 a transcript.

19 I don't know if it's being treated as

20 under seal, but there is a transcript of that.

21 And it was a description of how many search

22 warrants were there? What were they for? And

23 then at the end, I pointed out -- well, I didn't

24 know it was going to be the end.

25 I said, "Well, Your Honor, one of

1 these -- here as we're looking at it is on Sheena
2 Paul. She's a practicing attorney."

3 And as I recall, from getting search
4 warrants for attorneys' offices, God forbid from
5 their person, including evidence of their, quote,
6 state of mind -- that's in the description,
7 Exhibit B. She -- you can search a person for
8 evidence of her state of mind.

9 Now, that's been used a couple of
10 times in the Boston Bomber case. It was used in a
11 child pornography case up in Massachusetts.
12 That's when that's been used.

13 NATE PAUL: One or two cases.

14 MICHAEL WYNNE: But not in a white
15 collar case. In fact, the Massachusetts Courts
16 distinguished it from a white collar case in the
17 child porn case. And I'm skeptical that it was
18 in dicta in that manner. That was -- that was in
19 '19.

20 But I'm talking to the judge -- to the
21 judge. I digress. I said, "You know, again,
22 let's try to nip this here as opposed to two years
23 from now."

24 MARK PENLEY: Did you raise the
25 metadata argument with Judge Lane?

1 MICHAEL WYNNE: I did not at that
2 hearing. That one, things were happening a little
3 quickly. I said, "Now, wait a minute. I want to
4 make sure they comply."

5 They went up to PSCU and went through
6 all these procedures to get a search warrant even
7 if it was a search warrant just in case on an
8 attorney.

9 NATE PAUL: This is the first time
10 we're ever hearing about these search warrants.

11 MICHAEL WYNNE: Moreover, they took
12 all of the -- all of the files. He's got in-house
13 counsel. So they've got slip and falls. They've
14 got sexual harassment. They got medical HIPAA
15 stuff. They've got all sorts of stuff.

16 MARK PENLEY: Oh, I see.

17 MICHAEL WYNNE: Did you comply with
18 that? And I tried to have this discussion. He
19 snapped at me and he said, "You know, Mr. Wynne,
20 an attorney isn't beyond a federal search warrant.
21 And if they didn't file those procedures
22 essentially you don't have any standing."

23 NATE PAUL: "That's not my problem,"
24 he said.

25 MICHAEL WYNNE: He gets all red in the

1 hot seat and this hearing is over. I really
2 honestly am, as an officer of the court, trying to
3 raise this stuff now.

4 MARK PENLEY: Got it.

5 MICHAEL WYNNE: So --

6 MARK PENLEY: Did he issue any
7 order --

8 NATE PAUL: No.

9 MARK PENLEY: -- during the hearing?

10 NATE PAUL: No.

11 MICHAEL WYNNE: The order was to
12 produce to us the original documents, which would
13 be the 12th. Well, why can't we just go to the --
14 "No. Come back at 4:00 o'clock and you can get
15 them."

16 "Okay. We'll be -- we'll be back in
17 six hours."

18 NATE PAUL: So what he said -- he told
19 Veronica Sofiavera, he said, "At 4:00 o'clock,
20 give them all the documents that they were
21 supposed to have gotten in October," which is the
22 same documents we were asking for.

23 MARK PENLEY: So she gave you the
24 executed warrants with the return filled out but
25 not the August 12th?

1 MICHAEL WYNNE: Yeah. So she gives me

2 the thing. We're standing there at 4:00 o'clock.

3 I open it.

4 I said, "I think somebody made a
5 mistake here."

6 She said, "Well, call the judge."

7 That's when he posted it. I said
8 exactly what you said.

9 MARK PENLEY: That was Veronica --

10 NATE PAUL: Yes.

11 MARK PENLEY: -- that you were talking
12 to?

13 NATE PAUL: Yes.

14 MICHAEL WYNNE: Well, initially. I
15 talked to -- see, Veronica is across the desk and
16 there's two other individuals there.

17 NATE PAUL: And he said -- he goes,
18 the first page, 820, there is -- as soon as he
19 says that, he starts downloading it on our phone.
20 Calls the judge.

21 He's, like, "I don't -- it's probably
22 just a mistake, but this is not the document."

23 MICHAEL WYNNE: "Thanks again for
24 seeing us today," very friendly. Put it on.

25 And that's when I said what you just

1 recited -- I think I didn't use the book end
2 analogy -- in the same voice you used, and I just
3 got freaking blasted.

4 MARK PENLEY: Okay. Well --

5 MICHAEL WYNNE: A little more than
6 hometowned. Yeah, I practice in Houston. I have
7 had cases over here, too, but --

8 MARK PENLEY: Well, I'm not -- well,
9 look, I want to thank y'all for coming in. Thank
10 you for the thumb drive. Thank you for walking us
11 through.

12 Are there any other documents you
13 think we need that aren't on the thumb drive so we
14 can do a thorough analysis?

15 MICHAEL WYNNE: Do you want to go
16 through the docket sheet?

17 NATE PAUL: We could do it. It
18 evolves. I mean, we --

19 MARK PENLEY: I don't know that I can
20 do anything with the docket sheet. I mean,
21 that -- that's court personnel handling court
22 records. I don't see any state jurisdiction on
23 that.

24 MICHAEL WYNNE: From a -- from a
25 federal prosecutor's angle, I'll tell you that

1 some of that would corroborate the mens rea
2 element, that is, if you're trying to enter
3 something afterwards --

4 MARK PENLEY: But that -- but to me,
5 that -- that's going to be implicating federal
6 court personnel and whatever mistakes agents or
7 AUSA's allegedly made.

8 MICHAEL WYNNE: No. It would also
9 corroborate the agents or the AUSA's intent, that
10 is, if the -- if it has to be entered in the
11 system. And the clerk could be completely
12 professional, maybe to an extent naive.

13 MARK PENLEY: No. I understand. An
14 AUSA could tell them --

15 MICHAEL WYNNE: "Just go ahead and do
16 it."

17 MARK PENLEY: Yeah, do this.

18 MICHAEL WYNNE: And they do it. The
19 fact that they did it and that that -- the fact
20 that they did it is reflected in that -- in that
21 docket sheet because of some abnormality so you
22 usually enter a sealed motion, all caps, and then
23 small letters and then you use parentheses.

24 Everything else is like that and in a
25 standard form that you're taught to do it or that

1 you usually do it as a matter of practice and have
2 for the past 20 years.

3 And then these couple of things that
4 are a little bit suspect are in small letters
5 or -- instead of saying, defendant so and so's
6 motion for this and that, it just says "Motion to
7 Disclose" or some real shorthand thing with a
8 different series of characters than the entire
9 rest of the document.

10 Now, that is -- that is not suggestive
11 of the clerk being part of a grand, you know,
12 conspiracy, but it suggests -- it corroborates the
13 allegation or suggestion that perhaps somebody
14 altered an official document that we need in the
15 record.

16 Is that -- so I was looking -- you
17 know --

18 MARK PENLEY: Well, let's reserve that
19 question.

20 MICHAEL WYNNE: Dig in there.

21 MARK PENLEY: Let's reserve that
22 question.

23 MICHAEL WYNNE: Yeah.

24 MARK PENLEY: All right. Let's --
25 here's what we're going to do. We're going to

1 take the thumb drive. We're going to go to our
2 computer forensics lab and see what they tell us.

3 MICHAEL WYNNE: Yeah. And, dear God,
4 if there's another explanation, I would actually
5 like to see it just for the integrity of the
6 office. I really, really put a lot of time in
7 there and I believe in it --

8 MARK PENLEY: I understand.

9 MICHAEL WYNNE: -- and --

10 MARK PENLEY: I hear where you're
11 coming from.

12 MICHAEL WYNNE: -- so --

13 MARK PENLEY: I do. Yeah. I don't
14 want to believe people are changing judge's
15 orders.

16 MICHAEL WYNNE: Gotcha. Especially a
17 law school classmate. I really want to believe.

18 MARK PENLEY: Yeah, yeah. I don't
19 want to believe that people would take a judge's
20 order and alter it, but we're going to take --
21 we're going to take your allegations and we're
22 going to take a look at the evidence.

23 We're going to look at the evidence
24 and we're going to see where it takes us and then
25 I'll get back in touch --

1 MICHAEL WYNNE: I mean, he's --

2 MARK PENLEY: -- with you.

3 MICHAEL WYNNE: -- innocent, but I --
4 we have a sufficient probable cause to make a
5 report, and they don't take it lightly.

6 MARK PENLEY: No. I agree. And as I
7 mentioned on the phone, you may have at
8 sometime -- I don't know if it's now or if it's
9 later. That's certainly your call and you're well
10 qualified to make that decision, but, you know,
11 maybe this is something to take back up with
12 either a magistrate or a district judge in the
13 Austin division.

14 MICHAEL WYNNE: Yeah. And I've looked
15 at OIG versus OPR. I think it's more of an OPR
16 thing. And I -- I've looked all that up and I'd
17 like to take it one step at a time.

18 MARK PENLEY: You know, to me, if you
19 could ever find out what that August 12th book end
20 says versus the August 23rd book end and compare
21 those. And if there is an innocent explanation,
22 if those two match, if -- and I'm not saying I
23 know that. I don't.

24 But if those two match, then what I
25 think you're left with is some sloppiness in

1 paperwork. So that's a whole different level of
2 problem, you know, how they communicated at the
3 outset and, you know, did they leave a copy of the
4 search warrant?

5 MICHAEL WYNNE: Yeah.

6 MARK PENLEY: Did they not leave a
7 copy? I mean, to me, those are procedural things
8 that are in your bailiwick --

9 MICHAEL WYNNE: Sure.

10 MARK PENLEY: -- and not in ours. But
11 I don't know what the August 12th book end says.

12 NATE PAUL: Well, the end of -- the
13 end of August.

14 MARK PENLEY: I don't -- I don't know.
15 You don't have it.

16 MICHAEL WYNNE: On August 16th, you
17 know, for Contigo if that did exist.

18 NATE PAUL: The 12th is the six search
19 warrants.

20 MARK PENLEY: Well --

21 NATE PAUL: And then the 16th was --

22 MARK PENLEY: I'm assuming -- the
23 August 16th copy that you have there, the Contigo
24 search warrant, do you claim that's not a real
25 search warrant?

1 MICHAEL WYNNE: We're not sure based
2 on the metadata on there. I don't know. And --
3 well, it's a real -- I think the --

4 MARK PENLEY: Where --

5 MICHAEL WYNNE: -- copies --

6 MARK PENLEY: Where did you get this
7 search warrant -- this copy of the August 16th
8 warrant?

9 MICHAEL WYNNE: There was one email,
10 as we say, on August 6th -- not August.
11 September 6th.

12 MARK PENLEY: Okay. To --

13 MICHAEL WYNNE: September 6th.

14 MARK PENLEY: -- Mr. Morris?

15 MICHAEL WYNNE: Mr. -- yeah.

16 MARK PENLEY: To Mr. Morris?

17 MICHAEL WYNNE: That's where we got
18 it.

19 MARK PENLEY: Okay.

20 MICHAEL WYNNE: And then we got a
21 return copy and I got it on, what, Aug --
22 February 28th. Now, I queried whether the same
23 problem didn't happen, that you had something
24 signed on August 16th or not, and then you have
25 some changes going on because you have the same

1 problem in the metadata that you have indication
2 that something that is -- that the document that
3 was attached, a PDF to the email that was sent to
4 Gerry Morris was created not on August 16th, but
5 it was created on September 6th.

6 So you've got the same problem there.
7 So, yeah, the document is real. The question is
8 whether it is in the same condition it was in --

9 MARK PENLEY: Right.

10 MICHAEL WYNNE: -- on August 16th --

11 MARK PENLEY: Right, right.

12 MICHAEL WYNNE: -- assuming the fact
13 that --

14 MARK PENLEY: Right.

15 MICHAEL WYNNE: -- which I think we
16 have to assume for purposes of argument that
17 something was signed on August 16th. Let's assume
18 that argument and --

19 MARK PENLEY: Well, I mean, there's a
20 copy there.

21 MICHAEL WYNNE: Yeah.

22 MARK PENLEY: And it appears to be it
23 has its own signature. It appears to be the same
24 type of pen, big, bold writing. The letters look
25 the same. The signature looks the same. Just --

1 I'm not a document examiner, but just first
2 glance.

3 But, anyway, the same analogy applies,
4 the book ends. You've got something and this was
5 the return version, the search warrant return --

6 MICHAEL WYNNE: This --

7 MARK PENLEY: -- spelled out on that
8 one.

9 MICHAEL WYNNE: This is, I believe,
10 the -- this is the one that was the attachment to
11 the email to prior counsel in September.

12 MARK PENLEY: Yeah. And that's --

13 MICHAEL WYNNE: This is not the one I
14 got. What I got is a little heavier.

15 MARK PENLEY: Right. Did -- does this
16 match up to the one you got --

17 MICHAEL WYNNE: This --

18 MARK PENLEY: -- other than the
19 header?

20 MICHAEL WYNNE: This does match up to
21 the one I got other than the -- other than the
22 header.

23 MARK PENLEY: Okay.

24 MICHAEL WYNNE: So -- but this one is
25 going to be -- this is going -- and it should

1 match up actually. It should match up with the
2 changes back in September.

3 MARK PENLEY: Yeah. And, again, the
4 paper copy that should have been left in the
5 storage unit or left with the manager has never
6 appeared?

7 MICHAEL WYNNE: Never.

8 MARK PENLEY: Nobody knows where that
9 is if it was ever delivered?

10 MICHAEL WYNNE: Yeah.

11 MARK PENLEY: Okay. Okay. All right.
12 Well, guys, I've got a meeting to go to after
13 lunch so I'm going to -- I'm going to see if we
14 can wrap this up.

15 Is there anything else you need to
16 tell us today, Michael, while we're here and we're
17 listening?

18 MICHAEL WYNNE: I think -- I think
19 we're good. We may -- I'll talk to Mr. Paul. And
20 I may have missed something, which all I can do is
21 call you.

22 MARK PENLEY: Yeah. And, look, we're
23 going to --

24 DAVID MAXWELL: We're going to look
25 every which way.

1 MARK PENLEY: We're going to look into
2 these allegations. And, again, we're going to do
3 this by seeing what our computer forensics guys
4 can tell us.

5 MICHAEL WYNNE: Yeah.

6 MARK PENLEY: So we'll take the thumb
7 drive and give it to them and we've got our notes
8 and we'll see what they say and I'll be back in
9 touch.

10 MICHAEL WYNNE: I really appreciate
11 it.

12 MARK PENLEY: Yeah.

13 MICHAEL WYNNE: Yeah.

14 MARK PENLEY: And so here we go.
15 Thank y'all for coming in today. We appreciate
16 it. Thank you for the handout and for the
17 documents. We'll look into this.

18 Was this a copy -- was that a copy you
19 needed or --

20 NATE PAUL: You can keep that copy.

21 MARK PENLEY: So --

22 MICHAEL WYNNE: It's your -- yeah.

23 MARK PENLEY: If you -- I mean, if
24 you've got paper copies -- whatever you want to
25 submit to me, now is a great time to do it so...

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1 MICHAEL WYNNE: Full stack. We'll do
2 that, yeah.
3 MARK PENLEY: Okay. If I -- if I can
4 have that, that would be great.
5 MICHAEL WYNNE: Well, I pulled those.
6 MARK PENLEY: Okay.
7 MICHAEL WYNNE: I think that was the
8 first one I had in there.
9 MARK PENLEY: Super. No. That's
10 excellent. Okay. I'll make copies and --
11 DAVID MAXWELL: That's fine.
12 MARK PENLEY: -- and get some to you.
13 Is that okay?
14 DAVID MAXWELL: That's good.
15 MARK PENLEY: Because you've got the
16 electronic.
17 DAVID MAXWELL: I'll get some other
18 stuff --
19 MARK PENLEY: I'll get some copies
20 made and I'll get them to you.
21 DAVID MAXWELL: All right.
22 MARK PENLEY: All right.
23 MICHAEL WYNNE: And if there's
24 anything you're going through and say -- you know,
25 you would want a copy of something --

1 MARK PENLEY: Okay.

2 MICHAEL WYNNE: Here's that case I
3 referenced.

4 MARK PENLEY: Oh, good, good, the
5 Lewis case. Okay. Great.

6 MICHAEL WYNNE: And today is the 5th,
7 I think. And this is the other one I mentioned
8 out of district -- sorry, out of Massachusetts.

9 MARK PENLEY: Oh, okay. Okay.

10 MICHAEL WYNNE: The child porn case
11 discusses the MI.

12 MARK PENLEY: Okay. About those --
13 the attorney issue. But they never tried to serve
14 anything --

15 MICHAEL WYNNE: That's not even about
16 the attorneys.

17 MARK PENLEY: -- on the 30th.

18 MICHAEL WYNNE: That's just about
19 state of mind in general.

20 MARK PENLEY: Okay.

21 MICHAEL WYNNE: Having the state of
22 mind is something to search for as of a date.

23 MARK PENLEY: All right.

24 MICHAEL WYNNE: So here we have two
25 issues. We have state of mind, which is vague --

1 MARK PENLEY: Right.

2 MICHAEL WYNNE: -- except maybe in a
3 child porn case, but it ended up being dicta
4 because there was other material.

5 MARK PENLEY: But what I'm saying is
6 that was never executed, the warrants --

7 NATE PAUL: On the person.

8 MARK PENLEY: -- or state of mind --

9 NATE PAUL: No. They were.

10 MARK PENLEY: -- on the person.

11 MICHAEL WYNNE: They were.

12 NATE PAUL: They all were.

13 MICHAEL WYNNE: All --

14 NATE PAUL: All of them were the same.

15 MICHAEL WYNNE: All of them had state
16 of mind.

17 MARK PENLEY: But was it -- nothing
18 was executed on his sister.

19 MICHAEL WYNNE: Right.

20 NATE PAUL: On her as a person, no.
21 They did come take all the legal files.

22 MARK PENLEY: Okay.

23 MICHAEL WYNNE: But the state of mind
24 on Exhibit B, that's in every search warrant. So
25 that's just as general --

1 MARK PENLEY: Oh, I see.

2 MICHAEL WYNNE: -- as to the
3 residence --

4 MARK PENLEY: Okay.

5 MICHAEL WYNNE: -- as it is to the
6 business and it's everything else.

7 MARK PENLEY: Okay. But, again, to me
8 that's a suppression issue --

9 MICHAEL WYNNE: Yes.

10 MARK PENLEY: -- and not a altered
11 document issue.

12 Is that an altered document issue?

13 MICHAEL WYNNE: I'm not sure. I have
14 to think about it. What it is -- what it also
15 shows is incredible haste, sloppiness, and that's
16 one thing. But also doing things affirmatively to
17 cover up the sloppiness, that would be statewise.

18 MARK PENLEY: Okay.

19 MICHAEL WYNNE: All right.

20 MARK PENLEY: Okay. Well, we'll get
21 to working on it.

22 MICHAEL WYNNE: That goes to state of
23 mind.

24 MARK PENLEY: All right.

25 MICHAEL WYNNE: That's something I

1 hadn't seen until I found that case.

2 MARK PENLEY: Well, thank y'all for
3 coming in.

4 NATE PAUL: We appreciate it.

5 MARK PENLEY: All right. You bet.

6 MICHAEL WYNNE: See if I've got
7 everything up here. Mandatory masks.

8 MARK PENLEY: Yeah. Get our masks
9 back on.

10 MICHAEL WYNNE: Oh, you know what?
11 I'm going to wear white. I'm going to wear white.

12 DAVID MAXWELL: Show you're the good
13 guy.

14 MICHAEL WYNNE: I am.

15 DAVID MAXWELL: I'll let you out.

16 (End of digital recording)

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1 THE STATE OF TEXAS)

2 COUNTY OF HARRIS)

3

4 I, Diana Ramos, Certified Shorthand
5 Reporter in and for the State of Texas, do hereby
6 certify that the above and foregoing is a correct
7 transcription from the audio recording provided to
8 me in the above-entitled matter, taken down by me
9 in machine shorthand and later reduced to
10 typewritten form to the best of my ability.

11 Certified to by me this 12th day of
12 August, 2023.

13

14

Diana Ramos, CSR
CSR No. 3133, Expires 1-31-2025
Infinity Reporting Group, LLC
Firm Registration No. 782
11231 Richmond Avenue, Suite D110
Houston, Texas 77082
Phone: (832) 930-4484

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Exhibit 4

[EX 004_Sen Huffman's Questioning re Special Prosecutor.mp4](#)

Exhibit 5

[EX 005 Cammack Meeting with Doss & Wynne - HBOM00025970.MP3](#)

EXHIBIT 005-A

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TAPE HBOM00025970

Transcribed August 9, 2023

Tape HBOM00025970 re: A meeting between
Mr. Brandon Cammack, Mr. Michael Doss, and
Mr. Michael Wynne, transcribed by Michelle Hartman,
Certified Shorthand Reporter in and for the State of
Texas and Registered Professional Reporter, reported
by computerized stenotype machine from audiotape
recordings to the best of her ability.

CONFIDENTIAL

1 FEMALE: You caught me without my shoes off. ²
2 MR. CAMMACK: That's all right.
3 FEMALE: Do y'all have an appointment?
4 MR. CAMMACK: I'm here to see Michael Doss.
5 MR. DOSS: Yeah, come on in. Just don't tell
6 him you caught me without my shoes on.
7 MR. CAMMACK: No, you're fine.
8 FEMALE: What are y'all's names?
9 MR. CAMMACK: My name is Brandon Cammack.
10 I'm a special prosecutor with the Attorney General's
11 Office.
12 FEMALE: Are you going to take him away?
13 He's my boss, I like him.
14 MR. CAMMACK: I'm sure he's a nice. We're
15 not going to take him away.
16 FEMALE: And what was your name?
17 MR. WYNNE: Michael Wynne.
18 FEMALE: Perfect. Come on in, please.
19 MR. WYNNE: Thank you, ma'am.
20 FEMALE: You're welcome. If you want, I am
21 going to just get you to go (audio fades) --
22 MR. CAMMACK: Okay. Do you have a restroom?
23 FEMALE: Oh, yeah, right around my corner.
24 MR. CAMMACK: Let me get some of your hand
25 sanitizer here.

1 FEMALE: Oh, yeah, take your time. Whenever
2 you're ready to come to -- (audio fades).

3 MR. CAMMACK: Sorry. Thank you.

4 How are y'all doing? Kind of quiet in
5 here. You could hear a pin drop. Oh, boy.

6 (Discussion off record)

7 FEMALE: Would y'all like any water or
8 coffee?

9 MR. CAMMACK: Yeah, a bottle of water would
10 be great.

11 FEMALE: Great deal.

12 MR. CAMMACK: Thank you so much.

13 FEMALE: They are small, so we always bring
14 double.

15 MR. CAMMACK: Okay. Perfect, perfect.

16 FEMALE: There you go.

17 MR. CAMMACK: Thank you so much.

18 FEMALE: You're welcome.

19 MR. CAMMACK: I appreciate it.

20 (Mr. Doss enters)

21 MR. CAMMACK: Hey.

22 MR. DOSS: Hello.

23 MR. CAMMACK: Mr. Doss?

24 MR. DOSS: Yeah.

25 MR. CAMMACK: Hey, my name's Brandon Cammack.

1 How are you doing?

2 MR. DOSS: Good. How are you?

3 MR. CAMMACK: Oh, it's the sign of the times.

4 I'm just --

5 MR. DOSS: It's okay.

6 MR. CAMMACK: -- not going to shake your
7 hand.

8 MR. DOSS: So what's this -- yeah, how are
9 you? No problem. How are you?

10 MR. CAMMACK: Doing pretty good. I'm a
11 special prosecutor with the Attorney General's
12 Office. Mike Wynne went to use the restroom right
13 now.

14 MR. DOSS: Is there something wrong?

15 MR. CAMMACK: No, we're actually just
16 investigating a couple of notes that were purchased
17 from your bank, and I'm here to just drop off a Grand
18 Jury subpoena in regards to that.

19 MR. DOSS: Okay.

20 MR. CAMMACK: If you got a few minutes of
21 your time, just --

22 MR. DOSS: Well, I got a 2:30 conference
23 call, and I can -- I can call them back, but -- and
24 tell them I can --

25 MR. CAMMACK: Yeah.

1 MR. DOSS: -- but yeah.

2 MR. CAMMACK: If you need to take that call,
3 that's fine, too.

4 MR. DOSS: Yeah, I tell you what, let me buy
5 a little time.

6 MR. CAMMACK: Okay.

7 (Mr. Doss leaves)

8 MR. CAMMACK: Okay. Bought some time?

9 MR. DOSS: What's that?

10 MR. CAMMACK: I said, bought some time?

11 MR. DOSS: Yeah, yeah, probably about 30
12 minutes or so.

13 MR. CAMMACK: Let me tell you what -- what's
14 going on.

15 MR. DOSS: Sure.

16 MR. CAMMACK: We have -- there were a couple
17 of counts that were -- or notes that were purchased
18 that you guys sold relate -- pertaining to World
19 Class Holdings --

20 MR. DOSS: Sure.

21 MR. CAMMACK: -- and Nate Paul.

22 MR. DOSS: You bet.

23 MR. CAMMACK: I'm trying to get some
24 information here for Attorney General. I will just
25 give this to you. It's just got a list of some

1 different documents that we're looking for.

2 MR. DOSS: Okay. All right.

3 MR. CAMMACK: Trying to just, I guess,
4 discover the process by which notes get sold, what
5 kind of flags come up, you know, who approached your
6 bank regarding purchasing these notes, things of that
7 nature.

8 MR. DOSS: Sure. Okay. And I'll have to
9 tell you that I was not imminently involved in that
10 and my name's on here, and I was the -- those loans
11 are under my name technically --

12 MR. CAMMACK: Right.

13 MR. DOSS: -- but we had a -- we had our
14 special assets group working on that.

15 (Mr. Wynne enters)

16 MR. CAMMACK: This is Mike Wynne.

17 MR. DOSS: Hey, how are you, Mike?

18 MR. WYNNE: Good. How are you?

19 MR. DOSS: Good to meet you. How are you?

20 MR. WYNNE: Good to meet you, too.

21 MR. DOSS: We got some water for you if you
22 need some.

23 MR. WYNNE: Oh, okay, yes.

24 MR. CAMMACK: Yeah, I will take one of those
25 here.

1 MR. DOSS: I have four or five -- I have four ⁷

2 or five staff (inaudible) review that, a client of

3 ours --

4 MR. CAMMACK: Uh-huh.

5 MR. DOSS: -- and so we had gotten rid of

6 those loans. They were not performing. And also

7 the -- we tried to foreclose on them and then

8 ultimately we sold the notes. That would have

9 been -- god, the timing of that would have been late

10 December of this past year I think, so --

11 MR. CAMMACK: Okay.

12 MR. DOSS: -- yeah.

13 MR. CAMMACK: Who -- who over in special

14 assets would handle that?

15 MR. DOSS: Well, we had Brian Ainsworth

16 involved. Brian Ainsworth is my chief -- my regional

17 credit officer.

18 MR. CAMMACK: Ainsworth, yeah.

19 MR. DOSS: And Mike Phillips. Mike Phillips

20 is primarily in our special assets group, but, you

21 know --

22 MR. CAMMACK: How long -- I guess when an

23 asset's not performing, like in this case, like, how

24 long I guess before that gets triggered before you

25 guys are, like, hey, we need to try to get rid of

1 this one?

2 MR. DOSS: You know, we exhaust a lot of
3 remedies on that. Usually it's months and months and
4 months.

5 MR. CAMMACK: Okay.

6 MR. DOSS: Yeah, but I mean, our -- our loan
7 documents, it really depends on how loan documents
8 are written, and I can't recall if that value -- so I
9 didn't originate this loan, it's one we inherited
10 from North Star Bank when we bought it. Someone
11 tried to, you know, pass the buck.

12 MR. CAMMACK: Yeah, yeah.

13 MR. DOSS: It varies. You know, typically
14 our documents will have cure provisions in the
15 notices to cure, you know, defaults. Defaults could
16 be everything from, you know, not making payments to
17 not providing financial statements to, you know, a
18 host of things. So sometimes we have no cure
19 periods. Sometimes it's 30 day, sometimes 60 days,
20 sometimes 90 days. I would have to go back and
21 research, you know, what these -- what these had.

22 MR. CAMMACK: Uh-huh.

23 MR. DOSS: But I didn't -- you know, once
24 they hit those secure periods, we might send a demand
25 letter that says, hey, let's get this to the table to

1 talk about it. Following demand letters, you know,
2 we got our attorneys involved.

3 MR. CAMMACK: Do you recall any conversations
4 with -- with World Class? Once you sent that demand
5 out, did you handle that?

6 MR. DOSS: No, I did not.

7 MR. CAMMACK: Okay.

8 MR. DOSS: Yeah. I do recall getting a
9 snarty text from Nate Paul, you know --

10 MR. CAMMACK: Oh.

11 MR. DOSS: -- basically challenging me, you
12 know, rather than going to the staff, which I just
13 ignored.

14 MR. CAMMACK: Sure.

15 MR. WYNNE: What did he say?

16 MR. DOSS: Huh?

17 MR. WYNNE: What did he say?

18 MR. DOSS: Oh, something like, why don't you
19 call me and man up, rather than, you know, doing this
20 or, you know, whatever, something like that, some
21 smartass text I got from him.

22 MR. WYNNE: Yeah. So I -- I represent World
23 Class. I'm outside counsel --

24 MR. DOSS: Okay.

25 MR. WYNNE: -- for the law firm, so -- but

1 they're -- they're the complainant in this matter to
2 the AG.

3 MR. DOSS: Okay.

4 MR. WYNNE: So that's why I'm here.

5 MR. DOSS: Okay. All right.

6 MR. CAMMACK: With regards --

7 MR. DOSS: You're with the AG's Office?

8 MR. CAMMACK: Yeah, the AG.

9 MR. DOSS: Yeah.

10 MR. CAMMACK: With regards to this -- do you
11 know -- I mean, do you know who bought these notes
12 up?

13 MR. DOSS: Pardon?

14 MR. CAMMACK: Do you know who bought these
15 notes or --

16 MR. DOSS: No.

17 MR. CAMMACK: No, okay. So once -- are you
18 saying I guess it gets --

19 MR. DOSS: Oh, who bought them?

20 MR. CAMMACK: Yeah.

21 MR. DOSS: I mean, I -- I mean, I -- we had a
22 number of people interested. I would have to go
23 figure out of who did it. I couldn't remember
24 exactly --

25 MR. CAMMACK: No, no, I'm catching you on the

1 spot about it.

2 MR. DOSS: Yeah.

3 MR. CAMMACK: Sure, yeah. That's -- and I
4 guess --

5 MR. DOSS: You caught me on the spot and I
6 also was -- I pretty much handed this off to somebody
7 else. They were like, hey, we'll go over this. And
8 I was aware that it got sold, but I can't remember --
9 we had, you know, five or six or eight different
10 parties that were interested in buying this.

11 MR. CAMMACK: Okay.

12 MR. DOSS: Because the assets were good
13 but --

14 MR. CAMMACK: Just -- just so I know your,
15 like, internal process, what --

16 MR. DOSS: Sure.

17 MR. CAMMACK: -- what -- when someone
18 approaches you to buy a note, is it just typically
19 their -- how do they find -- how do they find these
20 notes? I mean, what triggers them to come -- come
21 reach out to you about making an offer on a note?

22 MR. DOSS: They work with our attorneys, so
23 our attorneys shout-outs and --

24 MR. CAMMACK: Okay.

25 MR. DOSS: Yeah. Shad's with a firm in Waco.

1 MR. CAMMACK: Okay. Do you recall having, I¹²
2 guess, a conversation with a Justin Bayne? Does that
3 name ring a bell?

4 MR. DOSS: I know Justin Bayne. I know his
5 name, yes. I haven't had a conversation with him.

6 MR. CAMMACK: Oh, he -- okay. So you hadn't
7 talked to him with regards to this purchase?

8 MR. DOSS: Huh-uh.

9 MR. CAMMACK: What about a Brian Hardiman?

10 MR. DOSS: No.

11 MR. CAMMACK: No? Will Hardiman?

12 MR. DOSS: No.

13 MR. CAMMACK: Okay.

14 MR. DOSS: I had a message from Justin Bayne,
15 but I never spoke to him.

16 MR. CAMMACK: Okay.

17 MR. DOSS: And none of the other names here:
18 Riley, Hardiman, Milligan, going down. Not to say
19 the others in the bank don't know. You know,
20 maybe --

21 MR. CAMMACK: Yeah, because it gets passed up
22 to the special assets through --

23 MR. DOSS: I do -- I'm not trying to dodge
24 your question.

25 MR. CAMMACK: No, no, no.

1 MR. DOSS: I just -- I wasn't that involved
2 in this at all.

3 MR. CAMMACK: Yeah, I don't --

4 MR. DOSS: It was more of a --

5 MR. CAMMACK: Uh-huh.

6 MR. DOSS: -- occasionally I would say,
7 "What's the status of this?" It was literally out of
8 my hands and if someone was working on it and I would
9 say, "Hey, you know, where are we at, and just, you
10 know, keep me informed."

11 And then later, "Hey, we sold these
12 notes," and that's it.

13 MR. CAMMACK: And that's it, okay.

14 So I'd probably need to catch up I guess
15 with Brian and Mike?

16 MR. DOSS: Yeah, mainly Mike Phillips. I
17 said Brian. Brian was just a -- Shad Robinson, our
18 attorney, and Mike Phillips were the primary ones
19 involved, yeah.

20 MR. CAMMACK: Okay.

21 MR. DOSS: Mike is when we get -- the loans
22 get downgraded and, you know, in this situation, we
23 usually get Mike involved. He's kind of our special
24 assets guy.

25 MR. CAMMACK: Okay. Do you recall, I guess,

1 when -- when the loans got downgraded?

2 MR. DOSS: I would have to look it up.

3 MR. CAMMACK: Okay. Fair enough.

4 MR. DOSS: I mean, so we -- we acquired
5 North Star Bank in November/December of '17 and
6 inherited these loans. So they were sold, end of
7 what, '19, I believe it was. I believe it was
8 probably December of '19. And so, I mean, at least a
9 year, at least a year before they were sold.

10 MR. CAMMACK: Okay.

11 MR. DOSS: Yeah.

12 MR. CAMMACK: With regards to this Grand Jury
13 subpoena, pretty much the questions that I'm asking
14 you, it will -- we'll be able to just determine once
15 we get all those responsive documents. Just figure
16 I'd ask if you knew those things off the top of your
17 head. Most of them have to do with regards to, you
18 know, closing documents, transactions documents. I
19 guess it would be conversations with Mike and Chad
20 between who the -- the end buyer was of these -- of
21 this note, so --

22 MR. DOSS: Yeah. Can I get -- you got a
23 business card on you? Can I have it?

24 MR. CAMMACK: I don't have a card on me, but
25 if you'd take a look here, I've got all my

1 information on --

2 MR. DOSS: Okay.

3 MR. CAMMACK: -- here.

4 MR. WYNNE: Can -- you can e-mail him.

5 MR. CAMMACK: I could also -- yeah, I could
6 give you an e-mail. Yeah, it's right here. Whether
7 it's you or your custodian that gets the documents
8 together --

9 MR. DOSS: This Brandon?

10 MR. CAMMACK: Yeah, that's me.

11 MR. DOSS: Yeah.

12 MR. CAMMACK: And if you guys could just get
13 it on e-mail, that's kind of the preferable
14 method --

15 MR. DOSS: Okay.

16 MR. CAMMACK: -- of service, so --

17 MR. DOSS: Okay.

18 MR. WYNNE: The business cards are on order,
19 right? This is moving pretty quick.

20 MR. CAMMACK: Yeah.

21 MR. WYNNE: Very quick.

22 Who at World Class did you deal with?
23 Did you deal straight with Nate or through Jerry?

24 MR. DOSS: Jerry.

25 MR. WYNNE: Jerry?

1 MR. DOSS: Yeah. And Nate's -- in the past,
2 I have dealt with Nate.

3 MR. WYNNE: Uh-huh.

4 MR. DOSS: We had a relationship with Nate
5 going back to 2009, and it was -- it was good for a
6 while, yeah.

7 MR. WYNNE: Uh-huh.

8 MR. DOSS: We had some -- we had some -- we
9 had Ceida (ph) Loan and Paradise Cove Marina going
10 back to '09. I had a loan on a retail center off
11 183. I have had several loans with Nate over time,
12 and basically they were all paid off.

13 MR. WYNNE: Yeah.

14 MR. DOSS: And then we bought this other bank
15 that had some business with him, and so we picked
16 that up, and so -- yeah. But I dealt with Nate for a
17 long time and then for the last -- for a while it was
18 Jim.

19 MR. WYNNE: Okay.

20 MR. DOSS: Jim Stoller.

21 MR. WYNNE: Jim Stoller, that's right,
22 uh-huh.

23 MR. DOSS: They go way back (inaudible) over
24 the top, too, so --

25 All right, well, let me get this in the

1 hands of people here and we'll --

2 MR. CAMMACK: Okay.

3 MR. DOSS: Yeah.

4 MR. CAMMACK: Mike and Brian, are they -- are
5 they here in Austin or are they -- they somewhere
6 else?

7 MR. DOSS: You know, Mike Phillips is in
8 McKinney and Brian is in Waco.

9 MR. CAMMACK: Okay. Yeah, I could probably
10 just reach out to that branch and get -- get them on
11 the phone.

12 And then is Chad Robertson your -- that's
13 your attorney -- or --

14 MR. DOSS: Shannon?

15 MR. WYNNE: -- Shannon?

16 MR. DOSS: Shad Robinson.

17 MR. CAMMACK: Oh, Shad. I'm --

18 MR. DOSS: S-H -- I'm sorry, yeah. S-H-A-D

19 Robinson --

20 MR. CAMMACK: Robinson.

21 MR. DOSS: -- is the name of his firm.

22 MR. CAMMACK: You know these masks make it so
23 hard to

24 MR. DOSS: Yeah.

25 MR. CAMMACK: -- pronounce sometimes.

1 MR. DOSS: Yeah.

2 MR. CAMMACK: Okay. And that's kind of
3 general counsel. Okay. Okay. That's all I got.

4 MR. DOSS: All right. So I'm going to be
5 summoned to appear before the Grand Jury on a Term
6 12?

7 MR. CAMMACK: No, just need the documents.

8 MR. DOSS: Okay.

9 MR. CAMMACK: The documents will suffice.

10 MR. DOSS: Okay.

11 MR. CAMMACK: If we can get those over in an
12 e-mail before then --

13 MR. DOSS: Okay.

14 MR. CAMMACK: -- then there's no need to show
15 up.

16 MR. DOSS: All right. I am not going to be a
17 very good witness because I don't know a lot of the
18 details of this, but okay.

19 MR. WYNNE: Out of my curiosity, you were
20 going through, you know, the number of different
21 opportunities you give a borrower when the note
22 starts, if they're having problems and not
23 performing.

24 Is -- the appointment of a receiver, does
25 that in any way expedite the bank's or heighten the

1 bank's concern about performance or -- because
2 oftentimes I have seen that just reading through as a
3 sort of a loan provision that the appointment of a
4 receiver is considered in the event of default. That
5 was just my curiosity.

6 MR. DOSS: I am not sure, your question is
7 what?

8 MR. GOLDBERT: Like in a loan provision --

9 MR. DOSS: Uh-huh.

10 MR. WYNNE: -- there's sometimes the
11 appointment of a receiver over the entity that is
12 listed as a borrower is considered an event of
13 default for a bankruptcy or something like that.

14 MR. DOSS: Yeah.

15 MR. WYNNE: Is that -- is that -- is that
16 sort of just a formal thing or is that something that
17 you as a lender are concerned about or does that have
18 any impact on the decision to refer to special --

19 MR. DOSS: I don't know about this document
20 sitting here. Yeah, I signed --

21 MR. WYNNE: No, not just this one, in
22 general. I'm just --

23 MR. DOSS: Yeah, it's not that we
24 customarily --

25 MR. CAMMACK: Okay.

1 MR. DOSS: -- experience or see as a
2 receivership, but --

3 MR. CAMMACK: Okay.

4 MR. DOSS: -- yeah, to the ceiling (ph) when
5 the borrower or --

6 MR. WYNNE: Yeah.

7 MR. DOSS: -- of their attorneys, you know --

8 MR. WYNNE: Yeah, okay.

9 MR. DOSS: -- but --

10 MR. WYNNE: I don't even know if there's that
11 term in this loan or not. Just curious.

12 MR. DOSS: Yeah, I'm sure you do this here.

13 MR. CAMMACK: All right. I appreciate your
14 time --

15 MR. DOSS: Good.

16 MR. CAMMACK: -- Mr. Doss. And so --

17 MR. DOSS: You bet. So I will get this to my
18 guys. And you guys have a good day.

19 MR. CAMMACK: Okay.

20 MR. DOSS: All right?

21 MR. WYNNE: Sounds good. Thank you, sir.

22 MR. DOSS: Thanks for the warning. Thank
23 you.

24 MR. WYNNE: You bet. Have a good day.

25 MR. DOSS: Brandon, thank you.

1 MR. CAMMACK: Thank you, absolutely. Thank ²¹
2 you, sir. Have a good day.

3 MR. WYNNE: You, too.

4 (Discussion off record sotto voce)

5 MR. CAMMACK: Amplify it on the way home.
6 Okay. Trying to smoke out anything else on the
7 receivership --

8 (Tape ends)

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Confidential

1 STATE OF TEXAS

2 COUNTY OF HARRIS

3

4 TAPE HBOM00025970

5 Transcribed August 9, 2023

6

7 I, Michelle Hartman, the undersigned
8 Certified Shorthand Reporter in and for the State of
9 Texas and Registered Professional Reporter, certify
10 that the facts stated in the foregoing pages are
11 transcribed to the best of my ability.

12 I further certify that I am neither
13 attorney or counsel for, related to, nor employed by
14 any parties to the action in which this testimony is
15 taken and, further, that I am not a relative or
16 employee of any counsel employed by the parties
17 hereto or financially interested in the action.

18 SUBSCRIBED AND SWORN TO under my hand and
19 seal of office on this 9 day of August, 2023.

20

21

Michelle Hartman

22

Michelle Hartman, CSR, RPR
Texas CSR 7093
Expiration: 12/31/23

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24

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Exhibit 6

[EX 006 Cammack Meeting with Marwitz & Wynne - HBOM00025975.MP3](#)

EXHIBIT 006-A

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TAPE HBOM00025975

Transcribed August 9, 2023

Tape HBOM00025975 re: A meeting between
Mr. Brandon Cammack, Mr. Michael Wynne, and Mr. Doug
Marwitz, transcribed by Michelle Hartman, Certified
Shorthand Reporter in and for the State of Texas and
Registered Professional Reporter, reported by
computerized stenotype machine from audiotape
recordings to the best of her ability.

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1 FEMALE: Sorry about that.

2 MR. CAMMACK: No problem, thank you. This
3 way?

4 FEMALE: This way.

5 MR. CAMMACK: Back through here?

6 FEMALE: Yeah.

7 (Mr. Marwitz enters)

8 MR. CAMMACK: Yes, sir. Hello, Jeff?

9 MR. MARWITZ: I'm Doug.

10 MR. CAMMACK: How are you doing?

11 MR. MARWITZ: Good. How are you?

12 MR. CAMMACK: Good. My name is Brandon
13 Cammack. I'm with the Attorney General's Office.

14 MR. MARWITZ: Yes, sir.

15 MR. CAMMACK: Sorry to barge in here. This
16 is Michael Wynne.

17 MR. MARWITZ: Hello, gentlemen.

18 MR. CAMMACK: I would shake your hand, but,
19 you know, it is a sign of the times, right?

20 MR. MARWITZ: Yeah.

21 MR. CAMMACK: I'm trying to get in touch
22 with -- with Doug. Is he not here today?

23 MR. MARWITZ: Doug, that's me.

24 MR. CAMMACK: Oh, you're -- oh, I'm sorry.

25 MR. MARWITZ: I'm the --

1 MR. CAMMACK: She said that Jeff -- that Jeff
2 was here. I'm sorry, okay.

3 MR. MARWITZ: You're looking for Doug
4 Marwitz?

5 MR. CAMMACK: I'm looking for you, yes, sir.

6 MR. MARWITZ: That's me.

7 MR. CAMMACK: Not that you're in any kind of
8 trouble or anything like that, but --

9 MR. MARWITZ: What did I do?

10 MR. CAMMACK: Well, we're here to turn over a
11 Grand Jury subpoena to you. Our office is currently
12 investigating some purchasers that bought up some
13 notes I guess from your bank and some others. So I
14 would just like to present that to you, and then if
15 you have a few minutes just to kind of talk about --

16 MR. MARWITZ: Well, I assume I know what it's
17 about.

18 MR. CAMMACK: What is your best guess?

19 MR. MARWITZ: World Class.

20 MR. CAMMACK: Well, yeah, that was the --
21 that's -- that's what we're here in reference to, but
22 we're -- here you go, I can pass that on to you.
23 These are some of the documents here that we're
24 looking for.

25 World class was the borrower, but there

1 were some notes that were purchased up by another LLC
2 here, and we're just trying to get our hands, through
3 these Grand Jury subpoenas, on some of the
4 transaction documents and communications and whatnot
5 with those folks who bought those notes from y'all.

6 MR. MARWITZ: Okay. Well, I didn't have
7 anything to do with this. I mean, we have a -- do I
8 need to sign anything or --

9 MR. CAMMACK: No, I probably need to sign the
10 back of that return, though, that I just gave you,
11 that.

12 MR. MARWITZ: All right. We have a special
13 assets group, and all of those World Class loans were
14 turned over to that special assets group, and they
15 handled everything to do with the sale of those
16 notes.

17 MR. CAMMACK: Okay.

18 MR. MARWITZ: And I couldn't -- until looking
19 at this, I couldn't even have told you who bought the
20 notes.

21 MR. CAMMACK: Well, you knew who we -- you
22 had a pretty good guess about who we were -- whose
23 notes we were talking about.

24 MR. MARWITZ: Well, those are the only --
25 those are the only notes -- the only notes that I'm

1 aware of, that I have knowledge of, that we have sold
2 recently. And Attorney General/Nate Paul, they seem
3 to go hand in hand.

4 MR. CAMMACK: Now, what do you mean by that?

5 MR. MARWITZ: Well, just by reputation.

6 MR. CAMMACK: Okay.

7 MR. MARWITZ: It's all over the paper.

8 MR. CAMMACK: So with regards to -- well,
9 with regards, I guess, to the special assets group,
10 who would I need to get in touch with over there?

11 MR. MARWITZ: Let me give you --

12 (Discussion off record)

13 MR. MARWITZ: Let me give you 10 names.

14 MR. CAMMACK: Yes, sir.

15 MR. MARWITZ: Tom Brouster, B-R-O-U-S-T-E-R.

16 MR. CAMMACK: Okay.

17 MR. MARWITZ: And I'm not sure where Tom is.

18 Hey, Bra (ph) --

19 FEMALE: Huh?

20 MR. MARWITZ: -- do you know where Tom
21 Brouster offices? Is he in Tupelo?

22 FEMALE: (Inaudible).

23 MR. MARWITZ: Would you please.

24 FEMALE: Sure.

25 MR. CAMMACK: And then that second name?

1 MR. MARWITZ: The second name is Bill
2 Babineaux, and it's -- let me spell it for you
3 because it's -- B-A-B-I-N-E-A-U-X. I'm pretty sure
4 Bill's from Louisiana.

5 MR. CAMMACK: I was just going to say,
6 probably a Tiger's fan.

7 So the special assets group, is that
8 something -- like a referral that's made from -- how
9 do they end up getting these deals?

10 MR. MARWITZ: These loans?

11 MR. CAMMACK: Uh-huh.

12 MR. MARWITZ: If we get a loan that goes in
13 the ditch, and this is a new -- I've been doing this
14 35 years, a new for process for me. I'm used to
15 having a cradle to grave, but apparently that's not
16 the world of new banks. When a loan gets so far past
17 due and there's not really (inaudible) that I'm aware
18 of, we make recommendation to senior management to
19 turn them over to special assets.

20 MR. CAMMACK: And I guess their whole job is
21 to facilitate the sale to some new buyer; is that --

22 MR. MARWITZ: Well, their job is -- to the
23 best of my knowledge, I never worked in special
24 assets -- is to try to collect the money --

25 MR. CAMMACK: Uh-huh.

1 MR. MARWITZ: -- via foreclosure, via --

2 FEMALE: He's in Missouri.

3 MR. MARWITZ: He's in Missouri? Tom is in
4 Missouri. Okay. And Bill Babineaux's Louisiana,
5 right?

6 FEMALE: (Inaudible).

7 MR. MARWITZ: Someone manages the
8 foreclosures. (Mumbles). They get the max out, so
9 we just --

10 MR. CAMMACK: You wouldn't happen to -- so
11 you're saying that you didn't -- you don't know
12 nothing about -- I guess, the transaction once it
13 gets over there, you don't make that referral over
14 there to them or anything that like?

15 MR. MARWITZ: I make the referral.

16 MR. CAMMACK: Oh, okay.

17 MR. MARWITZ: Yes, yes.

18 MR. CAMMACK: So you don't mind me asking, I
19 guess -- do you know about what -- do you recall --
20 if you don't recall, you don't recall -- but just
21 when that referral came across your desk? When it
22 turned into one that went in the ditch?

23 MR. MARWITZ: Oh, gosh, well, that's been
24 numerous -- you know, we've had it on our radar for
25 quite some time, ever since Nate's office got raided.

1 And he's been all over the news.

2 MR. CAMMACK: All over the news?

3 MR. MARWITZ: All over the news. If I
4 remember correctly, that is when we had the World
5 Class (inaudible noise) -- back when we were First
6 State Bank Central Texas.

7 MR. CAMMACK: Uh-huh.

8 MR. MARWITZ: And then we merged. First
9 State merged, and I was with First State and we
10 merged with Bancorp South. And I want to say those
11 loans -- please don't quote me on this -- I want to
12 say they originated around '90 -- wait a minute, not
13 '90, 2017 --

14 MR. CAMMACK: Uh-huh.

15 MR. MARWITZ: -- something like that.

16 MR. CAMMACK: Sounds about right.

17 MR. MARWITZ: And it seems like Nate's been
18 in the news since about 2015, so --

19 MR. CAMMACK: Uh-huh.

20 MR. WYNNE: Well, one thing that makes --
21 know this understanding, Brandon's a special
22 prosecutor for the AG --

23 MR. MARWITZ: Uh-huh.

24 MR. WYNNE: -- I work with Nate, I'm outside
25 counsel.

1 MR. MARWITZ: Okay.

2 MR. WYNNE: But I just wanted to make sure
3 that -- I am not employed by -- by the AG.

4 MR. CAMMACK: That's right.

5 MR. MARWITZ: Okay. So you're -- you're
6 employed for -- with Nate.

7 MR. WYNNE: Well, I'm not employed. I'm
8 outside counsel. Outside counsel, but I -- but I
9 represent him.

10 MR. MARWITZ: Okay.

11 MR. WYNNE: So. He came and talked to me
12 after the raids happened, but long after.

13 MR. MARWITZ: Yeah, I mean --

14 MR. WYNNE: Long after.

15 MR. MARWITZ: So I -- I don't even know if
16 I -- well, I'm trying to think of -- I think I have
17 met Nate once, but --

18 MR. WYNNE: You'd remember it.

19 MR. MARWITZ: Well, I have met his -- his
20 right hand, Jeremy, and I certainly remember that.

21 MR. CAMMACK: So after the raids, then I
22 guess that's when they got kicked up, you made the
23 referral to special assets group?

24 MR. MARWITZ: I don't even know if we waited
25 until the raids had happened. Just I mean --

1 MR. CAMMACK: Okay.

2 MR. MARWITZ: -- I know that there's been --
3 once again, I say I know, just based on what I've
4 read and seen on the news and in the Austin Business
5 Journal, he's probably had 16, 18, 20 bankruptcies --

6 MR. CAMMACK: Uh-huh.

7 MR. MARWITZ: -- a lot of properties posted
8 for foreclosure.

9 Now, when things like that happen, they
10 get on our radar.

11 MR. CAMMACK: Sure.

12 MR. MARWITZ: Whether something is past due
13 or not --

14 MR. CAMMACK: Uh-huh.

15 MR. MARWITZ: -- if you're getting foreclosed
16 on by other lenders, you're going to be on the radar.

17 MR. CAMMACK: You're looking at it?

18 MR. MARWITZ: Yeah.

19 MR. CAMMACK: Yes, sir.

20 MR. MARWITZ: I mean, we notice.

21 MR. CAMMACK: Sure.

22 MR. MARWITZ: And so -- when did it get sent
23 to special assets? Without researching it, I could
24 not tell you off the top of my head.

25 MR. CAMMACK: Fair enough. Fair enough.

1 There will probably need to be a little -- it's been
2 a while, so --

3 MR. MARWITZ: Yeah, I mean I don't think it's
4 been that long. Well, I don't know, it seems like
5 forever.

6 MR. CAMMACK: This year has just dragged out.

7 MR. MARWITZ: Yeah, this has been the year
8 from hell.

9 MR. CAMMACK: Sure has been.

10 MR. MARWITZ: And then once special assets
11 gets involved, I'm out.

12 MR. CAMMACK: You're out. Do you know -- so
13 you never worked -- I mean, do you -- you never
14 worked over in special assets, so you're -- you're
15 out of that deal.

16 Typically, like if they're turning around
17 to make a sale, like the one in this case to this
18 anonymous LLC, who purchased this one up, is that
19 something that they're actively looking for people to
20 buy, or are they approached for it, or is it -- how
21 is that put out on the market?

22 MR. MARWITZ: To my knowledge, we don't
23 actively go out to market and say, "Hey, we have got
24 notes for sale." I mean, we're typically not in the
25 business of selling notes.

1 MR. CAMMACK: Right.

2 MR. MARWITZ: And in Nate's case, World
3 Class's case, I have had more than one group contact
4 me and say, "Hey, we got a group, we're interested in
5 buying the note."

6 MR. CAMMACK: Uh-huh.

7 MR. MARWITZ: "Call Tom Brouster or Bill
8 Babineaux."

9 MR. CAMMACK: Okay. Do you recall who those
10 were off the top of your head, those groups?

11 MR. MARWITZ: Oh, I don't. After seeing it,
12 the one name I recognize, and it might be because I
13 recognize the name Justin Bayne; but no, because I
14 don't -- I don't get down in the details of the weeds
15 with those guys because I know I have nothing to do
16 with it --

17 MR. CAMMACK: Got you.

18 MR. MARWITZ: -- as far as --

19 MR. CAMMACK: Okay.

20 MR. MARWITZ: Now, before -- before we
21 merged, and we were First State Bank, yeah, I got
22 cradle to grave. I got to -- I got to do the note
23 sales and foreclosures and depositions and many times
24 to the courthouse and --

25 MR. CAMMACK: Uh-huh.

1 MR. MARWITZ: -- all of that fun stuff.

2 MR. CAMMACK: Yeah, I wonder, that is not
3 even possible right now, is it?

4 MR. MARWITZ: You know, I don't think it is.

5 MR. CAMMACK: Uh-huh.

6 MR. MARWITZ: I don't think it is. You know,
7 this was years ago.

8 MR. CAMMACK: Yeah, I'm just -- yeah, with
9 Covid right now and all of that.

10 MR. MARWITZ: I don't even know if you can
11 still -- if you can foreclose right now.

12 MR. CAMMACK: Uh-huh.

13 MR. MARWITZ: Fortunately --

14 MR. CAMMACK: Right.

15 MR. MARWITZ: -- we hadn't had anything we
16 needed to foreclose on.

17 MR. CAMMACK: Some of these documents here
18 that are -- that are -- they're with regards to the
19 sale of that note, the stuff that the AG's wanting to
20 take a look at and this Grand Jury's wanting to take
21 a look at. If -- if possible, just to get it all in
22 an e-mail, that would probably be the easiest way to
23 return it.

24 MR. MARWITZ: Okay. I can scan this and send
25 this to --

1 MR. CAMMACK: Your custodian or Brouster or
2 whoever can get the responsive documents.

3 MR. MARWITZ: I will send it to Tom Brouster,
4 Bill Babineaux, and then -- or I guess for lack -- I
5 guess he's lead counsel --

6 MR. CAMMACK: Uh-huh.

7 MR. MARWITZ: -- our bank attorney --

8 MR. CAMMACK: Uh-huh.

9 MR. MARWITZ: -- Chuck Pignuolo. Let's see
10 if I can find Chuck's -- I know they'll get him
11 involved. Chuck, what is Chuck called? General
12 counsel. It is P-I-G --

13 MR. CAMMACK: P-I-G --

14 MR. MARWITZ: N-U --

15 MR. CAMMACK: -- N-U --

16 MR. MARWITZ: O-L-O.

17 MR. CAMMACK: Okay.

18 MR. MARWITZ: So I will send it to -- to
19 Chuck and Tom and Bill --

20 MR. CAMMACK: Perfect.

21 MR. MARWITZ: -- and let them figure out what
22 to do with it.

23 MR. CAMMACK: That sounds good.

24 Do you recall when Justin Bayne reached
25 out to you about these, what -- who he was affiliated

1 with?

2 MR. MARWITZ: Oh, I don't know.

3 MR. CAMMACK: Just him, he's a -- he reached
4 out on his own?

5 MR. MARWITZ: A group.

6 MR. CAMMACK: Okay.

7 MR. MARWITZ: Because I've had two or three
8 calls like that.

9 MR. CAMMACK: About Nate's deals?

10 MR. MARWITZ: Yes.

11 MR. CAMMACK: Okay.

12 MR. MARWITZ: Yes.

13 MR. CAMMACK: If you can think of -- of those
14 other -- you know, I think if -- if Tom, Bill, your
15 custodian goes through here, that will probably
16 answer most of the questions here that we've got, and
17 that's all we -- all we're trying to do.

18 MR. MARWITZ: Okay.

19 MR. CAMMACK: I'm going to take this back
20 from you right here and just sign this piece of paper
21 on the back saying that I dropped this to you, okay?

22 MR. MARWITZ: Let's see, I'm old school, I
23 write everything -- I tried the desk out
24 under (knocking sound) -- you can't see it, but it's
25 here.

1 MR. CAMMACK: Somewhere under there.

2 MR. MARWITZ: Yeah. I am getting old. My
3 memory is not what it once was. Let's see. If I am
4 going to written on here or --

5 MR. WYNNE: How does somebody like Justin
6 Bayne know to contact you and ask for -- about the
7 loan?

8 MR. MARWITZ: They go to the public records.

9 MR. WYNNE: You mean -- (inaudible)?

10 MR. MARWITZ: Yeah, just do a search for
11 county clerk and I think everything they had was
12 WC-something.

13 MR. WYNNE: Yeah, I guess it's easy to find.

14 MR. MARWITZ: So it would be -- it would be
15 real easy to find it Nate -- Nate Paul entities, and
16 then -- then just pull it up.

17 MR. WYNNE: Yeah, or reach out.

18 MR. MARWITZ: Any trusts are recorded, and I
19 don't know, back on the deals we did, I would not
20 have been the trustee. I thought that would have
21 been Gary Gambler (ph). That would be the third
22 rate -- yeah, it would be real -- real easy to find
23 out who the lender is.

24 MR. WYNNE: But you would have to know
25 who's -- as long as he's good looking, I'm guessing,

1 so he's --

2 MR. MARWITZ: Yeah, and you find out who the
3 lender is, you make a few phone calls and probably
4 pretty easy to find out. But, yeah, my conversations
5 with anybody who inquired was, "Let me put you in
6 touch with special assets."

7 MR. CAMMACK: Okay. Well, sounds good. So I
8 guess we'll probably be getting a call from your
9 custodian or counsel or there is -- the instructions
10 are on the back, but I'm sure you've seen a subpoena
11 before on how to return these deliverables.
12 Electronic copy is -- is the preferred way.

13 MR. MARWITZ: And it's got your information
14 on here?

15 MR. CAMMACK: Yes. And Mr. Paxton's down
16 there. Of course, it -- it will be coming directly
17 to me.

18 MR. MARWITZ: Okay.

19 MR. CAMMACK: And I guess it goes without
20 saying, being that it is a Grand Jury investigation,
21 those are private proceedings. So any discussion
22 with this matter outside of your company is strictly
23 prohibited.

24 MR. MARWITZ: Understood. I have been to the
25 courthouse enough I have learned to discuss nothing.

1 MR. CAMMACK: You got my number on there if
2 you need anything. So --

3 MR. MARWITZ: Where is your number?

4 MR. CAMMACK: Right there on the front.

5 MR. MARWITZ: Oh, on the very front?

6 MR. CAMMACK: Down here.

7 MR. WYNNE: Yeah, also, make a note there's,
8 sir, it's advised that you not disclose it, because
9 you have a policy that you disclose to your customer
10 or anybody else the existence of a subpoena, that's
11 your business, and so we're not instructing you not
12 to disclose but follow, you know, your own practice.

13 MR. MARWITZ: Oh, yeah, no, we will. And our
14 practice is --

15 MR. WYNNE: Whatever your practice is --

16 MR. MARWITZ: I get something like --

17 MR. WYNNE: -- they can't say, do something
18 other than your standard practice.

19 MR. MARWITZ: Yeah. No, I get something like
20 this, I can tell you that, I mean, I'm not going to
21 talk about to anybody about it except --

22 MR. WYNNE: That's -- that's your discretion
23 and your bank policy.

24 MR. MARWITZ: I will let Chuck and Tom and
25 Bill decide who they want to talk to and about what.

1 MR. CAMMACK: Okay.

2 MR. MARWITZ: See, I don't miss them. See, I
3 don't miss the days of mediation and depositions and
4 the courthouse and --

5 MR. WYNNE: Were you a lawyer?

6 MR. MARWITZ: No.

7 MR. WYNNE: Okay. I'm not licensed to
8 practice law, but I feel like I should be.

9 MR. CAMMACK: You learn more than you want to
10 know, huh?

11 MR. MARWITZ: Yeah.

12 MR. WYNNE: I will trade places with you any
13 day. This is a tough way to be in to make a living.

14 MR. MARWITZ: For us to go all the way from
15 '09 with recent real estate -- I say "recent" --
16 nothing -- the next -- next go-round is headed our
17 way. Covid fallout, I think it's going to be ugly.

18 MR. WYNNE: Do you think there's something
19 with these PPP loans coming up?

20 MR. MARWITZ: PPP loans, that is a train
21 wreck.

22 MR. WYNNE: Yeah.

23 MR. MARWITZ: The Governor still hadn't
24 decided how to process forgiveness.

25 MR. WYNNE: Well, there's some people out

1 there completely un -- or that I think are using this
2 and --

3 MR. MARWITZ: Oh, there will be lots of
4 lawsuits and lots of investigations.

5 MR. WYNNE: That's next year for us.

6 MR. CAMMACK: That's next year.

7 MR. MARWITZ: I mean, I know, you know, that
8 over the past three decades is a wonder, they used to
9 do a whole lot of SBA loans, and so I had a pretty
10 good idea -- or did have a pretty good idea of what
11 qualified and what didn't qualify, and I heard lots
12 of stories of businesses giving PPP loans that would
13 not qualify for a traditional SBA loan, just by
14 virtue of the nature of the business, and I know a
15 bunch of that happened.

16 MR. WYNNE: That's next year.

17 MR. CAMMACK: Yeah, that's next year.

18 MR. MARWITZ: That's next year, and --

19 MR. WYNNE: Going on now a few years after
20 that keeping us busy.

21 MR. CAMMACK: No kidding.

22 MR. MARWITZ: You know, there was a guy from
23 Florida who collected 300,000 PPP loans and went and
24 bought him a Ferrari or something. I think he's
25 already got caught.

1 MR. CAMMACK: I heard about that. I heard
2 about that.

3 MR. MARWITZ: Yeah, so that's -- I'm afraid
4 that's the next train wreck coming.

5 MR. CAMMACK: We won't take up any more of
6 your time.

7 MR. MARWITZ: Yes, well, I'm sorry I can't
8 tell you more --

9 MR. CAMMACK: No.

10 MR. MARWITZ: -- but sorry and not sorry. I
11 mean --

12 MR. CAMMACK: That's right, that's right.

13 MR. MARWITZ: Whether or not to --

14 MR. CAMMACK: We will get in touch with those
15 other folks and I guess you'll send that on to who
16 needs to see it.

17 MR. MARWITZ: I will have this in those three
18 gentlemen's in-box before the end of the day.

19 MR. CAMMACK: Thank you.

20 MR. WYNNE: Okay. Take care.

21 MR. CAMMACK: All right. Pleasure meeting
22 you.

23 MR. MARWITZ: My pleasure, gentlemen.

24 MR. CAMMACK: Yes, sir.

25 Thank you, ma'am. Have a great day.

1 FEMALE: Have a nice day.

2 MR. WYNNE: You, too.

3 (Tape ends)

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Confidential

1 STATE OF TEXAS

2 COUNTY OF HARRIS

3

4 TAPE HBOM00025975

5 Transcribed August 9, 2023

6

7 I, Michelle Hartman, the undersigned
8 Certified Shorthand Reporter in and for the State of
9 Texas and Registered Professional Reporter, certify
10 that the facts stated in the foregoing pages are
11 transcribed to the best of my ability.

12 I further certify that I am neither
13 attorney or counsel for, related to, nor employed by
14 any parties to the action in which this testimony is
15 taken and, further, that I am not a relative or
16 employee of any counsel employed by the parties
17 hereto or financially interested in the action.

18 SUBSCRIBED AND SWORN TO under my hand and
19 seal of office on this 9 day of August, 2023.

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21



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Michelle Hartman, CSR, RPR
Texas CSR 7093
Expiration: 12/31/23

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Exhibit 7

[EX 007 Paxton on Mark Davis Show - 2021.12.02.mp4](#)

EXHIBIT 007-A

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TRANSCRIPTION OF EXCERPT OF MARK DAVIS SHOW
WITH ATTORNEY GENERAL KEN PAXTON
(27:51 through 29:17)
DECEMBER 2, 2021

DISCLAIMER

The transcription and translation of the contents of this digital file recorded material are based upon the recording as heard on the particular electronic equipment used, the quality of the recording provided, the speaking speed, and the content of the conversation as understood by the reporter. Furthermore, proper names were spelled phonetically.

1 MARK DAVIS: There was one particular
2 segment I think that was the Eva Guzman segment.
3 She had a pretty good question. She said that in
4 the case of these departed attorneys who for some
5 reason turned sour on you and decided this is
6 terrible and complained to the FBI that all kinds
7 of terrible things are happening in the AG's
8 office, to which you have said, I think on this
9 show a couple of times, "Yeah. These guys aren't
10 exactly Boy Scouts either," so it becomes kind of
11 a he said/they said thing.

12 Her point was if you were aware of
13 malfeasance on these guys' point -- or part, how
14 come you didn't fire them proactively yourself?

15 GENERAL PAXTON: Well, we did, some of
16 them. We didn't know. I didn't know. They --
17 this was a very secretive operation by some of
18 these guys. They worked on it for two years.
19 They had outside help. And I was only able to
20 discover what was going on through an
21 investigation.

22 And -- and you can read that article.
23 Most people have not read it. The media has not
24 covered it. We have a report on our website that
25 we spent 11 months doing. And all I asked my

1 people to do, my lawyers, find the truth. Don't
2 put anything in there that you can't back up with
3 an email, with a -- with something in writing or
4 the law, and they've done that.

5 And in that -- in that -- in that
6 rendition of what happened, you can read the short
7 version, which is -- you know, there's an
8 executive summary. And it talks about how these
9 guys committed crimes, how they leaked grand jury
10 information to the subject to the -- of the
11 investigation.

12 I didn't know that. I didn't know
13 they were doing that, but we've discovered it. No
14 one's going to do anything with it, no prosecutor
15 or the FBI, because I didn't -- I don't think they
16 want -- they don't -- they want these guys to be
17 pristine in their reputations even though we have
18 absolute proof that they violated the law.

19 (End of requested excerpt of digital
20 recording)

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1 THE STATE OF TEXAS)

2 COUNTY OF HARRIS)

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4 I, Diana Ramos, Certified Shorthand
5 Reporter in and for the State of Texas, do hereby
6 certify that the above and foregoing is a correct
7 transcription of the excerpt requested from the
8 audio recording provided to me in the
9 above-entitled matter, taken down by me in machine
10 shorthand and later reduced to typewritten form to
11 the best of my ability.

12 Certified to by me this 14th day of
13 August, 2023.

Diana Ramos

14
15 Diana Ramos, CSR
16 CSR No. 3133, Expires 1-31-2025
17 Infinity Reporting Group, LLC
18 Firm Registration No. 782
19 11231 Richmond Avenue, Suite D110
20 Houston, Texas 77082
21 Phone: (832) 930-4484

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Exhibit 8

[EX 008 Paxton on Mark Davis Show - 2022.01.31.mp4](#)

EXHIBIT 008-A

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TRANSCRIPTION OF EXCERPT OF MARK DAVIS SHOW
WITH ATTORNEY GENERAL KEN PAXTON
(27:27 through 29:57)
JANUARY 31, 2022

DISCLAIMER

The transcription and translation of the contents of this digital file recorded material are based upon the recording as heard on the particular electronic equipment used, the quality of the recording provided, the speaking speed, and the content of the conversation as understood by the reporter. Furthermore, proper names were spelled phonetically.

1 MARK DAVIS: Our latest march through
2 those things. Once again, for -- for those who --
3 because I always know that a lot of people are
4 hearing us talk about this maybe for the first
5 time.

6 So Louie's big thing, George P's big
7 thing, Eva Guzman's big thing are these eight
8 attorneys who all of a sudden went deeply, sharply
9 south on you, terrible things are happening.
10 We've got to go. And to them, those folks are
11 heroic truth-tellers. To -- to you, they are
12 disgruntled ex-employees.

13 What's up with these departed people?

14 GENERAL PAXTON: All's anybody has to
15 do -- of course Louie wouldn't have done this, nor
16 would any of these other opponents -- read the
17 report that we put out. It -- it -- when we put
18 this report out, I didn't know what had happened
19 in my office.

20 I didn't know what -- these guys, what
21 their agenda was. I didn't know why they did it.
22 They didn't explain it to me. They didn't come to
23 me ahead of time to say, "You did this. You did
24 that."

25 So I -- I asked my -- my team of

1 lawyers. There were probably 15 of them involved.³
2 I said, "Look, I want you to go find the truth. I
3 want you to -- one, I'm not going to write a word
4 of it. I'm -- we're going to document everything
5 so don't put anything in this report that you
6 can't document by the law, with an email, with
7 notes, something that we can go back and say,
8 "Here's what happened."

9 Well, so we did that report with
10 documentation. It's about 260 pages. It's
11 actually only about 69 pages of -- of writing. No
12 one's ever disputed that report. And that report,
13 it -- it basically indicts these guys for
14 committing crimes and doing things that were
15 illegal.

16 And, of course, no one talks about
17 that in the media. No one's really read that
18 report. And so it just -- all the facts are laid
19 out and no one's ever disputed them.

20 MARK DAVIS: I did read it and I -- I
21 found it interesting. And I guess it was Eva
22 Guzman who said, "How in the world? Was it --
23 were you a bad judge of character to bring these
24 people in in the first place to all of a sudden
25 have them turn out to be such scoundrels?"

1 GENERAL PAXTON: Well, so really it
2 was -- you know, so you don't -- I don't end up
3 hiring everybody. I hired -- I hired one person
4 that -- that basically worked two years to bring
5 in the people he wanted in there that would do
6 what he wanted to do.

7 I didn't know he was doing this stuff.
8 He was very secretive about it. He was very -- he
9 learned from me, I think, how to build coalitions.
10 And what he did was he knew people in the position
11 that would do what he wanted done with me.

12 So I'm pretty convinced that he worked
13 on it for two years. There were other people
14 involved outside the office. And so, you know, is
15 it unusual for things like this to happen in
16 government in -- in -- in a big bureaucracy? I
17 mean, we do have a -- it's no different in Texas
18 than it is in Washington.

19 You can see what happened to Donald
20 Trump with the -- with the bureaucracy in the deep
21 states. Same thing happens here.

22 (End of requested excerpt of digital
23 recording)

24
25

1 THE STATE OF TEXAS)

2 COUNTY OF HARRIS)

3

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14

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Infinity Reporting Group, LLC
Firm Registration No. 782
11231 Richmond Avenue, Suite D110
Houston, Texas 77082
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EXHIBIT 009

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AGC MEETING

May 4, 2023 Meeting

re: Mr. James Blake Brickman

Transcribed June 23, 2023

AGC meeting of tape re: Mr. James Blake
Brickman, transcribed by Michelle Hartman, Certified
Shorthand Reporter in and for the State of Texas and
Registered Professional Reporter, reported by
computerized stenotype machine from audio tape
recordings to the best of her ability.

CONFIDENTIAL

APPEARANCES

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Ms. Erin Epley
Ms. Terese Buess
Mr. Dan McAnulty
Mr. Tom Nesbitt, counsel for Blake Brickman.
Mr. James Blake Brickman

Confidential

1 MR. NESBITT: My name is Tom Nesbitt.
2 I'm a lawyer representing Blake Brickman.

3 THE WITNESS: My name is
4 James Brickman. I go by Blake.

5 MR. MCANULTY: My name is Dan
6 McAnulty, and I'm an investigator.

7 MS. BUESS: My name is Terese Buess.
8 I'm a retired prosecutor, and I'm assisting in an
9 inquiry with the investigation committee.

10 MS. EPLEY: My name is Erin Epley.
11 I'm an attorney, and I'm assisting with the
12 investigation or the inquiry.

13 Q. (BY MR. MCANULTY) All right. It
14 sounds like you have been through a lot of interviews
15 and met with a lot of folks as you prefaced the
16 meeting with, and we are glad you are here. Thank
17 you for -- for coming in and responding.

18 We would like for you, if you would,
19 start kind of at the beginning of how -- what led to
20 your eventual termination. How did that start?
21 What -- what was it predicated on, and a timeline of
22 when that was?

23 A. Sure. Do you want me to talk?

24 Q. Sure, sure. Just talk to all of us.

25 A. So I -- I only worked in the Attorney

1 General's Office from February of 2020 through my
2 termination in October 2020, so I was there for less
3 than a year.

4 Q. Tell me the start date again.

5 A. February of 2020. Early February 2020
6 through my termination, which was October 20th of
7 2020.

8 Q. 10/20/2020. Okay.

9 A. But General Paxton personally recruited
10 me -- recruited me to that job, and my office was
11 10 feet away from his the entire time that I was
12 there.

13 Q. (BY MS. BUSS) Where did you come
14 from?

15 A. I was the chief of staff for the
16 Governor of Kentucky. We lost our election in
17 November of 2019. My wife and I are both from Texas
18 originally, both from Dallas, and we wanted to move
19 back closer to home. We have three kids. All of our
20 families are in Dallas, and I met General Paxton a
21 year prior. So he knew me. I met him and I flew to
22 Dallas -- I flew to Austin to meet with him.

23 Again, this is all pre-pandemic. This
24 is December of 2020. I flew to Austin to meet with
25 him before Christmas of 2020, and then they offered

1 me the job in Dallas -- or he offered me personally
2 the job in December of 2020.

3 Q. (BY MS. EPLEY) Can I clarify? Would
4 it be in 2019 or 2020?

5 A. I'm sorry, 2019.

6 Q. (BY MR. MCANULTY) Yes, '19, okay.

7 A. I started about a month later.

8 Q. (BY MS. BUESS) And what was your
9 position, organization?

10 A. When I started off, I was not a member
11 of the Texas Bar, because I had to wave in.

12 Q. Okay.

13 A. So my title when I waved in became
14 Deputy Attorney General for Policy and Strategic
15 Initiatives. So I think my title, technically,
16 before that was policy and strategic initiatives or
17 something like that. But basically, the scheduler
18 reported to me, the body man reported to me.

19 Q. What is a body man? I don't know what
20 that is.

21 A. A body man is the travel aid, the
22 person that generally travels with the Governor or
23 the Attorney General to, you know, help him or her
24 with, you know, tasks.

25 Q. Okay.

1 A. But I was very much involved in the
2 kind of operations of the office. The legislative
3 affairs director, Ryan Fisher, again reported to me.
4 I had also known Jeff Mateer prior, who was the first
5 assistant, and the Texas Attorney General's Office at
6 that time was a very respected place to go work, and
7 I thought it would be a good place for me to
8 assimilate back into Texas.

9 I quickly realized a couple of months
10 into it that there was significant problems with the
11 Attorney General that I figured out primarily because
12 the travel aid reported to me and --

13 Q. Who was that?

14 A. His name was Drew Wicker. He went to
15 SMU. He was in his early 20s, a really sharp guy.
16 But Drew came to me sometime in September or spring
17 of 2020, I don't recall the exact date, and said that
18 Attorney General Paxton wanted Drew to take him to a
19 meeting, and it was important that the security
20 detail and scheduler not know about it, which
21 certainly raised a red flag for me the first time.

22 And Drew came and asked me, "What
23 should I do about it?"

24 And I said, "Well, he's the boss, you
25 should do what he told you to do."

1 Well, it happened again shortly
2 thereafter where Drew came to me and said that
3 "Attorney General Paxton wants me to take him to
4 another meeting."

5 And I asked him, I said, "Drew, who is
6 he meeting with?"

7 And he said, you know, he didn't know.

8 Q. (BY MR. MCANULTY) Excuse me. Did he
9 tell you where the meeting was or --

10 A. They met at Polvos, which is a Tex-Mex
11 place in downtown Austin.

12 Q. Polvos. P-O-L-V-O-S?

13 A. P-O-L-V-O-S, yes.

14 Anyway, I don't remember exactly if it
15 was the second time or the third time but Drew told
16 me it happened again, and he figured out that he --
17 "he" being Attorney General Paxton -- was meeting
18 with a man named Nate Paul, which at the time meant
19 to me absolutely nothing.

20 I did a quick Google search of Nate
21 Paul. The first thing that popped up was that the
22 FBI had issued a search warrant on his office. I
23 think it was in August of 2019, which was -- this was
24 maybe six months after that. And I realized, well,
25 now I know why he's trying to hide these meetings,

1 he's meeting with some guy who the FBI raided not
2 longer than a year before.

3 So this was spring of 2020, a couple
4 of months after I had been there, and that was
5 just -- you know, that was the first time I had heard
6 the name Nate Paul, and I became very skeptical of
7 anything about General Paxton being involved with
8 Nate Paul after that time.

9 Q. Did Drew tell you whether he was
10 present in the conversations or was he like waiting
11 in the car? Where was -- did he overhear anything,
12 know what they were discussing?

13 A. I think Drew was the driver, because
14 usually Attorney General Paxton has a security
15 detail --

16 Q. Right.

17 A. -- that takes him everywhere. And most
18 meetings, like, for most elected officials are on the
19 schedule.

20 Q. Right.

21 A. This was a case where the security
22 detail was not driving him and the meetings were not
23 on the schedule, but I don't believe Drew was
24 actually in those initial meetings.

25 Now, Drew later told me, you know,

1 some important info that we can get to if we want to
2 stay chronologically.

3 Q. Yes, that would be good.

4 Am I clear that there were two
5 meetings at first or was there a third?

6 A. At least two.

7 Q. Okay. At least two.

8 A. There was multiple meetings. There
9 could have been more than that. I don't -- I wasn't
10 there. But this is how, you know, Nate Paul came on
11 kind of my radar for certain. And the way the
12 Attorney General's office worked we were all on the
13 eighth floor of the Price Daniel Building, and,
14 again, remember, this was a really weird time where
15 Covid is raging.

16 Q. Right. Right.

17 A. Most of the agency is remote, but kind
18 of the core senior team, we were in the office
19 everyday while the rest of the agency wasn't. And
20 what really -- well, there were two things that stuck
21 out to me. The first being General Paxton was
22 meeting with this businessman who had been served a
23 search warrant by the FBI six months prior, or
24 whatever, August 19th.

25 But the second was, I have spent a lot

1 of time -- I was chief of staff for a United States
2 Senator and I was chief of staff for the Governor,
3 and I have a lot of experience with kind of what is
4 important, what is not important, what should rise to
5 level of the principal being involved, what should
6 rise to the level of the staff being involved.

7 And General Paxton took -- I mean, his
8 obsession with anything related to Nate Paul was so
9 obvious that it just really shocked me still why the
10 Attorney General of Texas was so interested in things
11 that should be -- even if -- even if the A.G. Office
12 should be dealing with them, they should be handled
13 at the line of order level, not the Attorney General
14 level, especially in light of what is happening with
15 a major pandemic going on.

16 But the first time where
17 General Paxton and I really talked about Nate Paul
18 directly was when he wanted me to get involved
19 in this Mitte Foundation case, which, again, for the
20 Attorney General to get involved in, you know, a
21 civil dispute between a charity and a local investor
22 is extremely uncommon, especially when the line
23 lawyers in that case declined to intervene in January
24 of 2020, which, in my opinion, was the right
25 decision.

1 I mean, the whole point of the charity
2 division at the A.G.'s Office is to protect
3 charities. The charity in the case was the plaintiff
4 seeking to protect itself, so it just never made any
5 sense.

6 Q. Going back just a little bit, did you
7 ever meet Nate Paul yourself?

8 A. I did not.

9 Q. Did you ever see him?

10 A. I did not. I told General Paxton I
11 wanted nothing to do with this case; that I did not
12 think the A.G.'s Office should have anything to do
13 this case. This was in July 2020.

14 Q. (BY MS. BUESS) Can I step you back
15 just a little bit? When he came to you to talk about
16 this lawsuit, what exactly did he say to you that you
17 recall?

18 A. He called me from Cabo. He was in Cabo
19 at a guy named Steve Solomon's house, which is a
20 Dallas guy, and he asked me to take a look at the
21 file. This is I believe after the A.G.'s Office had
22 intervened in this case, which was after the A.G.'s
23 Office had declined to intervene months prior.

24 And at this point, the senior staff
25 talks and, we all knew that this was a weird

1 situation, at the very least, and none of us really
2 wanted to get involved.

3 Q. I'm just a little bit confused about the
4 timing. So what he asked you -- when he calls from
5 Cabo to have you look at the file, had the line
6 attorneys already declined getting involved on behalf
7 of the A.G.'s office?

8 A. The line attorneys declined, I
9 believe -- and I would have to look at my file, I
10 believe it was sometime around January of 2020.

11 Q. Okay.

12 A. And then General Paxton directed them,
13 the charitable division, to intervene around June of
14 2020 or around that time period. Again, I apologize
15 I don't have the exact time period.

16 Q. That's okay.

17 And was that after your
18 conversation --

19 A. No.

20 Q. -- with him?

21 A. No.

22 Q. So he had already --

23 A. He had already intervened.

24 Q. Okay. That's what I was a little bit
25 unclear on. And the conversation, you said it was

1 July of 2020 when he called you?

2 A. He did.

3 Q. (BY MS. EPLEY) That's the first time
4 he reaches out to you from Cabo?

5 A. About this case.

6 Q. (BY MS. BUESS) Okay. All right. So
7 that's the first time that he had ever discussed it
8 with you?

9 A. Yes. The Mitte Foundation and me
10 getting involved. And, again, I wasn't in the
11 charitable division. I wasn't in the -- this did not
12 fall within my --

13 Q. Purview.

14 A. -- scope of work at all.

15 Q. (BY MR. MCANULTY) Okay. Did you --
16 did you ask him, "Why -- why are you calling me?"
17 And what was your response to him?

18 A. I told him I would look into it, which
19 I did.

20 Q. Yes.

21 A. And I realized that this wasn't a case
22 that we should be involved in at all for the reason I
23 said earlier, that that whole point of the charity
24 division is to protect charities, and this was -- I
25 mean, it was -- at the time I did not know exactly

1 the extent of the Nate Paul situation, but it was
2 pretty clear to me that this was tied to Nate Paul.

3 I mean, it was that charity that was
4 suing Nate Paul, who I had known he was meeting with
5 secretly prior. There is nothing about this that
6 says this is something that you should get involved.

7 Q. (BY MS. BUESS) So when he calls you
8 and says, "I want you to look into this file," what
9 did you take that to mean?

10 Did he tell you, "I want a settlement"
11 or, "I want a particular thing out of it?" What did
12 he want you to do?

13 A. He wanted me to get familiar with the
14 case. He did not tell me to specifically do one
15 thing or another.

16 Q. Okay. So you looked into the case and
17 you determined --

18 A. Yes.

19 Q. -- it's a no-go. Did you tell him
20 that?

21 A. I did. We had a meeting maybe two
22 weeks later about -- you know, I think it was
23 around July 20th, July 22nd, where Jeff Mateer, who
24 was the first assistant -- General Paxton, and myself
25 had a conversation in Jeff's office where we

1 literally had to talk the Attorney General of Texas
2 out of arguing a motion in the case in Travis County
3 District Court, which shocked me that the Attorney
4 General does not argue cases, first of all. They
5 definitely -- or he definitely does not argue cases
6 about a charitable dispute in Travis County.

7 The fact that he was so interested in
8 this case that he was willing to at least say he was
9 going to do that, we had to talk him out of it. And
10 I told him in that meeting that we should not do
11 anything related to Nate Paul, as did Jeff Mateer.

12 Q. (BY MR. MCANULTY) Did you talk him out
13 or try to -- was it working when you talked -- did
14 you get a feel for whether he was listening to you?

15 A. He told me he was listening to me. He
16 told us that he was not going to argue the case. He
17 told us that he wasn't going to get involved with
18 Nate Paul matters anymore.

19 He -- none of that was true, by the
20 way. And if you talk to Mr. Mateer, I mean, I think
21 he may have put it in the file on this because it was
22 such a -- it was such a big conversation that my
23 advice to Jeff at the time was, "You need to
24 memorialize this in writing."

25 And he was my boss. I think he did

1 that. I knew at this point that this was --
2 something really bad was going on, and I probably did
3 not know the full story, and I wanted in writing on
4 the record that Jeff and I told the Attorney General
5 that this is not something that this office should be
6 doing; and, in fact, not only the Attorney General
7 should not be arguing this motion, we should not be
8 doing anything related to Nate Paul.

9 Q. (BY MS. EPLEY) I read this, so I
10 already know the answer, but had you ever seen him
11 argue anything in any court?

12 A. No. And again, I think I mentioned
13 this earlier, this is the height of Covid, tons of
14 litigation Covid-related, a pandemic going on, and
15 the Attorney General of Texas spending more time,
16 more resources thinking about a charitable case
17 involving a businessman who was under FBI
18 investigation. I mean, I'm not a prosecutor, I'm not
19 a criminal attorney, but the whole thing was just so
20 bizarre to me.

21 Q. (BY MS. BUESS) So, Blake, if I were to
22 hone in on the resources that got invested into that
23 particular lawsuit from the AD.A.'s end, tell me what
24 was involved.

25 Aside from your time looking at --

1 looking over the lawsuit and having a meeting and
2 having to talk the A.G. out of arguing in court, what
3 other -- what other resources, what other people were
4 involved?

5 A. Josh Godbey was the head of the
6 charitable division.

7 Q. Spell me the last name.

8 A. G-O-D-B-E-Y.

9 Q. Okay.

10 A. You should talk to Josh. I don't
11 believe he's at the A.G.'s office anymore --

12 Q. Okay.

13 A. -- but he and his team were involved in
14 the initial decision not to intervene. Again, I
15 think that was sometime around January of 2020.

16 Basically what the Attorney General
17 was doing was overriding that decision, and I don't
18 remember if it was Darren McCarty, who was the deputy
19 over civil litigation, or Ryan Bangert, who was the
20 deputy first assistant, but one of them I think
21 intervened or told Josh to intervene. You would have
22 to ask Darren or Ryan, I don't recall.

23 But I also believe Attorney General
24 Paxton asked Ryan Bangert to look into this matter as
25 well, because he and I -- neither one of us were

1 comfortable with this.

2 Q. Okay.

3 A. And I think Ryan -- and, again, you
4 should talk to Ryan -- but I think Ryan reached the
5 same conclusion that I did, which is why he came to
6 me and asked me what to do. He was trying to find
7 someone who would essentially do what he wanted,
8 which there's a pattern of that. But I was
9 unequivocal with him in July that I'm not touching
10 this, I don't think our office should touch this,
11 there's no business here for, you know, State.

12 Q. (BY MR. MCANULTY) A quick question,
13 going backwards, who is Steve Solomon?

14 A. He's the friend of Ken Paxton. Likely
15 a donor. You can check the records of that. He's a
16 businessman in Dallas.

17 Q. Okay.

18 A. Another red flag that I had which is
19 related to Steve Solomon, I had worked for two prior
20 elected officials that were extremely honorable
21 people and neither of them got involved in public
22 life for the benefits of being in public life.

23 General Paxton is the exact opposite
24 where he always cared about what trip he was going
25 on, who was taking him to dinner. I mean, it was

1 like a culture, it was very obvious, that I was very
2 uncomfortable with, even before I knew about the Nate
3 Paul situation.

4 Q. So that predated -- you saw this
5 pattern of behavior early on?

6 A. I did.

7 Q. And you had not seen it prior?

8 A. Not for the prior people that I had
9 ever worked for.

10 Q. Well, not -- I mean in regards to him.
11 It wasn't until you get here and have been working
12 for him and associated that you begin to see that
13 pattern?

14 A. For him?

15 Q. Yes.

16 A. For him, I mean, I had never worked for
17 him before, when you work for someone, you see
18 everything, you see the scheduler or you see the
19 traveler, you see what they're doing. He likes the
20 perks of --

21 Q. The position.

22 A. -- the office. And I had never worked
23 for anyone that was like that before, which made it
24 even more obvious to me.

25 Around the -- so the Mitte Foundation

1 piece I was directly involved with, but I also knew
2 about the open records dispute that was spring of
3 2020. And in the summer, I also learned about the
4 Travis County referral, but that is more secondhand
5 because Ryan Vasser or Mark Penley, David Maxwell,
6 Jeff Mateer, Ryan Bangert, I mean, we all talked, we
7 were all on the same floor, we are all in the office.

8 So a lot of this was, you know, the
9 Attorney General would come to Vasser if it was an
10 open records thing or, you know, he would silo this,
11 but I was very involved with putting all of the
12 pieces of the puzzle together and tying it back to, I
13 think all of these things are benefiting Nate Paul.

14 Does that make sense? I mean,
15 Mark Penley and David Maxwell, they are law
16 enforcement, they are prosecutors, they were involved
17 with the referral that General Paxton engineered from
18 Margaret Moore's office. I really wasn't involved in
19 that, but I knew about it because we all talked.

20 So when the Mitte Foundation thing is
21 ongoing, when the open records request is ongoing,
22 when the referral is ongoing, when later the
23 bankruptcy foreclosure happens, I mean, these are
24 multiple, significant events that are tying up the
25 resources of the most senior people in the agency

1 during a pandemic when there was, like, substantive,
2 real issues going on, and the Attorney General was
3 literally obsessed with anything related to Nate
4 Paul, and it wasn't hard to put all these different
5 pieces together.

6 Q. (BY MR. MCANULTY) Other than what you
7 heard from others or you observed, conversations that
8 you had directly with Paxton about what made -- what
9 did he say or do in his conversations with you that
10 made you believe he was obsessed and not doing
11 anything else other than Nate Paul's business?

12 A. Because it was always on the top of his
13 mind. He had told me at one point that he thought
14 Nate Paul was a billionaire that was being wronged by
15 the system, and my response to that was,
16 "General Paxton, I don't know of many billionaires
17 that have that many bankruptcy filings, lawsuits
18 flying around." That was kind of how he would
19 justify it when we would raise the Nate Paul issue
20 with him, is that somehow he thought Nate Paul was
21 being wronged by law enforcement.

22 Q. Did he say why he thought that --

23 A. No.

24 Q. -- other than, perhaps, what Nate Paul
25 might have told him?

1 Because he's -- there's a lot of
2 information floating around. I mean, first off, when
3 you get a fairly sizable federal investigation going
4 on that involves the FBI and other agency, perhaps
5 subpoenas getting issued, bank records, there's
6 usually -- if something goes forward, it's because
7 there is substance, and he did not believe the
8 substance, or did he tell you that he did not believe
9 it? Anything you can tell us about that?

10 A. Nothing substantive. I mean, it never
11 made sense to me that if someone thought there was
12 something wrong or illegal or their rights were
13 violated by the FBI, there are remedies for that,
14 short of going to the Attorney General and asking him
15 to investigate that.

16 I mean, the whole -- the whole idea to
17 me was so outrageous that we would ever get involved
18 in anything like that, that it was -- there really is
19 not like a substantive argument for why an Attorney
20 General should investigate when a citizen felt his or
21 her rights were being violated by a search warrant.
22 I mean, there's an entire legal process that --

23 Q. Yes.

24 A. The whole -- the whole idea to me was
25 outrageous.

1 Q. So we are wanting to know, did you,
2 David Maxwell, did anybody try to tell him that?

3 What was his response? Just to keep
4 going on that, I mean --

5 A. Yes, he talked primarily to Mark Penley
6 and David Maxwell about these matters.

7 Q. Okay. Okay. That's good to know.

8 A. Mark and David could probably give you
9 the first-hand version of those conversations, which
10 I know happened. I also knew at the time that
11 Nate Paul had made a \$25,000 campaign contribution to
12 the Attorney General.

13 Q. (BY MS. BUSS) When did you know that?

14 A. In the summer of 2020 at some point.

15 Q. Okay.

16 A. Well, no, I'm sorry, before that,
17 because the contribution was made, I think, in 2018.
18 Nate Paul's lawyers made a contributions in the
19 summer of 2020 at the Hance Scarborough Law Firm,
20 which you should talk to Ken Hance or Terry
21 Scarborough because they actually represented Nate
22 Paul. But the key piece to me about the criminality
23 was Drew Wicker, who was the travel aid.

24 Let me back up. The Attorney General
25 had purchased a house in Tarrytown, which is a nice

1 suburban five minutes from here, and was doing a
2 renovation of his house, which I knew about because
3 the Attorney General had told me about it.

4 Q. (BY MR. MCANULTY) Can you tell me the
5 timetable of this?

6 A. The renovation was happening in the
7 spring of 2020.

8 Q. And he had bought it when?

9 A. I don't know the answer to that, but
10 sometime after, not very long.

11 So there's this renovation ongoing at
12 his house, and again, this is during the time period
13 where these meetings were happening that the security
14 detail did not know about that were off the books
15 with the scheduler, but Drew Wicker told me that he
16 overheard a conversation between Attorney General Ken
17 Paxton and the contractor on the house where there
18 was some change that they were making, I don't know
19 the exact details, but something along the lines of
20 Nate Paul was involved and the contractor knew Nate
21 Paul and there was some approval that may need to be
22 run by Nate Paul. Again, this is secondhand.

23 Q. This is Drew --

24 A. This is Drew Wicker telling me what he
25 overheard. I did not hear this directly. But that

1 obviously was a major red flag to me, you know, why
2 Nate Paul or anyone affiliated with Nate Paul was
3 doing anything to renovate Attorney General Paxton's
4 house. And, again, think about this and the totality
5 of the circumstances, everything else that's
6 happening was just a serious red flag.

7 Q. Yes. Did you -- was there any
8 follow-up conversation with Drew, any more
9 information about that? Did he hear anything more?

10 A. Drew -- Drew asked me what he thought I
11 should do about that. And I said, "Drew, if you're
12 comfortable asking Attorney General Paxton about it,
13 you can." But I did not want to put him in a
14 terrible position either. I mean, this was a -- Drew
15 is a 23-year-old recent college grad. So if you talk
16 to Drew, you can ask him what --

17 Q. Where is he now, do you know?

18 A. The last I heard, he lives in the D/FW
19 area. I'm happy to give his contact info.

20 Q. Yes, that would be nice.

21 Do you believe he would be willing to
22 talk to us?

23 A. I do.

24 Q. Okay.

25 A. I strongly encouraged him to leave the

1 office and to get away from this, which he did. He
2 left sometime right around when I was terminated. I
3 don't recall if it was before or after, but sometime
4 in the late 2020.

5 Q. Okay.

6 A. Drew was obviously concerned about what
7 he was seeing and witnessing, and, again, he looked
8 up to me as a -- he reported to me.

9 Q. Right.

10 A. I felt bad that he was put in that
11 situation, but I think he would be helpful.

12 Q. Do you know -- where does Paxton live,
13 did he live in that house or somewhere else?

14 A. He, I believe -- and I'm not positive
15 of this -- but he also owns a townhouse somewhere in
16 Tarrytown, where he lived prior, and then he bought
17 the house that he was renovating. So I don't know if
18 he moved back into that townhouse.

19 Q. Does he have a house in Collin County
20 as well?

21 A. He does. I believe he has a house in
22 College Station as well. One of the weird things
23 about him -- and this also stuck out to me in the
24 beginning -- is that he would always complain,
25 literally complain about the fact that his staff

1 would make more money than he did. Yet which, again,
2 is -- first of all, it's totally inappropriate to say
3 that, but money was always at the top of the mind for
4 him.

5 And I started just doing the
6 back-of-an-envelope calculation on all of these homes
7 that he has and just the property tax that you have
8 to pay on those things and the renovations and we all
9 know what his salary is, I mean, he -- and I don't
10 know how much he made before, but him always talking
11 about money in the context of people making more than
12 he did, it was -- just always made me very
13 uncomfortable. And I think all the others will
14 corroborate that as well. I mean, he would talk
15 about it openly.

16 Q. Was -- did Angela live -- did they live
17 in the same house, as far as you know?

18 A. I don't know. I have very limited
19 interaction with her. I was aware of his affair
20 around this time period as well. I never talked to
21 him about it, though.

22 Q. Did you become aware before he
23 acknowledged it?

24 A. No. My understanding from talking to
25 my -- remember, I started in February 2020.

1 Q. Right.

2 A. My understanding from talking to my
3 colleagues that were still there when I was there was
4 that he had admitted to several of them before I
5 started.

6 Q. Was it over with, or do you know? Did
7 he say it was -- he ceased the affair?

8 A. I think Jeff Mateer would be the best
9 person to ask those questions, just because I wasn't
10 there, and my knowledge of that affair is not
11 first-hand from talking to him. I later learned that
12 Nate Paul had hired this same woman, but I did not
13 learn until after we had left, but again, another
14 piece of the puzzle.

15 Q. And you learned that from somebody in
16 the office?

17 A. That there was an affair?

18 Q. Yes.

19 A. Yes.

20 Q. And you never discussed it with him?

21 A. I never did.

22 Q. You never met her?

23 A. I never met her.

24 Q. Okay. I'm sorry, I got a side note.

25 MS. EPLEY: That's okay.

1 Q. (BY MR. MCANULTY) The house situation
2 is sort of interesting, because someone who does not
3 have a lot of money, does not make -- or who does not
4 make a lot of money but owns a lot of, perhaps,
5 expensive real estate, you have to wonder where it
6 came from.

7 A. That -- that was exactly the question
8 that I had. The house situation to me was the
9 biggest issue, biggest red flag.

10 Q. Did you ever go to the house?

11 A. I have driven by it. I never went
12 inside.

13 Q. Drew would have been there, I presume?

14 A. He -- my understanding is he was inside
15 the house when he overheard that conversation.

16 Q. He overheard that conversation, so
17 either -- he is sometimes the driver himself whenever
18 the regular security detail is not with him, and I
19 don't know that they -- do they escort him home
20 everyday or do you know?

21 A. Normally. Normally the detail will
22 pick him up and take him home, unless the Attorney
23 General, for whatever reason, did not want the detail
24 to know where he was going or would not want the
25 scheduler to actually put it on the books.

1 Q. On paper?

2 A. Which would make a record of who he was
3 meeting with or where he was meeting.

4 But the first time I did not think
5 that much of it. The second time, and then -- I
6 don't recall exactly, Dan, but I think that these
7 meetings happened fairly regularly. You know, you
8 would have to ask the Attorney General or Nate Paul
9 how often. There's a decent chance they were meeting
10 without Drew, I don't know.

11 Q. Did you ever have Nate Paul's phone
12 number?

13 A. No. I wanted nothing to do with
14 Nate Paul. Anything Nate Paul related, I wanted
15 nothing to do.

16 Q. Well, I would be curious to see how
17 many phone calls that might be going to or from
18 Nate Paul.

19 A. Well, that raises another interesting
20 question -- and again, Drew can be your source on
21 this -- is the Attorney General had multiple cell
22 phones.

23 Q. Right.

24 A. And I was in his office one time with
25 Drew, and Drew pointed to a stack of books and said,

1 "You see what's underneath there?" It was a cell
2 phone, and that was one of his other cell phones.

3 Q. Underneath where?

4 A. It was charging, like under some books.

5 Q. Oh, I see.

6 A. So Drew said -- we call them burner
7 phones.

8 Q. Burner phones.

9 A. I have no idea what those phone numbers
10 were. I only called the Attorney General on one
11 number, but Drew told me that there were other phones
12 that he would use.

13 Q. Okay.

14 A. And, again, like, I don't know people
15 that use other phones unless they are trying to hide
16 something, and this is happening in the totality of
17 all of these other things.

18 Q. Again, he never mentioned it to you,
19 you only knew one phone number to reach him at, a
20 cell phone number, right?

21 A. Yes, sir.

22 Q. Was that the official State phone?

23 A. I don't believe so. I believe it's his
24 personal phone.

25 Q. Personal phone, do you still have that

1 number?

2 A. I do. I could give it to you.

3 Q. Could I have it?

4 THE WITNESS: Do you want me to give
5 that to you?

6 MR. NESBITT: Sure.

7 A. Yes, I have it.

8 Q. (BY MR. MCANULTY) Okay.

9 MR. NESBITT: Do you want him to give
10 it to you right now?

11 Q. (BY MR. MCANULTY) Well, if you have
12 it, just --

13 A. (Complies).

14 Q. -- so I don't forget to go back and
15 ask.

16 A. It is REDACT .

17 Q. And that's the personal cell phone, not
18 a State?

19 A. I believe so.

20 Q. Okay. Thank you. And while you have
21 got it open, do you have Drew Wicker's --

22 A. Sure.

23 Q. -- phone number?

24 A. (Complies). Drew Wicker, REDACT .

25 Q. First three digits, REDACT

1 A. REDACT

2 Q. When is the last time that you had a
3 call or talked to Drew?

4 A. He texts me every two to three months.

5 Q. Okay.

6 A. I mean, he and I are not close, but I
7 do communicate with him. I think that Drew has a lot
8 of good information for y'all, being first-hand.

9 Q. Well, that would be -- that would be
10 very helpful. And I don't intend on calling him up
11 and saying, "Hey, I have got your number from
12 so-and-so," so don't worry about that.

13 On the other hand, if you were good
14 friends with him --

15 A. I'm not good friends, but if you call
16 him and he wasn't responsive and you wanted me to
17 help get him on board, then let's revisit that.

18 Q. All right. That's helpful.

19 A. But I don't think Drew has -- I think
20 Drew shares my interest in making sure that the truth
21 comes out here.

22 Q. Truth comes out.

23 A. And I don't think Drew did anything
24 wrong. He was just a young guy that was put in a
25 really bad situation, which I strongly encouraged him

1 to leave the agency and just to get as far away from
2 it as possible.

3 Q. Okay. Good.

4 MR. MCANULTY: Terese, do you have a
5 next point or starting point?

6 MS. BUESS: Yes.

7 Q. (BY MS. BUESS) I need to go back to
8 the charitable fund litigation again, just to make
9 sure I have not missed anything.

10 So you were asked to take a look at
11 the file and the pleadings to make sure that there
12 was not something that could be done; is that it?

13 A. The Attorney General, what he claimed
14 his concern was, was that the charity was wasting its
15 resources on litigation.

16 Q. So this is the -- this is a --

17 A. Which does not make sense to me.

18 Q. -- this is a group that the A.G.'s
19 Office has sued in the past, right, for issues of
20 noncompliance on their end?

21 So it's not like it was a good
22 relationship with the A.G.'s Office?

23 A. Which group?

24 Q. The Mitte Foundation.

25 A. I don't recall that, but you could be

1 right, but I don't recall that. The idea that there
2 was waste there did not really seem within the
3 purview of what the A.G.'s Office should be worried
4 about, even if it was true, but there was a
5 settlement prior in the very case that Nate Paul
6 never paid on --

7 Q. Right.

8 A. -- which, again --

9 Q. He just never paid or was there
10 something else he defaulted on?

11 A. I don't recall.

12 Q. You don't recall.

13 A. But to me, the issue was the fact that
14 there's like 30,000 plus cases in the A.G.'s Office
15 and this is the one case the Attorney General was
16 really focused on. That was the --

17 Q. (BY MR. MCANULTY) Is that \$30,000
18 number a real number or are you just --

19 A. I think if you ask the A.G.'s office,
20 they would tell you there's something like 30,000 or
21 so pending civil litigation cases.

22 Q. (BY MS. BUESS) So when you told him
23 that, that you did not see -- that you had reviewed
24 everything and you absolutely did not see that this
25 was something the office should be involved with --

1 A. In the meeting with Jeff Mateer and I,
2 he told us that he wasn't going to be involved in
3 this matter anymore.

4 Q. Okay.

5 A. I think it would be I think of interest
6 to you all to see if Jeff memorialized that meeting
7 in writing, which is my understanding that he did. I
8 do not have a copy of that.

9 Q. Okay.

10 A. But the reason I bring it up is because
11 it was such a significant meeting where I really
12 wanted to make sure that this memorialized that we
13 advised him to stop doing this. He told us that he
14 was going to stop, and in my mind, this kind of put
15 this thing to rest.

16 Q. (BY MR. MCANULTY) Did Jeff -- the
17 advice is "Do not get involved in this."

18 Was there more discussion why, about
19 whether the -- there could be any kind of legal
20 prohibition where he's trying to do something that
21 would potentially be illegal? Did that ever come up?

22 A. I mean, it certainly came up in the
23 context of Nate Paul's FBI investigation and why
24 would we be involved in this at all. This is not
25 something that would be of interest to the Attorney

1 General at all, and I think David Maxwell and maybe
2 Mark Penley had stronger conversations with
3 Attorney General Paxton about his potential criminal
4 liability. I'm not a criminal lawyer.

5 Q. Right. But you were not present
6 whenever that was discussed --

7 A. I wasn't.

8 Q. -- with him at least? Okay.

9 A. No, you have to ask David and Mark
10 about that. I think David was pretty straightforward
11 about it.

12 Q. Right. So after that meeting with
13 Jeff, how quickly was it that the A.G.'s office
14 withdrew from the lawsuit?

15 A. We did not withdraw from the lawsuit
16 until after we went to the FBI. Darren McCarty
17 withdrew from the Mitte Foundation lawsuit.

18 Q. I'm confused about that.

19 So you and Jeff Mateer talked him out
20 of appearing and arguing in court concerning a
21 lawsuit, and your recommendation, and his, was, "We
22 should not be involved with this lawsuit"?

23 A. Yes, that he certainly should not be
24 involved.

25 Q. Yes. So how long after? I mean, what

1 kind of goes on?

2 A. Well, a lot of things happened between
3 that --

4 Q. Yes.

5 A. -- so -- and, again, my recollection is
6 that this meeting with Mateer and Paxton and I was
7 around July 20th or 22nd, something like that.

8 A week later, on July 30th, was when
9 Attorney General Paxton instructed Ryan Bangert to
10 issue the opinion stopping the foreclosure sales. I
11 was not involved in that at all until Ryan came in my
12 office on Monday morning and told me the whole story
13 about this, and my response was something along the
14 lines of, "This sounds like another Nate Paul
15 situation" where the Attorney General is on the phone
16 with the deputy first assistant at 1:00 a.m. on a
17 Sunday.

18 I mean, this is, like, crazy stuff,
19 to -- instructing him to write a legal opinion
20 stopping foreclosure sales. I mean, again, I did not
21 know all the background on -- I wasn't involved in
22 this at all, but when I heard about it, I immediately
23 thought this is another Nate Paul situation, which I
24 ended up being right about.

25 Q. (BY MS. EPLEY) Was that -- was it

1 literal, you know, he reached out at 1:00 a.m. on a
2 Sunday, meaning the middle of the night?

3 A. Ryan told me that he was on the phone
4 with the Attorney -- you should talk to Ryan, I think
5 he would be helpful. And this one was pretty obvious
6 to me because of the timeline to write a legal
7 opinion in just a couple days, forcing it out on a
8 Sunday night, and it was kind of counter to the
9 general theme of the Attorney General's litigation
10 that whole year was -- I'm oversimplifying -- that
11 Covid should have less of an impact on the normal
12 course of business was kind of the theme of the
13 A.G.'s office, yet this opinion was, because of
14 Covid, we should not have foreclosure sales on a
15 County court step when people can stand outside.

16 We later learned that Nate Paul had
17 used that very opinion to his advantage within a
18 couple days of that coming out, which explained, in
19 hindsight, why there was such a rush.

20 I also think it would be helpful for
21 you all to talk to Senator Bryan Hughes about this.
22 He apparently had made the request, but my
23 understanding is the request was actually made by
24 Attorney General Paxton to Senator Hughes to make the
25 request. Does that make sense?

1 Q. (BY MS. BUESS) Yes, yes.

2 A. So it's -- so he was asking his closest
3 friend in the legislator to ask him for a legal
4 opinion. Ryan Fisher, who is the head of legislative
5 affairs at that time, and who is still there, could
6 answer questions about this.

7 Q. (BY MS. EPLEY) Hold on. I need you to
8 give me that last piece again. Let me just get
9 caught up.

10 Q. (BY MR. MCANULTY) Too many Ryans. So
11 there's Ryan Hughes and there's Ryan --

12 A. Bryan Hughes.

13 Q. Oh, Bryan Hughes, okay.

14 Q. (BY MS. EPLEY) And it was Ryan Bangert
15 who -- okay. So here's what I have: Let me make
16 sure I have this right, Senator Bryan Hughes is the
17 one who makes the request for an opinion related to
18 stopping foreclosures at the request of the A.G., who
19 had made the request to the Senator to begin with?

20 A. Yes.

21 Q. And then what was the second piece?

22 A. And Ryan Fisher, who is the head of the
23 Attorney General's office legislative affairs, I
24 think was involved in this process and could answer
25 questions about it; but this is not a situation where

1 out of the blue, which does happen normally, a
2 legislator calls and says, "Hey, Attorney General's
3 Office, can you give me a legal opinion on this?"

4 This was manufactured by the Attorney
5 General to rush out an opinion. And he called his
6 closest friend, the legislator -- or when I said "he
7 called," I think Ryan was actually involved in it,
8 because all these people know each other, but I think
9 Ryan could answer questions about that.

10 Q. (BY MS. BUESS) Do you think he will
11 talk to us, Ryan?

12 A. I don't know. He should. I mean, his
13 job is to deal with the legislator.

14 MR. NESBITT: I don't want to
15 interfere with this, but if I -- if he's mentioning
16 things, you have questions about a date and I can
17 point you to a document, is that helpful, or would
18 you rather --

19 MS. BUESS: Yes, absolutely.

20 MR. NESBITT: Okay. So just you
21 asked, he told you about the conversation between
22 Mateer and Paxton and he thought sometime in July of
23 2020, and you were asking what is the timing of the
24 actual withdrawal from the Mitte Foundation case.

25 The Mitte Foundation withdrawal

1 occurred September 30th, and it is Exhibit 5 to our
2 second amended petition, our live pleading in the
3 case. So the document itself, the pleading
4 withdrawing, is dated September 30th, and you have
5 that.

6 Another thing I wanted to point out
7 about this Bryan Hughes thing is in the -- what I
8 would call -- what I call Ken Paxton's half-baked
9 self-exoneration report --

10 MS. BUESS: Yes.

11 MR. NESBITT: -- that you had asked
12 him about earlier.

13 MS. BUESS: Yes.

14 MR. NESBITT: In that report, they --
15 they claim that this was just an opinion asked for by
16 Bryan Hughes. They made no mention of that report --
17 of what we know occurred, and then I believe
18 Senator Hughes will corroborate for you if you ask
19 him, that Ken -- it was the OAG that called him up
20 and said, "Will you please request us to issue this
21 opinion?" And that that happened on the Friday or
22 the Saturday before the opinion was rushed out at
23 1:00 in the morning.

24 THE WITNESS: Yes.

25 MR. NESBITT: And that prevented a

1 foreclosure sale of a Nate Paul property that was
2 scheduled for the following Tuesday. So events from
3 a Friday to a Tuesday are Paxton asks Hughes, "Please
4 ask for this opinion." They rushed the opinion out.
5 Nate Paul's lawyers flash it around and successfully
6 avoid foreclosures the following Tuesday.

7 And the other thing that you need to
8 know is that in Travis County, property foreclosures
9 occur on Tuesdays as a matter of routine, and they
10 happen on the courthouse steps, back patio actually
11 of the old -- now our old Travis County Courthouse.
12 You know, half a dozen people show up for these
13 things outdoors.

14 THE WITNESS: Just to clarify further,
15 my -- I believe Ryan Fisher was involved at
16 facilitating this opinion. So I'm not certain that
17 the Attorney General called Hughes directly or if
18 Ryan Fisher did, but I'm certain that this was
19 manufactured by the A.G.'s Office. I also don't want
20 to imply that Bryan Hughes did anything wrong or
21 illegal or even unethical here --

22 MS. BUESS: Yes.

23 THE WITNESS: -- but he was used by
24 the A.G.'s office as the vehicle to rush this opinion
25 out.

1 MS. BUESS: Understood.

2 THE WITNESS: So I don't -- I'm not
3 saying that he was involved in any of these other
4 issues, but it is not dissimilar from the Attorney
5 General saying that there was this referral from the
6 Travis County D.A.'s Office for Margaret Moore. Yet
7 we later learned he actually, with Nate Paul, asked
8 them to do it.

9 I mean, he is an extremely, extremely
10 dishonest person how he talks and what he does. I
11 mean extreme dishonesty. Where he will put stuff in
12 the report, like "Bryan Hughes requested this or
13 Margaret Moore requested this" but in reality, it was
14 actually him that was doing it.

15 Q. (BY MR. MCANULTY) Is there anything
16 where we stopped as far as the narrative up to when
17 you left the office? I know you said the last few
18 weeks were pretty miserable, and I understand that,
19 but let me see where we left off. We jumped around a
20 little bit.

21 Well, it's about the Mitte Foundation
22 foreclosure. Is there something chronologically that
23 goes past that?

24 A. Yes. So in this bankruptcy opinion, I
25 think was July 30th -- that's not right. Yes,

1 August -- Monday, August 3rd.

2 So I think your question is what
3 happened between August 3rd and when we went and
4 reported?

5 Q. Right.

6 A. So I knew at that time that the
7 Attorney General was still talking to Ryan Vasser and
8 others about getting an outside lawyer to investigate
9 the claims that were allegedly referred by the
10 Travis County D.A.'s Office that Mark Penley and
11 David Maxwell thought were bogus.

12 Okay. So I knew all that, not
13 firsthand, but knew it from talking to them. I knew
14 that the Attorney General wanted to hire somebody. I
15 knew that he was talking to Ryan Vasser about it, but
16 not until September 30th, I believe it was -- I
17 have to check my files when we actually learned for
18 the first time that there was a guy out there named
19 Brandon Cammack who was claiming to be a special
20 prosecutor from the office of Attorney General's
21 Office -- I did not know until that time that that --
22 who was actually serving subpoenas.

23 That was the triggering event for all
24 of us to say, "We now have to go report this." We
25 did not know that that was actually in the works. We

1 knew that Attorney General Paxton wanted to hire

2 Brandon Cammack. We did not know that Brandon

3 Cammack was actually --

4 Q. Had been --

5 A. -- out doing work. So I was literally

6 in the Governor's office when I got a phone call to

7 go back to the Attorney General's office, and the

8 eight of us -- David Maxwell was not there. So seven

9 of us met and we learned for the first time that

10 Brandon Cammack was actually serving subpoenas on

11 behalf of the A.G.'s Office. And all of us said that

12 "We have to go report this."

13 So in that interim between the
14 bankruptcy opinion and us learning that Brandon
15 Cammack was serving subpoenas, I wasn't really
16 directly involved with anything.

17 Does that make sense?

18 Q. Yes.

19 A. I mean, we were shocked -- all of us
20 were shocked to learn -- it was actually worse than
21 that, not just serving subpoenas, but serving
22 subpoenas with Nate Paul's lawyers on a facility in
23 Round Rock.

24 Q. (BY MS. EPLEY) Can I ask a rookie
25 question? What is the methodology for requesting a

1 subpoena from the A.G.'s office?

2 Like, I know a Harris County's D.A.'s
3 Office and it differs from the federal courthouse.
4 What would your process be, do you know?

5 A. I don't know.

6 Q. Okay.

7 A. That's a Mark Penley or David Maxwell
8 question. I don't know that.

9 Q. (BY MR. MCANULTY) Did you know -- how
10 did -- had you heard Cammack's name before?

11 A. I had, but I did not know he was
12 working on behalf of the agency. And none of us
13 wanted this to happen. None of us -- none of us
14 wanted Paxton to actually go hire someone to do this.

15 Q. But he had been telling you he wanted
16 to do that?

17 A. Not me, not telling me.

18 Q. Okay.

19 A. I did not talk to Paxton.

20 Q. I see.

21 A. But Mark Penley talked to him,
22 David Maxwell talked to him, Ryan Vasser certainly
23 talked to him about the Brandon Cammack situation.

24 Q. (BY MS. EPLEY) The documents reference
25 the ex state and federal prosecutor, who was

1 considered. Just anecdotally, do you recall who that
2 might have been?

3 A. Yes, it was the former U.S. attorney in
4 the Dallas area. If you told me his name, I would
5 remember it, but Jeff Mateer or Ryan Vasser could
6 tell you who it was, and I could probably go find it.

7 MR. NESBITT: It's Joe Brown.

8 THE WITNESS: Yes.

9 MR. NESBITT: Joe Brown Sherman (ph).

10 THE WITNESS: Yes, that's who it was.

11 MR. NESBITT: He was a long time D.A.
12 in Brazos County and then a U.S. attorney -- I think
13 assistant U.S. attorney and then U.S. attorney for, I
14 think, the Eastern District of Texas. That was
15 Sherman.

16 THE WITNESS: Yes, it was Joe Brown,
17 that's right.

18 Q. (BY MS. EPLEY) Only because I know you
19 are about to move forward, you did not know
20 Brandon Cammack had actually been hired, but I assume
21 you're not part of the conversations discussing
22 whether it should be Brandon or Joe.

23 Do you know who might have been, for
24 us to inquire as to what that process was?

25 A. Jeff Mateer, Mark Penley, Ryan Vasser,

1 they all have firsthand knowledge of this. I think
2 they will all tell you that no one should have been
3 hired. This was all driven by one person, the
4 Attorney General, who, again, like now, he is
5 overriding David Maxwell, who was literally in the
6 Hall of Fame Texas Rangers, spent his entire career
7 in law enforcement; Mark Penley, who is a former
8 head -- military former AUSA and the head of your
9 criminal division, who had investigated this and
10 found there was zero wrongdoing.

11 Now he's overriding these two people
12 to go hire some 30-ish-year-old criminal defense
13 lawyer in Houston to do this. I mean, it is like
14 shocking how egregious and blatant this is.

15 MR. NESBITT: And the premise of your
16 question may have assumed that they did not ask
17 Joe Brown to do it. They very well -- we don't know,
18 but they may have asked Joe Brown to do it and he
19 said, "I'm not doing it." We don't know, but that's
20 another thing that --

21 MR. MCANULTY: Sure, I did not mean to
22 assume, I just meant the process.

23 MR. NESBITT: No, no, I know, I just
24 wanted to clarify that. I did not want his answer to
25 be seen as acknowledging that they did make a

1 decision. I mean, if you are looking at Joe Brown or
2 if Brandon Cammack can do a job like this, it may be
3 that Joe Brown told them, "No, we don't know."

4 THE WITNESS: What I don't know would
5 be a good question for -- for Attorney General Paxton
6 or for Michael Wynne, who was a formal federal
7 prosecutor who worked for Nate Paul, is, "How did
8 Brandon Cammack even come into this picture?"

9 I mean, again, we are in Austin,
10 Brandon Cammack is in Houston, I believe Michael
11 Wynne is in Houston. They are serving subpoenas
12 together on a bank. A young lawyer, very
13 inexperienced will do this. How did he -- how did he
14 even come into the fold? I don't know the answer to
15 that question. I have a suspicion.

16 Q. (BY MS. BUESS) What is your suspicion?

17 A. That Michael Wynne was involved. I
18 mean, back to the macro global picture, this was the
19 Attorney General using the resources of his office,
20 many of them, charitable division, all of the senior
21 staff, now the criminal division, all to benefit one
22 person. I mean, it just -- it was -- it was
23 shocking, but Brandon Cammack serving subpoenas was
24 the final triggering event of, okay.

25 I mean, I had suspicions prior to

1 this, but that was, "Okay, this is obvious. Now
2 what's happening here now? And we have to report
3 this." And we did, I think the following day.

4 Q. Charitable division, senior staff, and
5 what was the third bankruptcy?

6 A. Criminal, Mark Penley's group and
7 David Maxwell's group. Another -- and, again, I
8 don't mean to go off on a tangent, but I'm now kind
9 of throwing out interesting questions that should be
10 out there, I think.

11 According to -- and this is fast
12 forwarding a little bit. According to an associated
13 press story by Jake Bleiberg, there was a federal
14 subpoena served on the Attorney General's Office. It
15 would be very interesting to see who in the
16 Attorney General's Office was involved in that and
17 whether outside counsel was involved in that as well.

18 I would not be surprised if State
19 resources were used, though, but I have no firsthand
20 knowledge of that.

21 Q. (BY MS. BUESS) When did that happen,
22 do you know?

23 THE WITNESS: We can get her the
24 story, Tom?

25 MR. NESBITT: Yes.

1 A. Again, my knowledge here is from the
2 press reports.

3 Q. (BY MS. BUESS) From the article.

4 A. But I think that's something the
5 legislature would be very interested in: If outside
6 counsel, if State resources were used to quash a
7 federal criminal investigation, was Bill Helfand
8 involved in that, who is outside counsel in our
9 Whistleblower case.

10 Q. (BY MR. MCANULTY) Bill what?

11 A. Helfand.

12 MR. NESBITT: Helfand, H-E-L-F-A-N-D.

13 MR. MCANULTY: F-E-A-N-D?

14 MR. NESBITT: H-E-L-F-A-N-D.

15 THE WITNESS: I would not be
16 surprised. Again, I don't know this for certain if
17 he wasn't involved in that. So if you are thinking
18 about the use of taxpayer dollars, if you think about
19 the use of State resources, I think there is a lot
20 that I don't know about around the subpoena and
21 potentially fights around that that could have
22 involved taxpayer dollars.

23 That would be -- I would love to know
24 the answer to that question. And Bill Helfand is
25 another lawyer from Houston that's representing the

1 A.G.'s office, how did they find him, I don't know.

2 There's a big loop in the Houston firm.

3 Q. (BY MS. EPLEY) Oh, you can keep going.

4 I have questions throughout my notes, but I'm pulling

5 from my memory, it's you have a tier (ph) memo from

6 July 2020: Drew in regards to the house

7 specifically, Drew would know in regards to the

8 contractor. It's the article that you are going to

9 get us that ties back to Bill Helfand.

10 A. Potentially.

11 Q. Potentially. Any other big questions

12 that you think might be beneficial to look into?

13 A. I have always suspected that this was
14 way worse than we even knew. You don't know what you
15 don't know.

16 Q. (BY MS. BUESS) Yes.

17 A. But I did see this public official who
18 was totally obsessed with this one issue. Again, not
19 talking about other important stuff going on, but his
20 obsession on this is I think that it could be worse
21 than we even know. So I would not even know where to
22 even look, if that's a long way to answer your
23 question.

24 Q. (BY MS. EPLEY) Well, and I didn't mean
25 to be too broad.

1 A. I'm trying to -- the Attorney General
2 told me at one point when he was doing his home
3 renovation that he had a lot of his personal
4 belongings in a storage facility and that he was
5 robbed there. I don't know if he ever filed a report
6 on that or an insurance claim.

7 Q. (BY MR. MCANULTY) That things were
8 stolen from his house?

9 A. No.

10 Q. From his storage?

11 A. From his storage.

12 Q. Did he tell you what it consisted of,
13 what items?

14 A. Watches, he said he had some watches
15 stolen. But again, who puts watches in a storage
16 shed?

17 MS. BUSS: That's what I was going to
18 say. That's an odd thing.

19 Q. (BY MR. MCANULTY) Did he say that he
20 was going to file an insurance claim?

21 A. He did not. I'm just trying to think
22 of other documents that could be relevant that could
23 be found via powers that I don't have, like subpoena
24 powers.

25 Q. He never told you where they were

1 stored?

2 A. No.

3 Q. Never drove you by any place? Were you
4 out with him somewhere or was this in the office?

5 A. Office. I mean, this was, again, a
6 weird time period where things were shut down. This
7 was spring of 2020.

8 Q. Right.

9 Q. (BY MS. EPLEY) The lady who would come
10 in with the firearm, is she still there?

11 A. I don't know.

12 Q. (BY MR. MCANULTY) Do you know who she
13 was?

14 A. Her name is in a report. My
15 understanding is she worked in the Medicaid fraud
16 unit with the A.G.'s Office, but she had worked with
17 Brent Webster previously in Williamson County in some
18 capacity, which makes sense why he would have some
19 trust with her.

20 So another big question about this
21 whole situation is: We went to the FBI on a
22 Wednesday, we had to tell the A.G. and the HR
23 department on Thursday to trigger our protection of
24 the Whistleblower Law. Jeff Mateer resigned on
25 Friday. Monday morning, I have a meeting with the

1 Attorney General, and this guy named Brent Webster
2 shows up out of the blue.

3 So Jeff resigns on a Friday, and by
4 Monday morning, there is already some new first
5 assistant there, who his very first thing he does on
6 the job is throw me out of the meeting in front of
7 six or seven other people.

8 Where did this guy come from? I don't
9 know the answer to that.

10 Q. You have never heard of him?

11 A. Never heard of him.

12 Q. Since then, do you know where he came
13 from?

14 A. No, I don't. I mean, I Googled him,
15 and the only story that pops up is he mishandled some
16 civil asset forfeiture case that caused
17 Williamson County hundreds of thousands of dollars.
18 I mean, this is not the type of person that becomes
19 first assistant --

20 Q. (BY MS. EPLEY) You said forfeiture
21 asset?

22 A. Yes. Google his name and it pops up.
23 It cost the County like a couple hundred grand, but I
24 have no idea where he came from.

25 Q. (BY MS. EPLEY) Does the name Amy Biggs

1 (ph) sound right?

2 A. Yes.

3 Q. This is an area related to Vasser, so
4 it's not a direct fold. That sounds right?

5 A. That -- that sounds right to me.

6 Q. That's okay, I can read it.

7 A. The last time that I talked to the
8 Attorney General was that Monday morning. He wanted
9 to meet with me, and I told him I wouldn't meet with
10 him unless there were other people present.

11 After that, it was all -- my contact
12 was all Brent Webster.

13 Q. I don't mean to dance on this, it's
14 interesting to me.

15 So the -- the woman who came in with a
16 firearm, who had previously worked with Webster, was
17 that her first day as well or had you seen her
18 before, or do you know?

19 A. I had never seen her before. My
20 understanding is that she did work in the A.G.'s
21 office in the Medicaid fraud unit. So I think that
22 she was there because Brent, this is literally his
23 first day, she may have been the only person he knew.
24 But it's not normal to have people show up at my
25 office with a firearm with the new first assistant,

1 and then they took my cell phone away and they
2 targeted me for literally two and a half weeks.

3 And I have e-mail documentation
4 showing all this in realtime.

5 Q. Is that part of the attachments or --

6 MR. NESBITT: Do you want me to give
7 it to them?

8 THE WITNESS: Yes.

9 MS. EPLEY: Thank you.

10 MR. NESBITT: I brought three copies
11 because I knew there were three of you.

12 MS. BUESS: Thank you.

13 MR. MCANULTY: Thank you very much.

14 MS. BUESS: So much.

15 THE WITNESS: These were not, I don't
16 believe, attached to our petition, I don't think they
17 have ever been in the public eye at all.

18 MS. BUESS: Okay.

19 THE WITNESS: Have they?

20 MS. EPLEY: No.

21 Q. (BY MS. BUESS) I will mark ours that
22 these are not part of any of your paperwork that's
23 been filed.

24 A. I think these will give you a very good
25 sense of what happened between September 30th and

1 October 20th.

2 Q. Okay.

3 A. And my goal there is what happened to
4 us should never happen to anyone, ever. It was by
5 the book. Like, what not -- how not to handle a
6 Whistleblower situation, opposite, literally, they
7 did the opposite of what -- how it should be done.

8 Q. Anything else that we should be looking
9 at?

10 A. It would be great to talk to the
11 contractor of the home. I think it would be great to
12 talk to Michael Wynne, who, to my understanding, and
13 I could be wrong, is no longer Nate Paul's attorney.
14 He's in Houston. Brandon Cannack, Lesley Henneke,
15 which is the chief of staff.

16 Q. (BY MR. MCANULTY) She's current chief
17 of staff, though.

18 A. She is. She was there before we were
19 there, though.

20 Q. Well, you see the issue of trying to
21 talk to her right now probably is not advisable.

22 A. Yes. I'm not saying she's trustworthy,
23 by the way.

24 Q. Okay.

25 Q. (BY MS. BUESS) Understood. What do

1 you think she knows that she could --

2 A. I don't think she -- let me answer your
3 question a different way. I don't think that -- I
4 think that all the people that really knew about the
5 underlying criminal allegations are probably all
6 gone, likely not there at the agency anymore.
7 Because they were even senior people that were there,
8 like Zina Bash, like David Hacker. These are people
9 that worked on the eighth floor that were not aware
10 of this, because we kept it close hold.

11 Q. Uh-huh.

12 A. Where you may have like a Josh Godbey
13 who oversaw charitable, he may be able to help you
14 all with just the Mitte Foundation piece of that, but
15 the senior staff that really knew what was going on,
16 none of those people are still there anymore.

17 So Lesley could probably tell you a
18 lot about that bogus report they filed. Brent
19 Webster couldn't tell you a lot about that. So their
20 information would be much more based on the bogus
21 investigation as opposed to what they knew about when
22 we were there.

23 I'm not sure I explained that very
24 well, but I don't think there are people still at the
25 agency that have good, first-hand knowledge of what

1 the Attorney General really did.

2 Q. (BY MR. MCANULTY) Who wrote the
3 report, do you know?

4 A. I think Brent Webster wrote it.
5 Because he told us when we were there that he was
6 doing an investigation. Now, he did not sign it, but
7 this is typical.

8 THE WITNESS: And if I digress, you
9 can reign me in here, Tom.

10 A. But the people that are there now are
11 not very competent. I think there's like versions in
12 there where he even used the word like "I" and "me"
13 where there's like first person in there, yet did not
14 sign. And I -- he told us that he was doing an
15 investigation.

16 So, I mean, at the very least,
17 extremely improper to have your top staff doing a
18 criminal investigation clearing the Attorney -- first
19 of all, ignoring most of our claims and then clearing
20 him of the other part. But I believe Brent did -- I
21 bet you Lesley -- I should not say it "I bet." I
22 suspect Lesley was involved in that. I suspect
23 Josh Reno was involved in that.

24 Oh, this could be of importance, the
25 Margaret Moore referral, the A.G.'s Office, so

1 Margaret Moore, we all know she lost her election to
2 Garza. Paxton ended up hiring multiple people from
3 that office, Josh Reno, being the one who replaced
4 Mark Penley and several others there as well. It may
5 be interesting to talk to the former D.A. more about
6 that and who all was there and what -- what she
7 knows. I suspect more than this but (inaudible).
8 And how all these people found landing places at the
9 A.G.'s offices is interesting to me, too.

10 Amy Meredith is another one.

11 There's a woman who runs the cold case
12 unit, whose name escapes me right now, she was also
13 in the Travis County D.A.' office. There's several
14 of them that were there when this referral happened.

15 Q. Any idea who we would find out who the
16 contractor is?

17 A. I don't know.

18 Q. You don't think Drew knows?

19 A. I don't think so, but if anyone knows,
20 it would be Drew.

21 Q. You would have to take out building
22 permits or remodeling permits. I don't know if that
23 was ever done.

24 A. I don't know.

25 MR. NESBITT: To comply with the law,

1 you would have to, but you don't actually have to.

2 MR. MCANULTY: Is that right?

3 MR. NESBITT: So that's been part of
4 the concern is that there was construction going on,
5 and I believe we have looked and cannot find that
6 there were permits for that.

7 Q. (BY MR. MCANULTY) We have heard that.
8 We don't know who the contractor was right now?

9 A. I don't know who it was.

10 Q. But Drew may be able to at least tell
11 us something about --

12 A. Drew can -- Drew is by far your best
13 and only first-hand source of all the secret
14 meetings, the contractor at the house.

15 Q. Okay.

16 A. I don't think he knows more than that
17 because I think he would have told me, but he may
18 know more than that.

19 MR. NESBITT: I know y'all are
20 drinking from a firehose here and you have got him
21 here, and we would be glad to cooperate further, but
22 I think there's a topic that you have not asked him about
23 and so if you -- if you -- there are four categories
24 of parts of his office that Ken Paxton used to
25 lavishly benefit Nate Paul individually. We have

1 talked about the criminal investigation and his
2 adversaries of the DPS. I mean, you know the DPS
3 trooper, Federal Magistrate Judge, and there's the
4 charitable trust division where he intervened on
5 behalf of a charity, and then there's the legal
6 opinion about the foreclosure sale.

7 There's a fourth issue, and that was
8 an open -- that the handling of an Open Records Act
9 Request that we believe the facts show that Ken
10 Paxton was working very hard, contrary to precedent
11 and policy of protecting the integrity of law
12 enforcement investigations, and urging instead that
13 records relating to the seizure and search of Nate
14 Paul's home and office would be unsealed. So I don't
15 think we have hit that.

16 And then I think there's also a couple
17 of things about well, what were the benefits that we
18 believe were going the other way from Nate Paul to
19 Ken Paxton. I would like to go back to that, but if
20 you wanted to ask him about what he knows about the
21 Open Records Act issue involving the DPS and sealed
22 search warrant and an unsealed search warrant, I do
23 want that -- I want y'all to have an opportunity to
24 do that.

25 MR. MCANULTY: Right, right. Did you

1 do any kind of a writing with regard to those things,
2 a description of them?

3 MR. NESBITT: Yes, I mean, our -- our
4 second amended petition.

5 MR. MCANULTY: That's in there. So I
6 just -- we had just received, I have not read it yet.

7 THE WITNESS: It's really good. We
8 spent a lot of time on it.

9 MS. EPLEY: It is really good.

10 THE WITNESS: It has the added benefit
11 of all being true, also.

12 MS. BUESS: That's what we are here
13 for.

14 Q. (BY MR. MCANULTY) We just obtained
15 that and gotten it printed.

16 A. Yeah.

17 Q. We are at a little bit of a
18 disadvantage trying to print little things, that we
19 have to be here almost to do it.

20 A. The gist of the open records issue,
21 which is why it was a concern to me -- and I don't
22 have firsthand knowledge of this, this is from Ryan
23 Vasser -- but this FBI search of Nate Paul's, I'm not
24 sure if it was home and business or both, was a joint
25 federal state operation. So Nate Paul did an open

1 records request for I think it was the State Security
2 Board's file, which I think is what the FBI would
3 have, I assume.

4 So Ryan Vasser, because it is a
5 pending investigation precedent, is "You do not
6 release this."

7 Q. (BY MS. EPLEY) Can I pause you? I
8 think a construct that might be helpful, or as I
9 understand it, originally what happens is a federal
10 search warrant is executed that he would not have
11 otherwise had the benefit of receiving --

12 A. Right.

13 Q. -- because it's in regard to an ongoing
14 investigation. So things have been redacted specific
15 to Nate Paul's house and that investigation?

16 A. So, anyway, and this is totally
17 abnormal for the Attorney General to ask Ryan Vasser
18 for the actual file which would have all of these
19 un-redacted --

20 Q. (BY MR. MCANULTY) Yeah.

21 A. -- things related to this August 19
22 search. And he takes the file for I think it was
23 seven days, ten days.

24 Q. (BY MR. NESBITT) Ken Paxton?

25 A. Ken Paxton takes the file.

1 Q. Ken Paxton takes the file out of the
2 office?

3 A. Out of the office.

4 Q. (BY MR. MCANULTY) We have heard this.
5 How do we know that happened? What can you --

6 A. Ryan Vasser.

7 Q. Ryan?

8 A. You can talk to Ryan about it.

9 MS. BUESS: Okay.

10 Q. (BY MR. MCANULTY) Okay.

11 A. But when I heard that, that to me --
12 and, again, I'm not a criminal lawyer -- but if he
13 were to give those records to Nate Paul, I mean,
14 that's obstruction of an ongoing case, totally
15 inappropriate, totally contrary to -- it's why the
16 exception to not release the documents exist --

17 Q. Right.

18 A. -- literally. But I think Ryan -- Ryan
19 is your best source there.

20 Q. (BY MR. NESBITT) But also urged his
21 opens records division to issue an opinion that that
22 material related to that investigation should be
23 released under the Open Records Act. And who is the
24 source of that on that? Is that --

25 A. That's Vasser.

1 Q. So you have got these four areas of
2 favoring one guy, and in at least two of them, the
3 Margaret Moore situation and the Bryan Hughes
4 situation, trying to conceal the original source of a
5 request that his office do something in the -- in
6 the -- in the legal opinions about the foreclosure
7 sale, asking his colleague and from, you know, hey,
8 send me a request so that it looks like -- I mean,
9 theses are not his words -- send me a request for me
10 to issue an opinion on this matter, trying to launder
11 through Bryan Hughes the real reason that he's
12 issuing the opinion.

13 Then there's the same thing with
14 Margaret Moore, again, going to her office
15 engineering that request to him so that on the
16 surface it will look like that request is coming from
17 the Travis County D.A., not Nate Paul.

18 MS. EPLEY: To investigate the feds.

19 MR. NESBITT: Yes, not Nate Paul, not
20 Nate Paul. And I think we have covered all of these,
21 but about people that you probably should talk to
22 there's the, what did Ken Paxton get in return. .

23 Now, we laid this out chapter and
24 verse in our lawsuit, but the Mitte Foundation, the
25 Nate Paul's companies that are being sued by the

1 Mitte Foundation are being represented by Hance
2 Scarborough 22 days after the OAG intervenes in that
3 Mitte Foundation lawsuit at Nate Paul's request.

4 There's a \$25,000 political
5 contribution to Ken Paxton's campaign by the
6 political action committee of the Hance Scarborough
7 Law firm. And I think I told you this, I think it is
8 the rumor that I have heard in legal circles, and I
9 don't have firsthand information on this, is that in
10 that litigation, which is still going on, litigation
11 related to that dispute, that there is evidence of a
12 transaction of Nate Paul paying some amount to the
13 law firm, may be identical or a very close amount,
14 showing that that \$25,000 campaign contribution was
15 funded --

16 MS. BUSS: Was being funneled?

17 MR. NESBITT: Yeah. I don't know if
18 that's true or not, but this case has gotten a lot of
19 attention, including recently, where a judge ordered
20 Nate Paul to go to jail for ten days. And so this
21 gets talked about around town, and I don't know if
22 it's true, but I believe that Ray Chester and
23 Mike Shaunessy, who are lawyers at McGinnis Lochridge
24 and Kilgore, and they represent the Mitte Foundation
25 in that dispute. They, I believe, will know if

1 there's evidence of that.

2 They will also know firsthand of
3 the way OAG acted when they did intervene in the case
4 and Paxton's specific personal request was to
5 pressure the charity, not to help the charity. So
6 they would know that firsthand, Shaunessy and mainly
7 Ray Chester.

8 THE WITNESS: Can I interject here
9 real quick?

10 Q. (BY MR. NESBITT) Yes.

11 A. I wish I had this e-mail. You should
12 ask Jeff if he still has it, Jeff Mateer. Nate Paul
13 sent Jeff an e-mail around this time period where it
14 was like Jeff Mateer was -- I mean, it was -- the
15 tone of it was so outrageous it was like Nate Paul
16 thought Jeff Mateer worked for him, "How can you not
17 do this?"

18 I mean the -- I don't have it. I
19 don't think you have ever seen it, Tom. I mean,
20 it's, it's -- the tone of the e-mail was so shocking
21 that this business guy basically thought that the
22 entire A.G.'s Office was his.

23 Q. I believe Jeff Mateer's response to
24 that is an exhibit to the OAG's self-exoneration
25 report. I may be wrong about this, but I don't

1 believe Nate Paul's e-mail that Jeff Mateer is
2 referring to was included in the Office's report. So
3 I don't believe I have ever seen Nate Paul's e-mail.
4 If I have, I have forgotten it.

5 A. I don't think we have it.

6 Q. But it is Jeff Mateer responding to the
7 lawyer's saying -- for Nate Paul's interest, saying
8 "Hey, this guy does not need to be communicating
9 directly with me. You know, he's got lawyers for a
10 reason." That's in the report. So that's what he's
11 referring to. What -- what --

12 A. Can I add one other thing?

13 Q. Sure.

14 A. And, again, I know this civil case --
15 my civil case is not privy to this Kent Hance, who is
16 the principal on this Hance Scarborough firm that
17 made the contributions, filed a --

18 And, Tom, I'm going to butcher this.
19 -- a pleading in our case asking the
20 Supreme Court to take it up saying that Ken Paxton
21 has the authority to fire us, basically.

22 Q. (BY MS. BUESS) How does he intervene?

23 A. He filed like an amicus or a --

24 MR. NESBITT: He filed a brief saying
25 you should have -- you, Supreme Court, should take up

1 and side with Ken Paxton on his legal argument that
2 the Whistleblower Act does not apply when the crime
3 being report to law enforcement is committed by the
4 elected official.

5 Q. (BY MS. EPLEY) That you believe is for
6 a firm that represents Nate Paul?

7 MR. NESBITT: Yes, they did.
8 Terry Scarborough, who was the other -- one of the
9 other partners at Hance Scarborough, he withdrew from
10 representing Nate Paul's interest and filed a motion
11 to withdraw that was scathing about Nate Paul. I
12 mean, that law firm got out of representing
13 Nate Paul. I don't think Terry Scarborough still
14 works for that law firm anymore, but he -- he
15 withdrew, and his reasons for that are in a pretty
16 detailed plea. I will get you that if it's -- if
17 you're interested in it.

18 MS. BUESS: Please, very, yeah.

19 MR. NESBITT: Okay.

20 THE WITNESS: Nate Paul has a history
21 of not paying his lawyers.

22 MR. MCANULTY: I was going to say it
23 had to be a lack of money.

24 THE WITNESS: Oh, there was a law firm
25 in New York that sued him for like a million dollars

1 in unpaid fees, which I looked up in that small
2 period of time when I was looking into this case.

3 MR. NESBITT: There's also the -- so
4 the -- what was the payoff? And we don't know this
5 for sure. But we believe that the \$25,000
6 contribution could be it. We believe that the home
7 renovation could be it, we could -- or part of it.

8 And then there is the Laura Olsen
9 being given a job by Nate Paul kind of thing.

10 MS. BUESS: Yeah.

11 MR. NESBITT: Now, we -- so I think
12 Laura Olsen would be the best evidence -- person to
13 tell us. You know, I don't believe it's disputed by
14 Nate Paul that he hired Laura Olsen into a company
15 that he worked -- that he owns; that he did so
16 because she was recommended to him by Ken Paxton
17 personally; that he did not know her other than
18 through Ken Paxton.

19 And what we don't know is what would
20 have given her any experience or expertise to have
21 had a job of the kind that would have been available
22 in Nate Paul's -- which we understand was a
23 construction manager job, and so we don't know -- I
24 think it would be interesting to know what were your
25 duties, what -- how were you qualified for that. I

1 mean, but that -- that favor is something that we are
2 very interested in wanting to know more about and
3 want to do discovery in our case.

4 THE WITNESS: And why she left her job
5 in the State Senate.

6 Q. (BY MS. BUESS) Yes.

7 A. Was she fired, was she asked to leave,
8 was she was involved in that. If that was the case,
9 maybe that's why she ended up with Nate Paul.

10 We know who the Attorney General's
11 wife is. She's the State Senator. Laura Olsen,
12 working for another female State Senator, I mean,
13 there's a lot of dots here.

14 Q. (BY MR. MCANULTY) Who did she work
15 for?

16 A. Donna Campbell.

17 Q. Donna Campbell, that's right.

18 A. And I don't know what happened there.

19 Q. (BY MR. MCANULTY) Is she married,
20 single?

21 A. I don't know. I never met her. I
22 don't know if she still works for Nate Paul or not.
23 She could be a victim in this, too. I don't know. I
24 mean, I don't know her, what happened to her.

25 MR. NESBITT: So I stand corrected

1 about something, the Nate Paul e-mails, plural, that
2 are being directed at Jeff Mateer are an exhibit in
3 the -- in the report, and I have got them here. I
4 don't know what exhibit number they are.

5 And it goes back to one of your
6 questions earlier about the resources that the OAG
7 dedicated. I mean, the Travis County District Court
8 pleadings would show pleadings filed by the OAG.
9 There are the -- the self-exoneration report attaches
10 tons of e-mails showing how the Office of the
11 Attorney General was dedicating resources to that
12 case. The e-mails between Nate Paul and the OAG guys
13 are examples, just examples of that.

14 THE WITNESS: Is your -- is it beyond
15 the scope of what you're looking at, just a general
16 competence in resources allocation in OAG?

17 And the reason I ask is -- I will give
18 you one example. Two years ago, the OAG came to the
19 legislator and asked for a large appropriation for
20 outside counsel to review a case, and I think there
21 was something like \$40 million or \$43 million there.
22 When we were all at the A.G.'s Office and Darren
23 McCartney, who is the head of civil litigation, and
24 the good lawyers were there, there was no discussion
25 about going outside to a taxpayer expense of hiring

1 people.

2 In fact, the whole justification why
3 the Attorney General would always complain to us
4 about the fact that we made more money than him was
5 he always said, "I want to be able to do all of this
6 in-house and to keep lawyers in-house. (You have to
7 pay them more to keep them in-house." Even though
8 all of us could have made more money externally.

9 But what happened was when there
10 was -- which you're all familiar with -- this rush to
11 the exits, there was no one left there competent
12 enough to really do the core functions of the A.G.'s
13 Office. So, two years ago, I was very frustrated
14 watching this legislator process go down, and there
15 were really no tough questions asked, not just about
16 our situation but about why -- why are we spending
17 all this money and resources that we didn't have to.

18 MR. NESBITT: One other thing, I
19 pointed you to a document. You mentioned earlier --
20 one of you did -- about, okay, the Mitte Foundation
21 is someone that the OAG had been in litigation with
22 before.

23 MS. BUESS: Yes.

24 MR. NESBITT: In the self-exoneration
25 report, there is a petition against the Mitte

1 Foundation filed by the OAG and I think that was like
2 11 years earlier, and there is a consent -- basically
3 an agreed judgment coming out of that that describes
4 what the result of that was, but just so you know, a
5 decade earlier, there were real problems at the Mitte
6 Foundation primarily having to do with the aging and
7 then death of Roy Mitte, who had been -- that his
8 son, Scott Mitte, was in various positions of
9 executive authority within the foundation and that's
10 what the OAG, very correctly, under Greg Abbott,
11 pointed out that needed to be fixed, and it was
12 fixed, and he was removed.

13 And that consent decree is -- it's a
14 consent decree, it's a judgment -- is in that record
15 of that report, and so -- but that's like a decade
16 earlier, you know. And those were -- by the way,
17 those problems involving Scott Mitte and the
18 Mitte Foundation were very well -- I mean, they were
19 reported in the local media back at the time.

20 MS. BUESS: All right.

21 MR. MCANULTY: I'm not sure I know
22 what else to ask you. As you said, the fire hose has
23 been on and we have got a lot of information.

24 MS. EPLEY: I have nothing else
25 specific for right now.

1 MS. BUESS: We may have some
2 additional questions once we sit down and kind of sit
3 through again. Do you want us to reach out to you or
4 both of you, or how do you want to do it?

5 MR. NESBITT: Yes, just reach out to
6 me, and we want to be as helpful as we possibly can.

7 Q. (BY MS. EPLEY) I don't want to ask for
8 too much, but outside of the exhibits that are
9 attached, if there's anyone else like this that you
10 feel like is important, let us know.

11 A. I will. Part of the challenge is when
12 we left, all of our --

13 Q. Sure.

14 A. I have nothing from when I was there,
15 literally.

16 Q. (BY MS. BUESS) I know what that is
17 like.

18 A. Like, zip.

19 Q. I truly know.

20 MR. MCANULTY: One thing, at the very
21 beginning, his contact, do you mind if we have his
22 contact number?

23 MR. NESBITT: No.

24 Q. (BY MR. MCANULTY) What we have done
25 with some people if we are in a rush, we will text

1 both of you, and then y'all can decide how to
2 respond.

3 A. Sure.

4 Q. What is your cell?

5 A. REDACT .

6 Q. And do you live here in town?

7 A. I do.

8 Q. Do you mind if I have your address?

9 A. REDACT .

10 Q. Two words?

11 A. Two words. House number REDACT .

12 Q. REDACT --

13 A. REDACT .

14 Q. Okay. And --

15 MS. BUESS: Tom Nesbitt.

16 MR. MCANULTY: Yeah, I have got his
17 card.

18 And that has your -- your e-mail on
19 it.

20 MR. NESBITT: I'll give you my cell.

21 MR. MCANULTY: That would be great.

22 MR. NESBITT: It's REDACT .

23 MR. MCANULTY: Okay. Great. And we
24 will be glad to get -- did I give you mine?

25 MR. NESBITT: I don't think so.

1 MR. MCANULTY: Let me give it to you.
2 And let me just -- if you -- I'm sorry, we have no --

3 MS. BUESS: No cards, there just has
4 been no time.

5 MR. MCANULTY: My name is Dan, and the
6 spelling on the last name is M-C-A-N-U-L-T-Y. It's a
7 capital A. REDACT . E-mail is my first and
8 last name, lowercase, no punctuation, REDACT

9 MR. NESBITT: I have got yours.

10 MS. BUESS: I'm going to give you
11 mine. So my e-mail address is my first and last name
12 together Terese, T-E-R-E-S-E, last name Buess,
13 B-U-E-S-S, REDACT . And I'm giving you my
14 personal stuff. This is not -- I mean, we have an
15 e-mail address here. I don't want to worry about it.
16 My cell phone number is REDACT .

17 MR. NESBITT: Very good. Thank you.

18 MR. MCANULTY: Thank you very much for
19 coming up.

20 MS. BUESS: And I think we have had
21 some rumbling about putting things in writing through
22 e-mail. So what we may do is just let you know that
23 we have a couple of questions, maybe let you know
24 what topic they are, and then we will talk, if that's
25 okay.

1 THE WITNESS: Whatever -- we are open
2 books and only want all the facts to come out here.
3 So if we can be helpful, great. I really appreciate
4 you all doing this on a -- on a Sunday. I just --
5 this has been a horrific injustice, but there's still
6 a chance to make this right I think.

7 MR. NESBITT: What can you tell us
8 about your anticipated timing or deadlines that you
9 may have or anything? If you could tell us about
10 that.

11 MS. EPLEY: I think we're going to be
12 kind of busy for the next couple of months and then
13 see where we are.

14 MR. NESBITT: Got it. Okay. Very
15 good.

16 MR. MCANULTY: Yeah, we wouldn't be up
17 here if it wasn't to try to get as much as we can get
18 done as soon as we can.

19 MR. NESBITT: Okay. Good.

20 MR. MCANULTY: Great. Thank you.

21 MS. BUESS: Thank you.

22 MS. EPLEY: Thank you.

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25

1 STATE OF TEXAS
2 COUNTY OF HARRIS

3
4
5 I, Michelle Hartman, the undersigned
6 Certified Shorthand Reporter in and for the State of
7 Texas and Registered Professional Reporter, certify
8 that the facts stated in the foregoing pages are
9 transcribed to the best of my ability.

10 I further certify that I am neither
11 attorney or counsel for, related to, nor employed by
12 any parties to the action in which this testimony is
13 taken and, further, that I am not a relative or
14 employee of any counsel employed by the parties
15 hereto or financially interested in the action.

16 SUBSCRIBED AND SWORN TO under my hand and
17 seal of office on this 23 day of June, 2023.

18 

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20 Michelle Hartman, CSR, RPR
21 Texas CSR 7093
22 Expiration: 12/31/23
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EXHIBIT 010

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AGC MEETING

March 28, 2023 Meeting

re: Mr. Ray Chester

Transcribed June 25, 2023

AGC MEETING OF March 28, 2023 meeting re:
Mr. Ray Chester, transcribed by Michelle Hartman,
Certified Shorthand Reporter in and for the State of
Texas and Registered Professional Reporter, reported
by computerized stenotype machine from audio tape
recordings to the best of her ability.

Confidential

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APPEARANCES

Ms. Erin Epley

Ms. Terese Buess

Mr. Brian Benken

Mr. Ray Chester

MS. EPLEY: Today is Tuesday
March 28th, 2023. My name is Erin Epley and I'm an
attorney working with the committee.

Let's just go around the room and
everybody introduce themselves.

MS. BUCESS: I'm Terese Buess. I'm an
attorney also working with the committee.

THE WITNESS: I'm Ray Chester. I'm a
lawyer in private practice.

MR. BENKEN: I'm Brian Benken. I'm an
attorney and private investigator working with the
committee.

THE WITNESS: If you can't tell me,
it's okay, but may I ask, what committee?

MS. EPLEY: It's the investigative
committee or inquiry group.

THE WITNESS: Okay. That clears that
up.

MS. EPLEY: Actually, it's a standing
committee of the house.

1 THE WITNESS: Okay. All right.

2 MS. BUESS: House of Representatives.

3 MS. EPLEY: Thank you. That was
4 better. That was done well.

5 THE WITNESS: Slightly more
6 informative.

7 MS. EPLEY: Informative.

8 THE WITNESS: Not much, but good job.

9 Q. (BY MS. EPLEY) So, Mr. Chester, we are
10 here today to talk to you a little bit about 2019 and
11 2020, and any other timeframes that you find relevant
12 specific to policies, procedures, or actions with the
13 Attorney General's Office and the Mitte Foundation.

14 What can you tell us about that?
15 Start wherever you would like.

16 A. Okay. The Mitte Foundation has been a
17 client of our law firm against Lockridge for many
18 years. The relationship attorney is a partner of
19 mine by the name of Mike Shaunessy. He pulled me in
20 late 2018 and late 2019 because they were having a
21 dispute with an individual by the name of Nate Paul
22 and his various companies, which he calls World
23 Class. They had invested \$3 million in two
24 partnerships that were supposed to be sold back in
25 the early 2010s, and they were never sold.

1 Mr. Paul quit reporting financial
2 information to the Mitte Foundation, as was required
3 by the partnership agreements. It looked like
4 litigation and/or arbitration was brewing, and I'm a
5 trial lawyer, and so I was called in.

6 We filed -- there was an arbitration
7 clause and a partnership agreement. In general, on
8 the plaintiff's side, we prefer to be in court rather
9 than an arbitration; and, in particular, I discovered
10 that Mr. Paul had been having many disputes with many
11 investors and he liked to compartmentalize and silo
12 each dispute at a private arbitration so that no one
13 could know the extent of his fraudulent activities.

14 So we filed a lawsuit in Travis County
15 District Court. (It is called a books and records
16 lawsuit, and there's a statutory provision that
17 allows any partner to a partnership to obtain books
18 and records of the partnership, and we took the
19 position this was outside the scope of the
20 arbitration clause. We had a few hearings in
21 district court, and we got -- well, we were supposed
22 to get some records, we never did, and then Mr. Paul
23 invoked the arbitration clause and we proceeded to
24 arbitration.

25 Q. (BY MR. BENKEN) Could you tell us

1 that?

2 A. I'm sorry.

3 Q. You said "he invoked the arbitration
4 clause." Could you tell us that.

5 A. I'm trying to remember the exact
6 sequence. I know we filed a motion to compel
7 arbitration in district court, and I'm thinking that
8 we did not fight it too hard because our -- it was a
9 very broad arbitration clause, and our only way
10 around it was books and records, which was not going
11 to get us the relief we needed. You know, that was
12 just a way to get it started and to get a district
13 court proceeding started, which remained -- that
14 district court proceeding is still going on today.

15 We agreed with Mr. Paul's attorneys on
16 retired Judge Susan Convington as the arbitrator. We
17 started arbitrating on July 1st of 2019. We
18 reached a settlement with Mr. Paul's attorneys
19 calling for them to buy us out of both partnerships
20 for \$10.5 million and mutual leases.

21 There was a funding date in August. I
22 believe it was August 20th, but I could be off a
23 day or two on that. We were reasonably satisfied
24 with the settlement. It was like most settlements,
25 you know, it's more than they wanted to pay and it

1 was less than we wanted to take, but after extensive
2 negotiations. We had a lot of difficulty with
3 Mr. Paul and his sister, Sheena, negotiating the
4 documents. Four days before it was due to fund, we
5 saw in the paper that Mr. Paul had been raided by the
6 FBI.

7 Q. (BY MS. BUESS) What was the funding
8 date again?

9 A. I believe it was August 20th. I
10 could be off a day or two on that.

11 Q. And you said you had trouble with
12 Nate Paul's sister, Sheena?

13 A. Yes. She's a lawyer. She sort of acts
14 as his general counsel.

15 Q. What kind of trouble had you had?

16 A. She was very difficult to negotiate the
17 terms of the settlement and the form of the
18 documents. It was one of the most protracted
19 negotiations of that nature I have ever experienced.

20 Q. Was she actually his attorney of record
21 or was she just involved?

22 A. She acts as his sort of in-house
23 general counsel, but they -- she was not his attorney
24 of record in the arbitration or lawsuit.

25 Q. (BY MS. BUESS) Sorry.

1 A. No problem.

2 Q. (BY MR. BENKEN) You said four days
3 before about?

4 A. I believe, if my memory of the dates
5 are correct.

6 Q. How did you hear about that, in the
7 news?

8 A. Yes. We were concerned what this would
9 do to the settlement. On the day of funding or
10 possibly the day before, another in-house attorney
11 for Mr. Paul, she's no longer -- well, two of them.
12 One was named Brian Elliott, and the other one, I
13 cannot recall her name. She's no longer with him.
14 It's Marie Anne something. They came over to our
15 office and said they weren't going to -- they
16 weren't going to pay.
17 We asked them, "Is it because you do
18 not have the money or you just do not want to pay or
19 did the feds seize your money or what is -- why are
20 you not going to pay?" We did not get an answer to
21 that. The way we had drafted the settlement
22 agreement, knowing Mr. Paul's reputation, we had made
23 contingencies for this in the paperwork.
24 There was a penalty, which I'm trying
25 to not get too far down into the weeds, but if you

1 want more details I can give you, but in one of the
2 partnerships, Third in Congress, over the years
3 before I got involved there had been two capital
4 calls that we had declined and we had been diluted
5 our ownership from 11.6 down to 6 percent, roughly,
6 in two steps. And we at that time thought that we
7 had a possible case to reverse the second dilution
8 and take our ownership from something like 5.8 to
9 7 percent, and the properties were worth tens of
10 millions, so that was some real money.

11 So we built into the settlement
12 agreement that if they did not fund, that second
13 dilution was reversed, and then it also -- we had the
14 option of suing on the settlement agreement, which is
15 a binding contract for them to pay \$10.5 million or
16 declaring the settlement null and void, we still get
17 the reversal of a dilution and we continue with the
18 arbitration.

19 We chose the latter option to declare
20 a null and void, because just suing Mr. Paul or any
21 of his entities without any type of security is a
22 femoral and we still owned percentages of both
23 partnerships, which both partnerships owned valuable
24 real estate that had -- that were worth way more than
25 the debt on them, and so we thought we would be

1 better off continuing with arbitration.

2 So we T-up the arbitration. Again,

3 Mr. Paul does not cooperate.

4 Q. (BY MS. EPLEY) Do you have a
5 timeframe, about?

6 A. Yes, they defaulted on August 20th,
7 and we were back and rolling within a week.

8 Q. Okay.

9 A. Mr. Paul would not cooperate with
10 discovery, was sanctioned by the arbitrator a couple
11 of times. We found out that both properties were in
12 default on the mortgages and that one had been posted
13 for foreclosure in the spring of 2019. Between those
14 two facts, and the FBI raid, and the fact that they
15 had defaulted on the settlement, we asked the
16 arbitrator to appoint a receiver over the
17 partnerships.

18 Is this too much detail?

19 Q. (BY MS. BUESS) No, it's just going
20 very fast, and we are probably going to need a little
21 bit more detail.

22 A. That's okay.

23 Q. So backtrack a little bit.

24 A. Stop me along the way or you can let me
25 go and then come back. Any way you want to do it.

1 So in October of 2019, the arbitrator
2 appointed Greg Milligan as receiver over both
3 partnerships, over Mr. Paul's attorney's rigorous
4 objections. Mr. Paul did not appear at the
5 receivership hearing, which was a big factor in us
6 prevailing.

7 Q. Was it the fact that there was going to
8 be a receiver appointed or Greg Milligan in
9 particular he was opposed to?

10 A. The former. I mean, he really was
11 opposed to it. He did not like having control of his
12 partnerships taken away from him, but he did not
13 dislike it enough to show up and face question about
14 his activities.

15 So then following that, there was the
16 most convoluted procedural history, one of the most
17 that I have ever been involved in in 38 years of
18 practicing law. So Mr. Paul did not acknowledge the
19 receivership, did not turn over the keys, the books,
20 the records, the bank accounts to the receiver as
21 required. Surprised, the arbitrator did not really
22 have any way of enforcing that, so we went to court
23 on October 31st to get it confirmed, or actually,
24 we had a two-fold request to the trial judge that
25 day, which was either you appoint the receiver --

1 because under the Texas Arbitration Act you can go to
2 the district court for injunctive and other equitable
3 relief while the arbitration is pending.

4 Q. (BY MR. BENKEN) And you have more
5 enforcement power.

6 A. Certainly -- our alternative request
7 was to confirm the receivership board. So it would
8 still be the arbitrator's receiver but it would be
9 confirmed by the trial board. I think it was like a
10 Friday afternoon or something.

11 Q. (BY MS. EPLEY) Let me pause you for a
12 moment.

13 A. I'm sorry?

14 Q. Let me pause you for one moment.

15 Q. (BY MS. BUESS) Are we still in 2019?

16 A. Yes.

17 Q. (BY MS. EPLEY) October, the second
18 option was just to ask the Court to confirm the
19 receivership?

20 A. Right.

21 Q. Okay. Please, go ahead.

22 A. We had a visiting judge that day,
23 Jimmy Carol, a very well-known, older gentleman. He
24 had been previously Chief Justice of the Third Court
25 of Appeals. I did not realize he was still doing

1 visiting judging. He elected to confirm the
2 receivership order of the arbitrator rather than hear
3 the evidence again and appoint him -- himself.
4 Frankly, it was mainly because it was Friday
5 afternoon and he did not have time to jack with it,
6 and he thought the confirmation would be an easier
7 way to go and have the same effect. They immediately
8 filed a mandamus with the Third Court of Appeals.

9 The Third Court of Appeals hammers.
10 Jeff Rose was on the panel, and he and I have some
11 history involving the Attorney General's Office and
12 back when he was there. I have no evidence or
13 indication that had anything to do with it, but --
14 because he was just one of a three-judge panel.

15 At that time Nate Paul -- well, during
16 that course of this story, coming to today, Nate Paul
17 used 13 law firms in our litigation and stiffed every
18 one of them, but at that time he had very fine
19 lawyers, King & Spalding, at the trial court level
20 and Wallis Jefferson's firm on appeal. In my
21 opinion, Jefferson's Firm is probably, if not the
22 premier appellate firm in the state, you know, they
23 are in the top two. I'm sure that had something to
24 do with it, too.

25 So they got a stay of the receivership

1 order pending a mandamus that was challenging the
2 receivership, and their grounds were that an
3 arbitrator does not have the ability to appoint a
4 receiver, and Texas law is unclear on that point, so
5 we were a little worried. And one of the things was
6 they should have -- they could have and should have
7 asked the district court for a receiver, and they
8 pointed to that same provision in then TAA, the
9 Texas Arbitration Act, that allows that.

10 So we are stuck. We stay. There is a
11 mandamus. Nate Paul is back in control of the
12 properties. They are still both in default. And so
13 I was not going to just sit around and wait forever
14 and let all that happen. So in the existing books
15 and records lawsuits, which is also where the same
16 lawsuit we went before Jimmy Carol in, we filed a
17 motion to have the trial court appointed receiver.

18 And that was heard in early December.
19 It was on the central docket, and Judge Jan Soifer
20 was randomly appointed. We had an all-day
21 evidentiary hearing, which was similar to the hearing
22 at the arbitration, but we had more evidence.

23 And one thing I forgot to mention was,
24 back in October when the arbitrator appointed
25 Milligan receiver was on a Friday, and we had a

1 proposed order, and Nate Paul's lawyers said, "Can we
2 have the weekend to look at the form of the order
3 before you sign it?"

4 She said, "Sure".

5 A little over the weekend, he
6 purported to sell the properties to an affiliate of
7 his for a far less-than-market value, and then he was
8 going to pay us our share of those purchase prices,
9 which would have been about three and a half million
10 dollars. And, you know, we called bullshit on that,
11 if you excuse my legal terms, and the arbitrator was
12 not pleased and they ended up kind of withdrawing
13 that.

14 But it became an important fact that's
15 been cited by every appellate court that has reviewed
16 this case because in their letter to the arbitrator
17 informing her that they had sold properties, they
18 said that they had sold First of Trinity for
19 \$23 million to themselves, and that this was the
20 highest offer they had ever received for First of
21 Trinity. This is the highest offer they had ever
22 received for First of Trinity.

23 Well, by the time of the December
24 receivership hearing before Judge Soifer, the
25 receiver had gotten some of the records of the

1 partnerships and had found a \$60 million offer for
2 First of Trinity from a legitimate buyer from 2018.
3 So the whole deal of trying to sell the properties
4 out from underneath the arbitral receiver for far
5 less than market value and lying about the price,
6 that became a clear act of fraud that every Court has
7 reacted poorly too since then.

8 It's mentioned in, I think, three
9 different published opinions since then, two by the
10 Office of Court Appeals, one by the El Paso Court of
11 Appeals, and all that came out at the December
12 receivership hearing, and more.

13 And Judge Soifer appointed receiver
14 Greg Mulligan under basically the same terms as the
15 arbitrator had. So then they filed an appeal of
16 that. We had a lot of squabbling about supersedeas,
17 A, whether they could supersede it; and, B, what
18 would be the appropriate bond amount. We were going
19 up and down to the Court just on a weekly basis on
20 these issues and we were still getting hammered on
21 all those, and based on the ruling by the Court of
22 Appeals, the trial judge set the bond amount at
23 proximately \$3 and a half million and we had been
24 arguing for \$10 and a half million, which is a pretty
25 logical number since that's what they had agreed to

1 settle for.

2 So they gave him a certain number of
3 days, 20 or 30, to post a bond. He asked for an
4 extension. He never posted the bond. Meanwhile, the
5 receivership was stayed during -- during this time
6 that he was allowed to post the bond, but after, he
7 missed the deadline and then he got it extended and
8 then he missed that deadline and then he still didn't
9 post the bond and all stays were lifted.

10 So now we have an arbitration going
11 still that was kind of a little bit on hold while
12 this stuff was going on, and then we have a trial
13 court proceeding going on where there is a receiver
14 appointed, and we -- the receiver advised the court
15 that there was no way to salvage the partnerships,
16 they were too far in debt. Neither one of them was
17 generating income. One of them was generating zero
18 income, it was vacant, that's First in Trinity; and
19 the other one, Third in Congress, was generating some
20 income due -- percentage due to a ground lease but
21 not enough to cover the note.

22 And so there was not really any way to
23 keep the partnerships going, and so the receiver
24 suggested liquidating the partnership properties,
25 which were very valuable, and that's what we wanted,

1 too, we wanted to get our money and get out of this
2 deal. And Mr. Paul was vehemently opposed to selling
3 the property, and we had numerous hearings throughout
4 2020 about that, and the property still has not been
5 sold because they are on appeal, but it's -- he's
6 almost exhausted all those appeals.

7 And when you circle back to some
8 events y'all might be particularly interested in, at
9 the November hearing -- I'm sorry, the December
10 receivership hearing before Judge Soifer --

11 Q. (BY MS. EPLEY) Where Greg is appointed
12 receivership through -- I mean, receiver through the
13 Court and you guys have found out about the money
14 differences and the sale prices?

15 A. Yes -- Judge Soifer says to me, "Have
16 y'all notified the charitable trust division of the
17 Attorney General about this lawsuit?"

18 And I said, "No."

19 She said, "Well, there is a statute
20 that requires you to do so. I happen to know that
21 because I used to do that kind of work in private
22 practice."

23 I said, "Thank you for letting me
24 know. I will do that immediately."

25 The next day I send a letter to the

1 charitable trust division describing the lawsuit,
2 give them the cause number, et cetera, et cetera, and
3 a couple of days later I get a call from an attorney
4 in the charitable trust division and her name, I
5 believe, was Katherine Day or Katherine O'Day, and
6 she called herself "Kat."

7 And she asked me -- she called me on
8 the phone and asked me some questions about the
9 lawsuit. She might have asked me to send over some
10 of the pleadings, which I did, and her questions
11 were -- she was very friendly conversation. Her
12 questions were in the nature of, "Would this lawsuit
13 threaten the existence of the charity?"

14 And I told her, "No".

15 She said, "Well, that's all we are
16 really interested in," something along those lines.
17 I don't remember really the exact conversation. It
18 was very friendly and very routine. And she said,
19 "In this situation, what we do is we have the right to
20 intervene in a lawsuit, but in this situation, it
21 sounds like you have got it under control and it
22 doesn't -- the existence of the charity is not
23 threatened, and so we will probably file a waiver,"
24 and they did. Within a week they filed a routine
25 waiver. It's on file.

1 So I thought that was the end of the
2 A.G.'s Office involvement, but then as we get further
3 into 2020, May and June, and by that time they're on
4 about their third or fourth law firm and now they're
5 using Terry Scarborough of Hance & Scarborough and
6 Blayre Peña of that firm. Terry is an old friend and
7 adversary of mine with mutual respect, but when he
8 got -- when he called me to tell he had been hired in
9 that case, I said, "Well, you know, your four
10 predecessors quit or were fired and did not have a
11 good experience and they are all owed money. So do
12 what you want, but just friend to friend."

13 And he said "Nate told me you would
14 say that."

15 And I said, "Okay."

16 So he took the money and started
17 litigating very vigorously fighting everything to
18 save all the properties, everything, accusing the
19 receiver of all kinds of stuff.

20 And I cannot remember the exact
21 sequence, if it becomes super important, I can dig
22 out the papers and tell you the exact sequence, but
23 somewhere in there the Attorney General's Office
24 intervened in the case, and on the pleadings were
25 General Paxton, and I cannot remember who all else,

1 but one of them was a guy, and I cannot remember, his
2 last name was Godbey who was head of charitable
3 trust. And that was very unusual, especially since
4 it proves they had filed a waiver and nothing had
5 changed as far as the reasons for the waiver, and to
6 see all the biggest names on the pleadings, you know,
7 we knew something was up.

8 So I start dealing with Godbey on
9 almost a daily basis. Godbey seemed like an earnest
10 fellow, honest, scrupulous, clearly under a lot of
11 pressure.

12 Q. (BY MS. BUESS) Why do you say that?

13 A. I will tell you, because he told me.

14 He said that General Paxton was calling him on a
15 daily basis about this case, and he said that
16 Nate Paul and Sheena Paul had come over and visited
17 with General Paxton, as had Mr. Scarborough, and that
18 Paxton was calling him daily and they wanted to know
19 our attorneys fees to date because the implication
20 was that we were wasting the charity's money with
21 this frivolous litigation.

22 And I can remember asking Godbey if he
23 had asked the other side for their attorney's fees to
24 compare them with ours to see if we were billing them
25 reasonably, because I know the other side has spent

1 twice as much, but they had not actually spent it but
2 they had incurred twice as much; and he said that
3 General Paxton had not asked for that information but
4 that he had, but that they had never produced the
5 information.

6 So Godbey is asking me why we do not
7 settle. I said, "Well, several reasons. Number one,
8 we already did settle the case for \$10 and a half
9 million and they did not pay us; secondly, a
10 settlement involving a payment from Nate Paul our
11 bankruptcy lawyers were telling us that if there was
12 a federal indictment that there could potentially be
13 a federal receiver appointed because the SEC was
14 involved in the investigation."

15 And by that time both the SEC and the
16 FBI and the US Attorney's Office had contacted and
17 interviewed me and the Mitte Foundation, so we knew
18 there was trouble brewing, and we were -- if we
19 settled on the basis of just taking money from Nate
20 Paul, we were very concerned about clawback.

21 Q. (BY MS. BUESS) Say that again.

22 A. We were very concerned about clawback.

23 Q. What does that mean?

24 A. That means if the feds come in -- well,
25 the clearest example is if you -- if you give your

1 brother-in-law \$100,000 and then file bankruptcy,
2 within six months the bankruptcy court can claw that
3 back as a preferential payment.

4 Q. Got it.

5 A. And the same principle applies or can
6 potentially apply in federal procedure-ship. I'm not
7 an expert on that, but this is what I'm told.

8 Meanwhile, we had an interest in these
9 partnerships that had equity and had valuable real
10 estate and we did not think that could ever be clawed
11 back. So, number one, nobody had offered us any
12 money. A promise from Nate Paul to pay money at a
13 future date is not anything that we were interested
14 in. We were concerned about a clawback.

15 I explained all this to Godbey, and I
16 said, you know, "All we want is the property sold.
17 That's what the receiver thinks needs to happen,
18 that's what the Judge thinks needs to happen, and
19 clearly, it's what everybody thinks needs to happen,
20 except Mr. Paul. And why -- why are you guys leaning
21 on us? I thought if the charitable trust division is
22 going to intervene in a case, I thought you would be
23 on the side of the charity?"

24 And he said "Yes." I don't remember
25 all of our conversations, but he was agreeing with

1 me. He was not really arguing with me about
2 everything, but he was saying, nevertheless, you
3 know, "This is what General Paxton wants. "

4 Q. (BY MR. BENKEN) Were any of the
5 communications in e-mails or were they all phone
6 calls?

7 A. Pretty much all phone calls. There
8 were some e-mails that I got that were either from
9 Nate and Sheena to Godbey or from their lawyer to
10 Godbey or something. There is some paper out there
11 that kind of backs most of this up.

12 Q. (BY MS. EPLEY) Can you help us to get
13 that?

14 A. Yes, I have it. I would just have to
15 go dig it out. I remember being really angry when I
16 found that Nate and Sheena had gone over and met with
17 Paxton and that's what -- very clearly right after
18 that, they intervene in a case after they had
19 previously filed a waiver. So it was pretty obvious
20 to me what was going on. So then the AG -- so Godbey
21 says, "Well, we want y'all to mediate the case."

22 And I was like, "Geez." You know, I
23 told him about the clawback risk and all the problems
24 but I said, "Sure, we will mediate the case."

25 I mean, you have to understand --

1 well, you probably do understand -- but a charity in
2 Texas is under very strict regulations by the
3 charitable trust division. They could do all kinds
4 of stuff to you. I have been involved in some
5 litigation, before they can appoint a receiver, they
6 can seize the charity.

7 The Mitte Foundation had actually had
8 trouble with a charitable trust division in the 2000s
9 because the current president is R.J. Mitte of TV
10 fame, but his father had been maybe the president or
11 something in the 2000s -- this is way before my
12 time -- but he had had some addiction problems and
13 spent a bunch of money and they had got investigated
14 by the charitable trust. From what I hear, it was a
15 righteous investigation, and there was some kind of
16 settlement that involved some supervision for a
17 couple of years, and then they got new management and
18 cleaned everything up.

19 Q. (BY MR. BENKEN) Which they should have
20 done.

21 A. I'm sorry?

22 Q. It should have happened that way.

23 A. Right. Everything went down just like
24 it should have. But my point in telling you all that
25 is the charitable trust has an enormous power over

1 charities and, in particular, the Mitte Foundation
2 was very familiar with the power that the charitable
3 trust had. So when the charitable trust calls, we
4 answer the phone.

5 Q. Right.

6 A. So they want us to mediate. And they
7 filed in the trial court a motion to stay the
8 litigation pending mediation.

9 Q. (BY MS. BUESS) The A.G. filed?

10 Q. (BY MR. BENKEN) The A.G. filed that?

11 A. Yes. Very unusual.

12 Q. (BY MS. BUESS) Tell me again, is the
13 motion to stay --

14 A. Litigation.

15 Q. -- pending?

16 A. Yes. I don't remember if it was like
17 indefinitely or pending settlements. I mean, it was
18 a very -- one-page motion. The only rationale stated
19 was this mediation, but I mean, we mediate cases that
20 are in lawsuits all that time, we don't stay the case
21 in litigation.

22 Q. What is the effect of that for you, as
23 far as your end?

24 A. We are totally screwed. We do not have
25 any way to progress the litigation forward.

1 Q. (BY MR. BENKEN) Can't file anything?

2 A. You can't file anything.

3 Q. (BY MS. BUESS) Can't settle anything,
4 nothing moves?

5 A. You can settle, but the litigation
6 stayed -- the only other time that I have heard of
7 that happening that I can recall is the recent motion
8 to stay filed in Texas Supreme Court pending
9 mediation, which I'm not involved in, but I read it
10 in the papers, but I -- I thought --

11 Q. But there's no need to stop the
12 lawsuit?

13 A. Exactly.

14 Q. Mediation goes on --

15 A. Absolutely.

16 Q. -- and it's part of the lawsuit.

17 Q. (BY MS. EPLEY) It drags on the
18 mediation side, you have no recourse because there is
19 no court to claim to, right?

20 A. Right. So we go to that mediation and
21 I had my whole board, which is virtual. During Covid
22 we are in our offices. We have the whole
23 Mitte Foundation board. This was the third time that
24 we have mediated the case, which is another thing
25 that I pointed out to Godbey. And we used -- one of

1 the mediators was a guy that we had used in the prior
2 two mediations and his name was Ben Cunningham, but
3 we also used -- god, this is like one of the main
4 mediators in Austin and I'm not coming up with his
5 name but I have got it somewhere in the office.

6 Q. (BY MS. BUESS) So you used two
7 mediators?

8 A. Yes. And I have never had that happen
9 before either.

10 So the night before the mediation, I
11 got a call from a guy at the A.G.'s Office, and you
12 guys are going to kill me, I can't remember his name,
13 he ended up quitting when the whistleblowers quit,
14 but I don't think he filed suit, but he was like the
15 number two or number three guy in the office.

16 Q. (BY MR. BENKEN) If you heard his name,
17 would you --

18 A. Yes.

19 Q. Jeff Mateer?

20 MS. EPLEY: Jeff Mateer?

21 A. No, not that guy.

22 Q. (BY MR. BENKEN) McCarty?

23 A. Yes. What's his first name?

24 Q. Darren.

25 A. Yes. He was an asshole, nothing like

1 Godbey. No, like, apologizing for the unusual nature
2 of this. He was threatening. So him and Sheena Paul
3 called me the night before the mediation.

4 Q. (BY MS. BUESS) So they are both on the
5 phone together?

6 A. Yes, they're on the phone together
7 before they call me, and they are trying to basically
8 pressure me into settling before we even get to the
9 mediation, and I'm talking about clawback risks and
10 everything, and they seemed to be speaking as one.
11 McCarty was kind of the heavy but Sheena was the
12 brains behind the deal.

13 Q. So what were they threatening you with?

14 A. It was vague but, I took it as, you
15 know, trouble with the charitable trust division.

16 Q. (BY MS. BUESS) So there's --

17 A. You know, that might -- "threatening"
18 might be a little bit strong for that night. I'm
19 coming to the threats here in a minute.

20 Q. Okay.

21 A. So that night was --

22 Q. Was pressure?

23 A. -- pressure, ominous pressure I would
24 say that night, and very just unusual. I mean, I
25 have never experienced anything like this. Why is

1 this guy -- you know, he's above charitable trust,
2 why is he involved and why are him and Sheena calling
3 me, you know?

4 Q. (BY MR. BENKEN) On a group call?

5 A. Right, they are together, you know. So
6 we go to the mediation the next day.

7 Q. Do you have a timeframe of where we are
8 at now?

9 A. God, I'm sorry, I don't.

10 Q. You said it was right around Covid?

11 A. I would say summer of 2020 --

12 Q. Okay.

13 A. -- maybe fall, but I think summer.

14 So we go to the mediation, and it was
15 extremely odd. For one thing, we were mainly
16 negotiating with the Attorney General's Office,
17 McCarty.

18 Q. (BY MS. BUESS) So is this in person or
19 was this --

20 A. It was virtual.

21 Q. Virtual.

22 A. Me and my clients were all together in
23 a room and the mediators were all in a location, and
24 I don't know where the A.G. and Nate Paul was.

25 Terry Scarborough was still their lawyer that day and

1 we never actually spoke with him. And I remember the
2 mediators telling us -- not coming in, the other guy,
3 and I'll come up with his name before we leave
4 today -- he said that Nate Paul was not even speaking
5 to him, that he just thought they were biased and he
6 was not even going to talk to them, that they were
7 mainly talking to McCarty and --

8 Q. (BY MS. BUESS) I'm lost, I'm sorry,
9 who is not talking?

10 A. Nate, Nate and his -- Nate would not
11 let his lawyer talk to the mediators, because he
12 was -- the mediators were just like, "What is this,
13 what are we doing here? These people won't even talk
14 to us. They agreed to the mediation, but now they
15 are saying that we are biased and they won't talk to
16 us," but -- so it was essentially us negotiating
17 against McCarty.

18 And, you know, mediation negotiations
19 are supposed to be confidential, so I'm going to be a
20 little bit vague, and we can talk some more about
21 that, but we were -- we were being told by McCarty
22 directly. You know, a lot of times in mediation you
23 never talk to the other side all day, it's just
24 through the mediator, you know.

25 Q. Right. But we were -- I could still

1 remember McCarty on the screen addressing me and the
2 whole board and was suggesting that we settle for an
3 amount a little more than half of what we had
4 previously settled for, and that's when he threatened
5 us, and the language was a little vague as far as
6 what would happen to us, but I remember he said, "If
7 y'all turn down this amount" -- and he did not even
8 have that authority from Nate Paul to even pay that
9 amount, but he was just throwing this out as a
10 number -- "that if we turn that down and then we
11 ended up not recovering that much when the lawsuit
12 was over, for any reason, that there was going to be
13 big trouble and that we were going to have to answer
14 for it."

15 And it was pretty scary. And so he
16 clicked off and I really thought my clients were just
17 going to tell me, geez, we got to do whatever he
18 says, you know; but they really had the opposite
19 reaction, you know, this is really the load of crap,
20 of BS I have ever seen in my life, you know, let's
21 stay the course and fight the fight, and so we did.

22 And then, by the way, somewhere in
23 there the motion for stay was for a hearing and
24 Godbey told me that Paxton was coming down to argue
25 it; and he said this, like, basically it was in the

1 same tone that you would say that Santa Claus is
2 waiting in the waiting room, you know, that this has
3 never happened and this was the most crazy thing that
4 he had ever heard, that Paxton was going to come
5 argue the motion to stay.

6 And we had a couple of hearings where
7 Godbey appeared and this other woman in the A.G.'s
8 Office, she was not even in charitable trust, she was
9 in bankruptcy or something, which I don't even know
10 why they have a bankruptcy division, but she was
11 Milligan's wife's boss, and that appeared to be her
12 only reason that she appeared. I don't remember
13 exactly what those hearings were. I can't remember
14 if we had a hearing on the motion to stay or not, but
15 after -- shortly after the mediation, they abruptly
16 withdrew the motion to stay, and I believe they
17 withdrew from the entire lawsuit just abruptly. No
18 reason, no explanation.

19 And then shortly after that, the news
20 about the whistleblowers broke and that kind of
21 connected the dots. And as far as I know, they have
22 not had anything to do with our lawsuit since then.

23 And as soon as the properties sell, we
24 have a couple of appellate loose ends to tie up, and
25 as soon as that gets done, the properties are under

1 contract. Both of our dilutions -- we also went to
2 trial and the arbitration won big, proved Nate Paul
3 committed fraud, and we held him personally liable
4 under alter ego. That was recently affirmed by the
5 third court, but where I'm going with this is we are
6 going to clear approximately 20, 21 from the sale of
7 the properties because they were worth way more than
8 Nate Paul was saying.

9 Q. (BY MS. EPLEY) Compared to the five
10 they wanted you to take?

11 A. I'm sorry?

12 Q. Compared to the five they wanted you to
13 take?

14 A. Right. Or, you know, I'm being careful
15 about exact negotiations that were said during
16 mediation because there are some strict rules about
17 confidentiality about that. If y'all tell me that
18 overrides that, that's fine, but I don't think it was
19 five, I think it was six.

20 Can I ask you, do you think this
21 overrides that?

22 Q. I have absolutely no basis for which to
23 offer that opinion to you, so --

24 Q. (BY MR. BENKEN) So you said the
25 properties, you're going to sell them?

1 Q. (BY MS. EPLEY) I think if you think it
2 is primitive and helps move the ball forward, we can
3 make inquiries and find out. I'm not telling you
4 that right now.

5 A. Well, I pretty much told you everything
6 that happened anyway, so it is what is. I was
7 supposed to testify in front of the -- in the
8 whistleblower case right before it got stayed, and I
9 was planning on telling this story pretty much this
10 way.

11 Q. I know there's lot of questions, too,
12 but let me just get a couple of things.

13 Any chance any of the Zoom meetings
14 were recorded or do you know if they would be
15 recorded by the mediator?

16 A. The mediation itself --

17 Q. Right.

18 A. -- was definitely not recorded. That
19 would be --

20 Q. A violation?

21 A. Yes.

22 Q. I know that we can go pull pleadings in
23 regards to --

24 A. There -- now, this I would need to get
25 legal advice on, but it is possible that somebody

1 recorded McCarty on their phone --

2 Q. Okay.

3 A. -- which just the act of doing that
4 would be a violation of the mediation rules, not to
5 mention sharing it. And I'm not saying that
6 happened, I'm just saying that that's a possibility.

7 Q. I appreciate you letting us know.

8 A. I think a subpoena would be required to
9 produce such a video, if one exists, which I'm not
10 saying that it does.

11 Q. Okay.

12 A. And then, you know, I'm just kind of
13 rambling now, but I was shocked to hear that McCarty
14 left because he seemed like he was the strong-armed
15 bagman the whole time, and I was not shocked to hear
16 that Godbey left because I know he was disgusted.

17 Q. Okay. Anything that -- outside of the
18 procedure of the lawsuits themselves that we have not
19 asked you about that feels relevant or you want me to
20 hit on?

21 A. Well, some of the other allegations
22 made by the whistleblowers I have second or
23 third-hand knowledge of and was tangentially
24 involved, but not that you would -- I would not be
25 the one that you would call as a witness on it

1 because my knowledge is second or thirdhand.

2 Q. I appreciate that. I think -- I don't
3 want to make assumptions, but I think in regards to
4 those things, I don't know that I need that right
5 now.

6 A. Yes. And like I said, being a lawyer,
7 I know that I would not be the witness for those
8 other things.

9 Q. (BY MS. BUESS) Can you direct us to
10 who we should be speaking to that would have direct
11 knowledge?

12 A. Well, mainly the whistleblowers. I'm
13 referring to, for example, the A.G. opinion about
14 foreclosure sales that was issued under highly
15 unusual circumstances and highly unusual timing, the
16 Sunday or Monday before Nate had a couple of his most
17 valuable properties posted for foreclosure. And
18 Nate's -- Nate's pattern is he goes into default.
19 When they post it for foreclosure, he either files a
20 lawsuit to block the foreclosure. He has tried that
21 with every judge in Travis County and finally ran out
22 of options there.

23 And now what he does is he files
24 bankruptcy the day before the foreclosure or minutes
25 before the foreclosure, but this was when that

1 pattern of foreclosures was just getting going, and
2 it was during 2020. I'm pretty sure I heard about it
3 later -- well, no, actually, that's not true.

4 I heard about it right when it
5 happened, but I did not know that -- I heard that the
6 A.G. had issued an opinion on that eve of Nate's
7 foreclosures that you could not hold a foreclosure
8 sale because of Covid. And we were all -- everybody
9 that was involved in our case was like, oh, geez.
10 But then later I read the press reports of exactly
11 how it all went down and Paxton being personally
12 involved and asking the legislator to make the
13 request, and it just sounded horrible, but I would
14 assume the whistleblower guys would be the best
15 witnesses on that.

16 Q. Okay.

17 A. And I took Nate's deposition at one
18 point and asked him about his involvement with
19 General Paxton.

20 Q. Is this where the quote about the wife
21 comes from over and over, I did not know where the
22 video would be?

23 A. What quote?

24 Q. Well, not quote. Commentary in regards
25 to Nate admitting that he had hired the girlfriend,

1 without admitting it was a girlfriend?

2 A. Yes, yes. That was my deposition, and
3 he did admit that he had hired her, and that I think
4 he admitted that he had been introduced to her by
5 Paxton. He did not admit that she was his
6 girlfriend, and he was kind of at a loss to explain
7 what her job was.

8 Q. I would love a copy of that.

9 A. I'm sorry?

10 Q. I would love a copy of that.

11 A. Sure. And then, you know, we heard
12 about -- and I have no evidence of this, but I just
13 heard that he remodeled Paxton's house using
14 West Lake Industries. West Lake Industries is a
15 wholly owned LLC of Nate's that has become relevant
16 in our case recently.

17 Q. That's the contractor. I mean, I
18 understand it's the whole organization, but let me
19 ask that better. I'm going to leave that alone for
20 now. Keep going.

21 A. Okay. So this is virtually useless
22 probably, but a couple of weeks ago, one of Nate's
23 most valuable properties was sold out of bankruptcy
24 for 102 million. It was in the paper. It's
25 called -- people call it Braker Lane Properties.

1 It's a commercial -- several square blocks of
2 commercial buildings.

3 And so Nate put these in bankruptcy,
4 in then he forms other -- and they get sold out of
5 bankruptcy and Nate forms different companies to bid
6 on the properties in bankruptcy, and sometimes he is
7 successful, sometimes he does not pay, big shock, but
8 he got outbid on Braker, so he lost Braker and
9 somebody paid \$102 million for it. And then two days
10 after closing, some people went out in the middle of
11 the night with some flatbed trucks -- have y'all
12 heard about this?

13 Q. (BY MS. BUSS) No.

14 A. Doesn't matter, I don't think it has
15 anything to do with Paxton, but some people went out
16 with flatbed trucks and a crane and took all the HVAC
17 units out of the buildings, over a million dollars'
18 worth, and there is a hearing in bankruptcy court on
19 a Thursday, a show cause order for the guy who leased
20 the truck who has worked on and off for Nate, and his
21 e-mail address, which is worldclass.com, and then
22 another one of Nate's people leased the crane.

23 And I'm told that -- and I don't know
24 those two guys names but it's gonna come up in this
25 bankruptcy hearing on Thursday, and I'm told that one

1 of them was the one who was the foreman on remodeling
2 Ken Paxton's home.

3 So that's about triple hearsay. Oh,
4 wait a minute, I'm forgetting some pretty good stuff.
5 So at some point it came to my attention that I was
6 the target of a special prosecutor appointed by
7 Paxton. Brandon Cammack, a five-year lawyer with no
8 experience whatsoever, was a protégé of Michael Wynne
9 who is a lawyer in private practice, former AUSA.
10 He's sort of a white-collar defense person. Y'all
11 probably know him. But he was representing Nate for
12 a while in our litigation, and he can -- and he
13 went -- so I forgot a whole chunk of this.

14 So at one point Nate files some new --
15 forms some new companies in Delaware like at night,
16 the night one of the stays was expiring, and then
17 sues me and the receiver and the receiver's
18 attorneys, and Michael Wynne is the attorney who
19 filed that lawsuit for Nate's entities.

20 And it was such a clownish, bad faith
21 filing that we got sanctions and attorney's fees
22 against not only the two entities, which are shell
23 companies anyway, but Michael Wynne, the attorney who
24 filed it, I mean, that's a very rare procedure. If
25 you file something that is just such bad faith, you

1 can actually -- the attorney can be held liable for
2 the sanctions. I have never seen that happen before,
3 but we got wind and then when that was on appeal,
4 Wynne came to us -- and when I say "us," I mean me
5 and the lawyers for the receiver -- and said that he
6 wanted to settle with us and pay us 50 (or 60,000 out
7 of his own pocket and he wanted to come clean about
8 what had happened.

9 And I think he was also trying to dry
10 out from a bout of alcoholism. He was going through
11 some life changes. It was pretty bizarre, but he
12 told us -- some things he wouldn't tell us and some
13 things he would tell us, but he told us that this
14 whole process of going to Paxton and getting Paxton
15 to launch an investigation into the feds that had
16 gotten a search warrant and had raided Nate, and he
17 got Paxton to appoint a special prosecutor and
18 Cammack was a protégé of Wynne and Wynne obviously
19 orchestrated that, he pretty much told us that he
20 did, and then Wynne accompanying Cammack in going in
21 front of a criminal judge here in Travis County,
22 entertaining some subpoenas aimed at me, the
23 receiver, bankruptcy Judge Tony Davis, and the feds.

24 So there were two investigations,
25 both -- Cammack was appointed on both. One was

1 investigating the feds and the other was
2 investigating this conspiracy that -- and I have
3 actually seen the complaining report that Nate filed,
4 it was an exhibit to his deposition where he accuses
5 the bankruptcy judge and this guy Hardiman and me,
6 and a guy named Chan, which was formerly with the
7 committee of this vast conspiracy to steal all his
8 properties, it's kind of an unhinged -- I mean the
9 fact that anybody would read that thing and take that
10 seriously and then appoint a special prosecutor.

11 And I'm told that the subpoena for me
12 was for my phone records and for my Internet service
13 provider, only heard the ISP part recently, and I was
14 thinking, geez, what if he got into our law firm's
15 e-mails with all our private clients and stuff? I
16 don't think he ever did, and I don't know if he ever
17 got my phone records or not. I don't have anything
18 to hide anyway.

19 Q. (BY MR. BENKEN) So he never issued a
20 subpoena to you for records, it was a subpoena to
21 other entities?

22 A. Yes, to my phone provider and whatnot.

23 Q. Okay.

24 Q. (BY MS. BUESS) Can we back up just a
25 moment to when getting sanctioned, tell me about what

1 happens there. What all happened with that?

2 A. So this was the most captivating
3 lawsuit that you have ever heard of, but so Nate
4 forms these two LLCs in Delaware at night, and we got
5 the records showing that he did it at night and that
6 there was a stay that was expiring the next day, and
7 he assigned part of his interest in these two
8 partnerships that we are involved in to these LLCs.
9 He signed a document on both sides. He tried to hide
10 that, but at one point the Judge made him cough that
11 up. So that part was pretty shady.

12 And so then they sued the -- they sue
13 Mitte, they sue me, they sue the receiver, and the
14 receiver's attorneys. And y'all probably don't do that
15 much civil litigation but you can't really sue the
16 other side's attorneys. If you are allowed to do
17 that, then people would do that all the time, and so
18 we have immunity, and the receiver has even stronger
19 immunity.

20 So we file a motion to dismiss and a
21 motion for sanctions. We have a hearing and Lemmon
22 appears and argues and the Judge grants everything
23 that we ask for, and we ask that Wynne be held
24 personally liable because there's a rule, I think
25 it's a Rule of Civil Procedure, either 10 or 13, that

1 allows an attorney to be held liable if the pleading
2 is so frivolous that the attorney should have known.

3 Attorneys have a duty to act as sort
4 of a filter. You can't just file anything that your
5 client asks you to file. And so we got the award
6 against him on that basis and also on the basis of
7 the fact that the two entities that sued us were
8 probably going to end up in shell companies and not
9 anti assets, so if we were ever going to collect
10 these sanctions in attorney fees.

11 So he was held jointly and separately
12 liable. I think it was a total of like \$150,000 to
13 us and \$150,000 to the receiver and their attorneys.
14 And then that got appealed to the Third Court of
15 Appeals and then transferred administratively to the
16 El Paso Court, just due to workload issues, and we
17 had a whole argument and everything and they affirmed
18 it. So they owe us that money. They never paid,
19 and we are supposed to collect it out of the sale of
20 the properties.

21 But while the case was on appeal,
22 Wynne calls us up and said, "Hey, I would like to
23 settle with you and I would like to make amends. I
24 would like to meet with you guys and apologize to you
25 personally and tell you some stuff that went on

1 behind the scenes." And so we had a meeting at the
2 receiver's lawyer's law firm, the Streusand Firm, and
3 Wynne was there and his legal assistant, who had been
4 heavily involved in the litigation assisting Wynne
5 and also assisting this other guy named Eric Cassidy
6 from Houston who was Nate's lawyers, who was Nate's
7 lawyer for a long time.

8 Cassidy is the one who actually tried
9 the arbitration against me. And so Wynne showed up
10 and, you know, kind of spilled his guts but he would
11 not answer all of our questions. And I'm told -- I
12 have not really talked to Wynne in a while -- he's so
13 creepy, but I'm told by Lemmon that he has been
14 trying to cooperate with the feds and they won't even
15 return his call. So I don't know what's going on
16 with Wynne.

17 Q. (BY MS. BUESS) You can't make this up.

18 A. You can't make this shit up.

19 Q. (BY MS. EPLEY) Well, and you try so
20 hard not to react, but I know you can't help it.
21 Okay.

22 Q. (BY MS. BUESS) Okay. That deposition
23 would be very nice to have.

24 A. Sure. Sure. You probably want the
25 video, too.

1 Q. (BY MS. EPLEY) Yes.

2 A. Can you -- I don't have a pen or
3 anything. Can you text me or something everything
4 that I can dig out for y'all?

5 Q. Yes. And I feel lazy asking, but I
6 almost want to get the pleadings from you where the
7 A.G.'s Office jumps into your case and then
8 withdrawals so that we have less things to pull.

9 A. Yes.

10 Q. So I appreciate that.

11 Okay. Anything else?

12 Q. (BY MR. BENKEN) I think we have the
13 motion to intervene and the motion to withdraw. I
14 don't think we have a copy of that motion to stay.

15 Q. (BY MS. BUESS) Yes, I haven't seen
16 that one.

17 MR. BENKEN: I have not seen that one.

18 MS. EPLEY: Let me make sure I have a
19 list, then.

20 THE WITNESS: Do you guys mind if I
21 use the bathroom real quick?

22 MS. EPLEY: Not at all.

23 (Recess taken)

24 THE WITNESS: I thought of something
25 else, but I have no idea if y'all are or are not

1 interested in, but -- so we got interviewed by a FBI
2 agent, and I think his name is Joy, and an AUSA, and
3 a State Securities Board guy named Ronnie something
4 or another -- he's an Indian fellow, RA, and I think
5 that's how he spells it -- pretty early on
6 investigating Nate. And we have had a lot of
7 suspicious incidents occur, so the -- I don't know,
8 y'all have probably heard this but Lemmon found a
9 tracking device on his car and not Hardiman's wife
10 but one of Hardiman's associate's wife, and she's a
11 lawyer too. God, I know her name, I just cannot
12 think of it. They found an identical tracking device
13 on their car, turned it over to the FBI.

14 Q. (BY MR. BENKEN) Who was the person?

15 A. Yes, I'm sorry, I cannot think of the
16 name, but it's a gentleman -- so Nate -- Nate hates
17 Hardiman and that whole crowd, and there's a guy
18 that's a business associate of Hardiman's, and it was
19 his wife's car where they found the tracking device,
20 and I don't know her but I just happen to run into
21 her at a seminar the other day that I was speaking at
22 and she came up and introduced herself, but I can't
23 think of her name right now. I could get it, though,
24 for you. Steve Lemmon would have it.

25 So what I was going to tell you is

1 that I have not really talked to -- so I perceived
2 that as an Austin-based investigation of Nate that
3 was related to the raid, and then I'm told that there
4 is a San Antonio-based investigation of Paxton and
5 Nate, and two FBI agents call me, god, I think it was
6 like a year ago to set up an interview with me, and
7 then they canceled and I never heard back from them.
8 So I have never spoken to that group.

9 Q. (BY MR. BENKEN) What makes you think
10 there is a San Antonio-based

11 A. I just heard that somewhere. I could
12 be totally wrong about that.

13 Q. And I looked at something back when you
14 were talking about the charitable trust division. It
15 would have been a Kathleen Day?

16 A. Yes.

17 Q. D-A --

18 A. Yes. So there has been a lot of
19 suspicious vandalism occurring to my clients, that
20 they are suspicious of either Nate or Paxton or both
21 being behind it, but it is barely worth mentioning
22 because there is no proof. In some cases it's not
23 even clear it was vandalism. Like one of their cars
24 exploded and caught on fire but the FBI checked it
25 out and said they could not find anything. Their

1 house gets broken into all the time. So a lot of
2 suspicion there but no -- no proof.

3 Q. (BY MS. EPLEY) Let me give her a
4 moment.

5 MR. BENKEN: You are making your list.

6 MS. EPLEY: I am, but I was going so
7 fast, it's a serial killer-esque.

8 I think we have the waiver and then
9 the A.G. intervening in the case, but if not --

10 Q. (BY MS. BUESS) Let's get a clean copy
11 would be good, I think.

12 A. A clean copy of?

13 Q. So the intervention.

14 Q. (BY MS. EPLEY) The original waiver.

15 A. I will tell you something to put on the
16 list is --

17 Q. E-mails.

18 A. -- for me to dig out the name of that
19 lawyer that appeared just out of the blue from the
20 A.G.'s Office at one of the hearings that wasn't even
21 in the charitable trust. See, Milligan's wife works
22 for the A.G. This was like her boss. So it was like
23 a not-so-subtle strong-arm tactic.

24 Q. Okay.

25 MS. BUESS: That's weird.

1 A. And I can -- I can figure that out.

2 Q. (BY MS. BUESS) Works for the
3 bankruptcy division?

4 A. It was something like that. I don't
5 even know why, I may have the part wrong, but I do
6 know for a fact that she was on the charitable trust,
7 and everybody when they saw her was like, oh, geez.

8 Q. (BY MS. EPLEY) And I'm sorry, but
9 what's the timing of that? So it's after the waiver
10 but before they have intervened?

11 A. No, they had intervened.

12 Q. Okay.

13 A. Yes, and they appeared -- she appeared
14 at a hearing.

15 Q. Okay.

16 Q. (BY MR. BENKEN) Was that the same
17 hearing that they said that Paxton was going to
18 attend?

19 A. My memory is a little bit fuzzy on
20 that. I do not think we ever had a hearing on -- or
21 maybe that was a hearing that they announced they
22 were withdrawing the motion to stay. Either that or
23 there was another hearing that they appeared at, but
24 it was definitely after they intervened or they would
25 not have been --

1 Q. (BY MS. EPLEY) Now, I know the second
2 answer was no, but the foreclosure -- the second
3 thing that people were being subpoenaed for were not
4 foreclosures related to Mitte properties, they are
5 other foreclosures?

6 A. The second thing that people --

7 Q. I don't know how to make that clearer
8 without --

9 Q. (BY MR. BENKEN) You're talking about
10 the opinion.

11 A. The A.G. opinion thing?

12 Q. (BY MS. BUESS) The opinion, uh-huh.

13 A. Yes, that was not --

14 Q. That had nothing to do with Mitte?

15 A. That was not Mitte. But, you know,
16 I -- as part of my job representing Mitte, I monitor
17 what is going on at Nate's bankruptcies and
18 foreclosures and whatnot.

19 Q. (BY MS. EPLEY) I understand.

20 A. So I was personally aware that there
21 was foreclosures scheduled, and I was personally
22 aware that there was an A.G. opinion issued.

23 Q. Where would we go, if at all, to be
24 able to document or substantiate that Nate Paul's
25 properties were up for foreclosure the following

1 Tuesday?

2 A. Let me think about that.

3 Q. (BY MR. BENKEN) Probably the district
4 clerk.

5 A. Well, there's a place where foreclosure
6 notices are posted at the courthouse, and I assume
7 they keep a record of those.

8 MS. EPLEY: Just established timing,
9 but okay.

10 MR. BENKEN: It's probably going to
11 probably be through the tax assessor's office.

12 MS. EPLEY: I mean, well as long as we
13 have a note to follow up.

14 MR. BENKEN: So, wait, but these are
15 foreclosures, not based on --

16 MS. EPLEY: Yes, they're not
17 foreclosures --

18 Q. (BY MR. BENKEN) Based on --

19 A. Right --

20 Q. (BY MS. BUESS) And these
21 foreclosures --

22 A. I may have asked him that in his
23 deposition, but I can't remember if I did or not.

24 Q. If you were tracking and keeping an eye
25 on stuff, are they under his company's names?

1 A. It would either have the initials
2 W.C. -- it would have the initials W.C. And have
3 y'all -- I do not imagine that you have talked to
4 Steve Lemmon?

5 MS. EPLEY: No, not officially.

6 A. He's a kind of a storehouse of
7 knowledge about Nate and Paxton. And he's also a
8 bankruptcy lawyer, stuff like that. That question
9 you just asked me he could help you with.

10 Q. (BY MS. EPLEY) Okay.

11 A. And if you want me to ask him, I will,
12 but I was not even planning on telling anybody I was
13 here, so --

14 Q. Well, our preference is the
15 confidentiality, but I don't know Steve personally.
16 Do you think that if you were to reach out, we could
17 assume confidentiality until we speak to him?

18 A. Yes.

19 Q. (BY MS. BUESS) Do you have a number
20 for him?

21 A. Yes.

22 Q. (BY MS. EPLEY) And so you think the
23 conversation with you would be helpful first or do
24 you think if we called, he would be willing to speak
25 with us?

1 A. Either way, he would be -- he would
2 definitely talk to you, but if I told him, then he
3 would know who you were when you are calling. It was
4 kind of weird when you called me.

5 Q. It feels very cloak and dagger, I will
6 be honest.

7 A. Everybody -- because of all the
8 vandalism and the subpoena and these trackers found
9 on their car, like, everybody is paranoid, you know,
10 and Steve is, in particular. So he will -- he will
11 be -- if you just call him out of the blue, he will
12 be suspicious that this is trick of Nate's or
13 something at first.

14 Q. I'm open to the thoughts of the team,
15 but I don't think that I have an issue with you
16 calling him. And I prefer you not go far in regards
17 to who we are and what this is.

18 A. I don't even know you are, so that's
19 cool.

20 Q. That works.

21 A. So who would be calling, you then?

22 Q. Yes.

23 A. I will just give him your name and tell
24 him you're okay.

25 Q. Anybody else?

1 I'm sure we will be following up with
2 certain things and questions. Thank you for your
3 time today. I know we have a list running of
4 follow-up requests.

5 A. Yes.

6 Q. (BY MS. BUESS) And you have good
7 contact info, so if we do have questions --

8 A. Okay. Who did you say might be
9 calling?

10 Q. (BY MS. EPLEY) Well, any one of us,
11 frankly, and if you want to get numbers in case
12 people have questions --

13 MS. BUESS: That would be great.

14 Q. (BY MR. BENKEN) Are we giving him the
15 list or --

16 A. Oh, I will just take it with me.

17 Q. (BY MS. BUESS) Yeah, if you have it.

18 A. Now, we're just slammed with lawsuits
19 this weekend. Everybody wants lawsuits filed. So
20 maybe give me a few days before I get this to you,
21 but I assume --

22 MS. EPLEY: Okay. Let me turn this
23 off.

24 (Tape ends)

25

1 STATE OF TEXAS

2 COUNTY OF HARRIS

3 AGC MEETING

4 March 28, 2023 Meeting

5 re: Mr. Ray Chester

6 Transcribed June 25, 2023

7

8 I, Michelle Hartman, the undersigned
9 Certified Shorthand Reporter in and for the State of
10 Texas and Registered Professional Reporter, certify
11 that the facts stated in the foregoing pages are
12 transcribed to the best of my ability.

13 I further certify that I am neither
14 attorney or counsel for, related to, nor employed by
15 any parties to the action in which this testimony is
16 taken and, further, that I am not a relative or
17 employee of any counsel employed by the parties
18 hereto or financially interested in the action.

19 SUBSCRIBED AND SWORN TO under my hand and
20 seal of office on this 25 day of June, 2023.

21

22



23

Michelle Hartman, CSR, RPR
Texas CSR 7093
Expiration: 12/31/23

24

25

Exhibit 11

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EXHIBIT 012

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AGC MEETING
April 4, 2023 Meeting
re: Mr. Joshua Godbey
Transcribed June 22, 2023

AGC MEETING OF 040423 Tape 1.5 hours, re: Mr. Joshua Godbey, transcribed by Michelle Hartman, Certified Shorthand Reporter in and for the State of Texas and Registered Professional Reporter, reported by computerized stenotype machine from audio tape recordings to the best of her ability.

APPEARANCES

- Ms. Terese Buess
- Mr. Dan McAnulty
- Ms. Donna Cameron
- Ms. Erin Epley
- Mr. Joshua Godbey

MS. BUESS: I just can't get how to turn that thing off. I have done everything I know to do to make it stop talking to me and it keeps talking.

MS. BUESS: You okay?

MR. GODBEY: Yeah, go ahead.

1 Q. (BY MS. CAMERON) All right. My name is
2 Donna Cameron, and I'm an attorney, and I'm working
3 with the legislative committee, and we are looking
4 into an inquiry related to 2020 and the Office of the
5 Attorney General. So we're bringing in witnesses or
6 people that might have worked there to find out what
7 they knew.

8 A. Sure.

9 Q. And your name?

10 A. My name is Joshua Godbey.

11 MS. BUESS: I'm Terese Buess. I'm also
12 another attorney who's involved with the inquiry.

13 MR. MCANULTY: My name is Dan McAnulty.
14 I'm an employee of the legislative counsel right now.

15 MS. EPLEY: Erin Epley, also an attorney.

16 Q. (BY MS. CAMERON) So why don't you tell
17 us what brought you to the office of the Attorney
18 General and, you know, what you did there and how
19 long you stayed.

20 A. Sure. So I started there in the
21 beginning of '08 under General Abbott, and I started
22 there out of -- out of law school, actually. It was
23 my first real lawyer job out of law school, and there
24 is clerking and all of that, and so I started as a
25 line attorney in there, the financial litigation

1 division, and spent my entire career with the A.G.'s
2 Office, with the financial litigation division.

3 It changed a little bit over time. We
4 had tax rolled in at one point. We had charitable
5 trust rolled in near the latter part of my time
6 there. And so for my time at the AG's office, I
7 started as an AAG 1, sort of on the State position
8 classification, and by the time sort of working
9 through staying in the division, I moved up and
10 ultimately ended up running the financial litigation
11 and charitable trust division.

12 Q. Would that be a division chief?

13 A. Yes, division chief. I was a senior
14 attorney for financial litigation and then a
15 department division chief and then division chief,
16 and then left just shy of a year ago to move over to
17 the Texas Department of Information Resources as
18 general counsel.

19 Q. Do you remember when you left what the
20 approximate date would have been?

21 A. Well, I know I started on April 11th,
22 because that was my father -- December, it is my
23 father's birthday, so I'm guessing my probably last
24 day of employment would have been April 8th, the
25 Friday before I would imagine.

1 Q. April 8th of --

2 Q. (BY MS. BUESS) 22?

3 A. Yes, '22, there or thereabouts. I don't
4 know -- I don't remember if it was a Friday or a
5 Monday --

6 Q. (BY MS. CAMERON) 2022?

7 A. Yes.

8 Q. So who would have been your supervisor?

9 A. At one point I had a number of them at
10 the time.

11 Q. Well, let's talk about 2020.

12 A. Sure.

13 Q. Let's fast forward.

14 A. So I reported to the Deputy Attorney
15 General for civil litigation.

16 Q. And who is that?

17 A. And so over there -- I don't -- I don't
18 remember when Jim Davis left.

19 Q. Okay.

20 A. I don't remember if he left in 2020 or
21 was already gone by the start of 2020. After him, it
22 was Darren McCarty (ph).

23 Q. All right.

24 A. And then after Darren it was Shawn Coles.

25 Q. And was that because Darren McCarty left

1 the office?

2 A. That's when -- after he left -- so Jim
3 left the office, Darren took his spot. When Darren
4 left, Shawn took his spot.

5 Q. Okay.

6 A. It was always the same position, just a
7 different --

8 Q. (BY MR. MCANULTY) And is Shawn S-E-A-N
9 or S-H-A --

10 A. S-H-A-W-N.

11 Q. (BY MS. CAMERON) Okay. So let's talk
12 about 20020. And were you familiar with any kind of
13 litigation with the Mitte Foundation?

14 A. I was.

15 Q. Okay. Why don't you --

16 A. Or I became aware of it.

17 Q. All right. Why don't you walk us through
18 your first knowledge about Mitte Foundation and
19 then --

20 A. Sure. So there would have been -- and I
21 apologize now because it is not -- some of it may be
22 stuff that I don't recall. I will attempt to not
23 guess at anything or at least state if --

24 Q. Yeah.

25 A. -- if I'm straining my recollection to

1 some degree.

2 Q. Sure.

3 A. It would have been -- the dates I can say
4 right now will escape me because I've just never had
5 had that asked of me.

6 Q. Well, let me ask you this --

7 A. Sure.

8 Q. -- I understand that the Mitte Foundation
9 or the Mitte Charitable Organization or Trust was
10 looking to -- during now Governor Abbott's tenure?

11 A. That I was not -- that I was not involved
12 in.

13 Q. Okay.

14 A. That was when -- so the charitable trusts
15 group within the AG's Office has lived in two
16 different places in my time at the A.G.'s Office,
17 when I started it lived in the consumer protection
18 division, and somewhere probably around maybe 2015,
19 maybe later than that, it got rolled into the -- it
20 got moved from consumer protection into financial
21 litigation.

22 Q. Okay.

23 A. So I was not involved in all of the
24 previous happenings with the Mitte Foundation. I
25 would have first become aware of them briefly because

1 the procedure that happened under the Property Code
2 whenever a charitable foundation or any kind of
3 nonprofit is involved in litigation, they have to
4 give the A.G.'s Office notice of that litigation, and
5 that notice routinely comes through the charitable
6 trust division to look at.

7 The A.G.'s Office has the right to
8 intervene in that lawsuit if they feel like the
9 public interest and charity would be served in some
10 way by so doing.

11 Q. And can you kind of say under what
12 general circumstances the A.G.'s Office would
13 intervene because --

14 A. Sure.

15 Q. -- it meets those --

16 A. There were no -- there were no written
17 policies or procedures about -- or criteria about
18 when to intervene. It would be a determination based
19 upon -- it could be any number of factors. It could
20 be the charity that's involved in the lawsuit
21 basically can't protect itself --

22 Q. Okay.

23 A. -- for whatever reason, because of their
24 size, because of their resources. Sometimes it's
25 because they're a charity that doesn't exist yet,

1 it's money that's being given in a will to start a
2 charity and so that charity doesn't actually exist.
3 Somebody is contesting the possibility that it could
4 exist. If we see good cause that the will is valid
5 and should be protected and that the charity should
6 be allowed to come into existence, the A.G. can
7 exercise that authority to come in and basically
8 represent -- we never represent the charities. We
9 represent what's become known in common law as the
10 public interest in charity -- and I apologize, I
11 think "we" because I'm slipping back into when I used
12 to work there -- represents the public interest in
13 charity.

14 Q. All right.

15 A. Never -- the A.G.'s Office would never
16 represent specific charities. So the A.G.'s Office
17 would come in on behalf of the public interest and
18 charity and say here's what we think should happen to
19 protect this public interest.

20 Q. Okay.

21 A. And so it could be any of those kinds of
22 factors. It could also be if we saw that a charity
23 was doing something wrong and we felt like we needed
24 to come in and sort of be on the other side to say,
25 "Under charitable law, under tax law, under whatever,

1 you should be doing," this, that or the other.

2 Q. Okay.

3 A. Largely if that were the case, the A.G.'s
4 Office would not intervene in the lawsuit to do so.
5 They would open an investigation and use the
6 investigative powers of the A.G.'s Office to look at
7 the charity and determine, hey, what's going on; but
8 legally it is an option that is available for the
9 A.G.'s Office to come in and conduct the discovery of
10 the charity --

11 Q. Okay.

12 A. -- and sort of conduct an investigation
13 through the litigation.

14 Q. Without intervening?

15 A. We would have to -- at that point if the
16 A.G.'s Office wanted to do it, they would have to
17 intervene in order to use the discovery process to do
18 the investigation.

19 Q. Okay. Any other?

20 A. Nothing -- nothing substance -- I mean,
21 there might be one-offs but nothing substance --
22 those would be sort of the largest groups of reasons
23 why usually it is to protect that public charity.
24 Sometimes -- I will say it is just to lend the voice
25 of the State to say that this particular issue that's

1 being litigated is one that is of State import, that
2 is of import to charities across the state and almost
3 in an amicus style fashion to say, the State also
4 supports this position and feels the Court should
5 rule this way.

6 That -- there is a process for doing so.
7 If that determination is made so that when the
8 notices of these lawsuits come in, they get assigned
9 to line lawyers within the division to review, they
10 will engage with counsel on -- that is involved in
11 this litigation to find out more and try to find out
12 if there is a reason for the A.G.'s Office to be
13 involved. They would then make a recommendation to
14 either waive, which is a formal letter that is sent
15 to the Court to let the Court know that the A.G.'s
16 Office has received notice of this lawsuit and we are
17 waiving the right to intervene.

18 The reason that is done -- that is not
19 mandated by law, but the reason that was done is
20 because if we were not given notice of a lawsuit as
21 the A.G.'s Office and a settlement or judgment comes
22 out of it, we have rights --

23 Q. Excuse me.

24 A. -- the A.G.'s Office has the right to
25 come in and try to overturn that verdict if the

1 A.G.'s Office had not received notice of the
2 proceedings. And so Courts will often want to make
3 sure that the A.G.'s Office is aware and is either
4 going to intervene or is going to waive so that the
5 Court knows that whenever it does enter a judgment or
6 a verdict comes, that there is not going to be
7 something coming on the back end to even overturn.

8 Q. So this process, you know, you get the
9 notice, it is assigned to a line attorney, they make
10 the recommendation, and then you decide what your
11 final notice is to give to the Court; is that
12 correct?

13 A. Correct.

14 Q. Is this in writing or are there records
15 maintained in the regular course of business in the
16 AG.'s Office related to this process on every notice?

17 A. Yes. So there would be -- the notice
18 goes to the senior attorney, at least it did in my
19 time there, would go to the senior attorney for the
20 charitable trust, which was a position within our
21 division whose sole responsibility was overseeing and
22 working within the charitable trust group, and they
23 would either approve or deny the waiver.

24 They would bring it up to my or my
25 deputy's attention if they thought it was something

1 noteworthy; and then of course, if we were going to
2 make the decision to intervene, since it is filing a
3 lawsuit, to do so. This is an agencywide process for
4 whenever the State would file suit which involves
5 what is called a Permission to Sue Memo, that would
6 go through the division chief --

7 Q. Okay.

8 A. -- and go up to exec and be signed off
9 on, usually by the Deputy Attorney General for
10 something, maybe sometimes it went higher than that,
11 but I think marginally they stopped at the Deputy
12 Attorney General for the civil division.

13 Q. So before you can intervene, you have to
14 have a group within the agency that signs off on this
15 permission to sue?

16 A. Correct.

17 Q. And where is that maintained, is there
18 one file that relates to each notice or each charity?

19 A. Yes, there would be -- if there was --
20 yes, the A.G.'s Office would save all of those
21 records for all of the notices they received and
22 whatever the disposition in terms of whether to waive
23 or to intervene, and the waiver would have a filing
24 put -- a letter sent to the Court in that particular
25 cause as well.

1 Q. (BY MS. EPLEY) I'm sorry, let me clarify
2 something.

3 A. Sure.

4 Q. So when the original notice comes into
5 the A.G.'s Office, it goes to the senior attorney and
6 charitable trust. Do they make the decision as to
7 waive alone or do they send it to a line prosecutor
8 who chooses?

9 A. It gets -- it gets referred to a line --
10 it gets sent down to a line attorney to look at. The
11 senior attorney may take some of them just by dint of
12 it's a rotation and if people are busy, they may take
13 some, or if they happen to know somebody --

14 Q. (BY MS. CAMERON) Do you remember who the
15 senior attorney was in 2020 when you were the
16 division chief over both?

17 A. It either would have been Susan Sterico
18 (ph) or Mary Henderson, and I'm struggling -- I'm
19 just struggling to remember who it was at the time
20 that this first notice would have come in.

21 Q. Marry Henderson sounds familiar.

22 A. I think that's who it was. I think Susan
23 was in by then but --

24 Q. Okay.

25 A. -- or in the rough ballpark of this.

1 Q. Can we get an idea of in a year
2 approximately how many notices you would get from
3 reports on charity trusts?

4 A. Hundreds.

5 Q. Hundreds?

6 A. A lot of times they're nonsense. And
7 that's not -- nonsense in the sense that it is not
8 anything we need to deal with.

9 Q. Okay.

10 A. It is a landlord dispute or a slip and
11 fall.

12 Q. Okay. So hundreds of notices.

13 And approximately how many interventions
14 in the course of a year?

15 A. A couple of dozen, give or take.

16 Q. Okay. So --

17 A. A few dozen maybe.

18 Q. -- about two dozen.

19 A. Give or take. Sometimes higher,
20 sometimes lower, sometimes just depends on what --
21 what they are. Sometimes we intervene just to sort
22 of see how the case is going to proceed, to see if
23 things are going to come out of it that might be of
24 concern to us. Sometimes we'll just -- because
25 sometimes the Courts want that as opposed to us just

1 lurking kind of on the sidelines without making a
2 decision one way or the other.

3 Q. Would it be unusual for the A.G.'s Office
4 to give a formal notice of no intervention and then
5 later intervene?

6 A. It is not something that happened
7 regularly or hardly at all, yes.

8 Q. Okay. Now, of these notices involving
9 charitable trusts, how many times to your knowledge
10 has the Attorney General himself gotten involved in
11 any of those?

12 A. Only the Mitte Foundation.

13 Q. And that would have been --

14 A. In the sense of being personally
15 involved. There may have been a time when he was
16 signing off on memos, but I don't believe so. I
17 don't believe it would have gone higher than the
18 first assistant.

19 Q. Okay. So -- and in that four years, you
20 worked with him, correct --

21 A. Correct.

22 Q. -- after Abbott?

23 A. A little longer.

24 Q. Okay. So --

25 A. Because I did -- I started in '08 and I

1 left a year ago. So I think I was under Paxton for a
2 couple -- five or six years.

3 MR. MCANULTY: Yeah, that is a long time.

4 Q. (BY MS. CAMERON) So do you have any
5 direct contact with Ken Paxton?

6 A. I did.

7 Q. And tell us about that.

8 A. Related to this case or to in general?

9 Q. Well, prior to this, what was your
10 relationship with any -- with Ken Paxton?

11 A. I had worked on a number of -- this is
12 going to sound a bit -- I had worked on a number of
13 high profile cases at the A.G.'s Office that had
14 nothing -- having nothing to do with this that were
15 of note to the A.G.'s Office such that there were
16 meetings that he was in, there were briefings that I
17 had to give him on matters, and so I knew him prior
18 to this.

19 Q. And did you see the A.G.'s interest in
20 why he would be interested in these high profile
21 cases? Did it seem that the Attorney General should
22 legitimately be concerned and involved in these
23 matters?

24 A. Yes, on all those matters it made sense
25 to me why he was involved.

1 Q. Okay. So --

2 Q. (BY MS. BUESS) Matters or just
3 generally?

4 A. Large litigation of -- of State
5 interests. Sometimes -- so we largely did -- in
6 financial litigation, we did a very wide variety of
7 things, so we did everything that sounds like it
8 would be financial litigation, so we did banking
9 cases and insurance cases; and we also did all of the
10 State's breach of contract cases, and so that's
11 technology, physical construction, leasing, all of
12 those kinds or things.

13 There was also a whole host of kind of
14 hodgepodge of other matters we would get since we
15 represented so many different kinds of agencies and
16 so many different kinds of suits. So we did a decent
17 amount of administrative law. We did some open
18 records. We did open records litigation. We would
19 do some sort of light general counsel work for
20 agencies, advising them on things.

21 So every now and again, there would be
22 issues like that or issues that fell within the
23 bailiwick of things that we worked on that I would be
24 asked to come over for a meeting on and talk about --
25 the largest one would have been a project called T2.

1 That would have been when I would have seen him the
2 most, which was a large I.T. development project at
3 the A.G.'s office that made a lot of news and it was
4 beset by problems with the vendor, Accenture.

5 And so that would be why I met him
6 shortly after he took office, because he inherited
7 that project from the then A.G. Abbott and was trying
8 to figure out what was wrong with it and I got tasked
9 with helping figure out what was wrong with it and
10 what needed to go forward and fix it.

11 Q. (BY MS. CAMERON) So other than those
12 high profile, were you dealing with him on any other
13 basis?

14 A. No, no, it was all --

15 Q. Before the Mitte?

16 A. No, it was all related to these work
17 matters.

18 Q. So let's talk about when you got involved
19 or became aware of any intervention with the Mitte
20 Foundation.

21 A. Okay. So I did not know at the time
22 about the waiver, because that was handled by the
23 line lawyer and the senior attorney, and there wasn't
24 an issue seen with it that was needed to be raised up
25 to me. So it wasn't something that had been on my

1 radar. I would have possibly seen it, but not really
2 paid it any attention because it had already been
3 ruled upon and seemed valid based by the memo that
4 would have been provided by the line attorney.

5 Q. So would there have been a memo that went
6 with the --

7 A. Yes.

8 Q. -- breaker (ph) of intervention?

9 A. Yes.

10 Q. That would have come in January of 2020?

11 A. That sounds about right. Like I said, I
12 will freely admit that the dates I will get --

13 Q. Well --

14 A. It is not my strong suit.

15 Q. Okay. So there is a memo with that?

16 A. Yes. It is usually a page long.

17 Q. Do you remember ever having seen that?

18 A. I may. I may have been copied on it. I
19 wasn't copied -- I'm trying to remember. I honestly
20 don't remember if I would have been copied on it at
21 that point or not. I'm thinking no. They would have
22 raised it to me if there was some sort of issue.

23 Q. All right. So a waiver and then
24 something happens that brings this charitable trust
25 lawsuit to your attention?

1 A. Uh-huh.

2 Q. And what is that?

3 A. I got a phone call. I think it started
4 with a phone call, and I don't remember -- so this
5 would have been from -- Darren would have been --
6 McCarty would have been deputy civil A.G. at the
7 time, and Ryan Bangert would have been A.G. for I
8 guess legal counsel is what the title was at the
9 time.

10 I got a phone call from one of them -- I
11 don't remember which one kicked it off -- sort of
12 asking some questions about it. I think they sent
13 over -- I think that may have been when they sent
14 over a letter they had received from the World Class
15 people --

16 Q. Okay.

17 A. -- sort of laying out there --

18 Q. Now, who were the World Class people?

19 A. That's Nate Paul's group.

20 Q. And do you know Nate Paul? Do you
21 know --

22 A. I do not.

23 Q. -- Nate Paul's group?

24 A. I knew of them after that. I did not
25 know of them before that.

1 Q. Okay.

2 A. They were on the other side of the
3 litigation with the Mitte Foundation.

4 Q. Okay. So you have this phone call. What
5 was discussed on the phone call?

6 A. If I remember correctly, it was -- it was
7 along the lines of, "Here's this letter or you're
8 going to get this letter. Take a look at it. Let's
9 talk about it." That would have been -- prompted me
10 to find out if we had seen something about it before.
11 I probably would have seen our waiver memo, and I
12 remember we had a meeting I think it was with -- I
13 think the first one was with Ryan Bangert and maybe
14 Darren.

15 Q. Have you already reviewed the letter at
16 this point?

17 A. I know I'm sure I would have done by that
18 point.

19 Q. So after you reviewed the letter and
20 before you have the in-person meeting with Ryan and
21 McCarty --

22 A. Uh-huh.

23 Q. -- do you have any personal contact with
24 World Class or Nate Paul?

25 A. No.

1 Q. Do you know who he is or --

2 A. I maybe would have -- I probably would
3 have done some research based on what I had seen and
4 what was sent to me, but --

5 Q. And do you recall any impression you got
6 from the research?

7 A. Just -- I mean, I would have seen what
8 would have been publically available in the news. So
9 it would have been some stuff about the bankruptcies
10 and other pending litigations with other investors in
11 his areas.

12 Q. Anything that would have helped you make
13 a decision or see if you needed to revise the --

14 A. Nothing specific.

15 Q. -- not be revised --

16 A. Nothing specific from that --

17 Q. Okay.

18 A. -- because it was just a one-sided --

19 Q. All right. So what happens next?

20 A. So we would have had whatever that source
21 of introductory meeting to talk about what we had --
22 what was in there and what we would have seen. I
23 think the line attorney may have joined me for that
24 to talk about what we had seen when we looked at the
25 case originally when it came in as a notice and to

1 talk about the credence of it --

2 Q. Okay.

3 A. -- based on what we were seeing and what
4 we had seen in the underlying litigation, sort of
5 what the claims in the underlying litigation were,
6 what it -- or appeared to be that we could see that
7 would support the claims one way or the other, any
8 discussions that the line attorney may have had with
9 counsel for anyone back at the time of the waiver,
10 which I don't believe there had been any back then,
11 but I could be wrong about that.

12 Q. Okay. So this meeting, do you do memos
13 or is there any recording or any --

14 A. No.

15 Q. -- any write-up about --

16 A. No, not specific, not specific to the
17 meeting.

18 Q. Okay.

19 A. There may have been e-mails that would
20 have talked about sort of -- because I think what
21 came out of that was a plan to talk to counsel for
22 both the foundation and World Class to sort of
23 discuss --

24 Q. Okay.

25 A. -- each side and what was going on and

1 what each were saying about the other.

2 Q. And who would have been tasked with that?

3 A. So those calls included myself and Ryan
4 Bangert and Cat Day, who had been the loan attorney
5 who had worked on it at the beginning.

6 Q. Cat Day?

7 A. Catherine.

8 Q. Catherine Day.

9 A. Okay. Okay.

10 Q. All right. So then you would be talking
11 to the counsel for the charity?

12 A. Correct.

13 Q. And the counsel for World Class --

14 A. Correct.

15 Q. -- correct?

16 A. Uh-huh.

17 Q. Okay. So who, if anybody, did you talk
18 to?

19 A. With those two groups --

20 Q. Do you remember who you talked to through
21 the charity?

22 A. So I know we talked to their counsel of
23 record, whose name is just escaping me. I can
24 picture him but his name is escaping me. He's the
25 counsel of record and he's been in the news briefings

1 about it but I just don't remember his name.

2 Q. Okay.

3 A. We also speak to the receiver because
4 there had been an application to put the investment
5 into receivership. That was Greg Milligan. I don't
6 remember who Greg Milligan was represented by. I had
7 previously worked with Greg Milligan. He had served as
8 a receiver for the State.

9 Q. (BY MR. MCANULTY) Say his name again.

10 A. Greg Milligan. He had served as a
11 receiver for the State on a couple of cases before.
12 I don't remember who he was using as counsel at the
13 time.

14 Q. (BY MS. CAMERON) Do you know who the
15 attorney was that would have been spoken to with
16 World Class?

17 A. So I know -- I know largely it was Nate
18 Paul's sister who was doing the large -- the bulk of
19 the talking. I believe her name was Sheena, Sherry,
20 something like that.

21 Q. And who spoke with Nate Paul?

22 A. It would have been the same group. It
23 would have been myself and Ryan Bangert and Cat Day.

24 Q. (BY MR. MCANULTY) Just to go over, how
25 many approximate, how many people were present?

1 A. So it was all virtual or all on the phone
2 maybe.

3 Q. Okay.

4 A. And so it would have been the three of us
5 on our side and then when we spoke to counsel for
6 the -- for the charity I think it was just their
7 lawyer. So I apologize for not remembering his name.

8 Q. (BY MS. CAMERON) Okay.

9 A. And then when we spoke to the receiver.
10 It would have been the receiver and his counsel. We
11 spoke to -- when we spoke to World Class, we had two
12 phone calls with them. I think we had two phone
13 calls with the charity as well. On the first one, it
14 was I believe their counsel of record, who I don't --
15 oh, it was -- I can -- I can picture him. He's got a
16 two person -- or a two-person named firm downtown.

17 Q. Okay. Well --

18 A. He was counsel of record in the lawsuit.

19 Q. (BY MS. BUESS) Is that Shaughnessy?

20 A. No, he was --

21 Q. (BY MS. CAMERON) Bill Helfland?

22 A. Shaughnessy I believe actually was
23 counsel for the receiver -- or he was -- he was
24 co-counsel along -- he was co-counsel, alongside for
25 the foundation, but he was not their main -- he

1 was -- he was not their main Counsel.

2 Q. (BY MS. BUESS) Chester?

3 A. Counsel for World Class was -- I can
4 picture him. He is partners with the guy that used
5 to be chancellor of Texas Tech. That's skipping me.
6 Anyway --

7 Q. (BY MS. CAMERON) All right.

8 A. -- he was counsel of record in the
9 lawsuit. And then --

10 Q. Any of these recorded?

11 A. Not by us.

12 Q. Or informal?

13 A. They weren't recorded by us. I don't
14 know if they were recorded by anybody. And then
15 there was a second meeting with World Class because
16 they were in the -- they were in the middle of an
17 appeal of some of the decisions that were coming out
18 of the trial court, and so we had a second phone call
19 with them because they -- in the first phone call, I
20 believe they said a lot about, "You need to talk to our
21 appellate counsel because they're the ones that think
22 all of these great thing about the appeal."

23 So we had a second phone call with our
24 same three people. The Attorney General joined that
25 phone call, and Wallace Jefferson was appellate

1 counsel for World Class, and this is an all around
2 the same four or five-day period when we were
3 starting to look at this.

4 Q. So is this the first time that you see
5 the Attorney General involved in this issue?

6 A. There may have been one conversation with
7 him prior to that to sort of brief him on what we had
8 been seeing based on the bits of information we were
9 starting to gather. I don't remember if it
10 specifically would have been prior to that phone call
11 or after that phone call, but there were --

12 Q. Did he indicate to you or say what his
13 position or interest was in the Mitte Foundation?

14 A. Not as such at that time. I think it was
15 just something that -- it was obvious to me that it
16 was on his radar and there was not an explanation as
17 to why.

18 Q. Okay.

19 A. But it had been made obvious from the
20 beginning that this was something that he was taking
21 an interest in and so we need to go look into this.

22 Q. Okay. Until he was actually involved in
23 that phone call with the second meeting with World
24 Class?

25 A. Correct.

1 Q. Did he have a speaking role?

2 A. Really more just to sort of chat with
3 former Chief Justice Jefferson. He didn't ask
4 questions, if I recall. I don't know how long he
5 stayed on the phone. And it's possible -- this would
6 be straining my memory some. It is -- I think it's
7 possible that Nate Paul may have been on that phone
8 call as well. Well, I know his sister was. His
9 sister was heavily involved and then the same counsel
10 from before along with Wallace Jefferson.

11 Q. Okay. And was there a meeting with staff
12 after that group call?

13 A. There -- I don't believe there was right
14 after, because it was late in the day, but I'm sure I
15 would have talked to probably Ryan Bangert the next
16 day about it.

17 Q. So what was the next --

18 A. So it was -- we were trying to -- because
19 they were going to be providing us with information,
20 both sides said they were going to be providing us
21 with information to help make --

22 Q. (BY MR. MCANULTY) Earlier y'all said you
23 came up with a -- there was a plan?

24 A. The plan was to go talk to these
25 counsel -- or talk to all the sides and try to figure

1 everything out. And so we also -- at that time, we
2 also typed to the DOJ, who was looking into --

3 MS. CAMERON: Excuse me.

4 A. -- that was looking into the World Class
5 entities. They were referred to us by Mr. Chester
6 because the DOJ had reached out to them.

7 Q. (BY MS. CAMERON) Who did you speak to at
8 the DOJ?

9 A. That I do not remember. We only spoke to
10 them that one time. I do know there were some
11 e-mails that came in because he sent some information
12 along from what he had found and they were --
13 informed us that they were looking into the World
14 Class sort of investment entities.

15 I say "World Class" generally. It was a
16 large collection of limited partnerships that do
17 these sort of individual real estate investments.

18 Q. (BY MR. MCANULTY) Did you keep any of
19 the -- or do you still have access to any of those
20 e-mails?

21 A. No, I don't. I assume they have kept
22 them. I marked everything and put it in the folders
23 and all that kind of stuff, but I did not. I did
24 not. They don't let me log in anymore.

25 Q. Sure.

1 A. And working for the A.G. agency, I should
2 say I hope that is the case.

3 (Ms. Cameron leaves)

4 Should I wait?

5 Q. (BY MS. BUESS) Well, let me ask my
6 question.

7 A. Of course.

8 Q. Had that ever happened before, where the
9 Attorney General actually, like, got involved and
10 spoke with the judge on a pending charity?

11 A. He wasn't a judge at the time. This was
12 after he had left the bench. He was the appellate
13 counsel.

14 Q. Okay. He was the appellate counsel?

15 A. Yes.

16 Q. But had he ever gotten involved to this
17 degree before?

18 A. Not in a case of mine, no.

19 Q. (BY MS. EPLEY) Let's see if I have any
20 more while we're waiting on her.

21 A. Sure.

22 Q. Okay. So after -- in this case
23 specifically after the waiver was filed but once you
24 get information from Bangert that they wanted you to
25 look into it again, would you have pulled that memo

1 to see what was going on?

2 A. (Shakes head).

3 Q. No?

4 A. Oh, I would have done so after I was made
5 aware of the request.

6 Q. Right.

7 A. I wouldn't have done so prior to that.

8 Q. But you assume in this case once somebody
9 tells you they want to have a meeting on it and
10 started to waive, you're going to look into why?

11 A. Yes.

12 Q. Did anything about that lead you to a
13 different analysis at first glance?

14 A. No.

15 Q. Do you recall while you were there,
16 either before or after, a time that you had issued a
17 waiver, the office had issued a waiver, and it was
18 overturned?

19 A. No.

20 Q. (BY MS. BUSS) So after the review, you
21 pretty much determined there was no need for
22 intervention by the A.G.'s Office?

23 A. At the time the first notice came in,
24 that was the decision.

25 Q. Okay. After you spoke with the parties,

1 what was your recommendation?

2 A. Well, I think that there was a chunk of
3 time where we were learning a lot. So if you're
4 asking me after we had sort of learned everything I
5 thought that we could have learned, my recommendation
6 would have been to not intervene, was to not
7 intervene.

8 Q. And why was that?

9 A. Because it was a private lawsuit related
10 to investments between two well-funded groups that
11 can perfectly well defend themselves, and there was
12 frankly nothing to be gained by the A.G.'s Office
13 intervening and resources spent to further things
14 that were well resourced on either side.

15 Q. (BY MS. EPLEY) Yeah, so would part of
16 that analysis be the skill of the charities lawyer?

17 A. Yeah, we always look at -- I mean, it is
18 crass to put it this way, but there are -- arguing
19 about charitable interests is a highly specialized
20 field of law and so there are times when having
21 experts able to inform the Court even from sort of a
22 position of neutral and a position of we're just here
23 to help the Court understand the law here, we do look
24 into that from time to time, yes.

25 Q. And I know you couldn't really remember

1 his name, but it sounded like you remembered his face
2 and his personality?

3 A. Ray Chester, yeah.

4 Q. Do you have any reservations about Ray
5 Chester.

6 A. I did not.

7 Q. And anything about Mitte Foundation's
8 history with the A.G.'s Office decades ago impact
9 analysis for you or your colleagues as to --

10 A. No.

11 Q. -- which side to be on?

12 A. No.

13 Q. Okay.

14 A. Over time our office had investigated
15 lots of charities and lot of consumer groups, and
16 that was part of -- the entire goal of an
17 investigation would never be to bring a lawsuit or to
18 do -- to have anything like that. The goal of any
19 investigation is to inform them of what they need to
20 be doing and kind of set them on this -- on the right
21 path. Because frankly, a lot of -- a lot of
22 charities are run by very well-meaning or very
23 well-intentioned people who don't happen to
24 understand the arcadia of -- on the Texas charities
25 law, and so sometimes it's just informing them and

1 helping them see how they need to do it properly and
2 setting them on that course.

3 Q. Right.

4 Q. (BY MS. BUESS) So how is it that the
5 A.G.'s Office ended up intervening?

6 A. So there was a -- we would have gone
7 through this time of speaking to the parties,
8 speaking to the DOJ, learning what we could and --

9 Q. What did DOJ tell you?

10 A. DOJ was very clear that they saw the
11 Mitte group as the individuals of what they perceived
12 as numerous instances of World Class not treating its
13 investors the way they would like to see investors
14 treated, to put it politely.

15 Q. (BY MS. EPLEY) Right. Before moving on
16 from that, were those -- was that widely disseminated
17 in the office? Was that?

18 A. It was.

19 Q. -- response known?

20 A. Yes, it was.

21 Q. Would it have been documented in any way?

22 A. I don't know if it would have been
23 documented. I know there was -- I know there was an
24 e-mail that I received from the gentleman at DOJ that
25 was not positive to World Class, and I know I

1 forwarded that along up my chain of command, and I
2 was told that it was passed along. I believe that it
3 was.

4 And then in conversations that -- where
5 we had with -- when I had with my bosses and when
6 General Paxton was involved, that was a facet of what
7 was discussed, that we had these conversations with
8 the DOJ. We just had the one conversation with them
9 at the very beginning.

10 Q. (BY MR. MCANULTY) Did you ever convey
11 that to General Paxton?

12 A. I did, yes.

13 Q. And when was that, approximately?

14 A. So I had around this time, I would say it
15 is maybe a two to three-week span of time, from when
16 this first got put sort of back on our desks, so to
17 speak, to when a decision was made to intervene. I
18 know I had at least one in-person meeting with the
19 General where it was just he and I, and then maybe
20 two meetings where it was other people on his
21 executive team and myself talking about this issue,
22 and it was relayed I believe in at least all of
23 those, and I had relayed it to my bosses as well
24 prior in my conversations with them.

25 And so during that time, we talked about

1 what we had learned and were learning, and somewhere
2 around I think it was maybe two or three weeks --
3 this was also sort of early pandemic, so we were all
4 kind of figuring out how everything else was going as
5 well -- that we -- I was told that the desire of the
6 A.G. was to intervene in the case and so to --

7 Q. (BY MS. BUESS) Who told you that?

8 A. I believe that was Ryan Bangert and it
9 had been something that was brought up in the
10 meetings that it was a possibility, yes, we can
11 intervene. The fact that we filed a waiver does not
12 legally bar us from intervening in a lawsuit if we
13 have learned facts that we think are necessary and
14 warrant interventions. That is merely a device to
15 let the Court know that we're aware of this and you
16 can proceed without fear of us monkeying with your
17 judgment afterwards.

18 Q. (BY MR. MCANULTY) What was Paxton's
19 response when you told him what the DOJ has said?

20 A. I don't remember that there was a
21 specific response to that. It was one of these
22 meetings where a bunch of information is thrown out
23 and disseminated and I think it was just taking it
24 all in. I don't know that I recall a specific
25 response to that one fact other than, okay, what

1 else? Kind of, what other -- what other information
2 do we have?

3 Q. You didn't do any written memo with
4 regard to this meeting?

5 A. No. I believe it was -- so the notion of
6 an intervention was a possibility that we had been
7 discussing in these meetings because part of the
8 meetings were talking about where are our options,
9 what can we do, what outcomes come of this, what, if
10 anything, can our office do, and we had advised
11 against intervention; but I believe it was Ryan
12 Bangert that informed me that the decision was that
13 they would like to intervene.

14 Q. (BY MS. BUESS) Was there a rationale or
15 a reason as to why?

16 A. Nothing that would have been specifically
17 provided in that, just kind of the same as we were
18 talking about the issues, it was -- the intervention
19 gives us -- would have given the A.G.'s Office the
20 most visibility and the most ability to control
21 things within the litigation because we would be a
22 party as opposed to just someone on the outside, and
23 so --

24 Q. There was no need for that, was there, in
25 your eyes?

1 A. I -- I believed that we -- the stated
2 goal was to try to get the parties to some sort of
3 resolution. That is the goal that had been stated is
4 "it would be best if it kind of went away" kind of
5 thing. "It is spending charity's resources, it is
6 tying up the courts. It would be best if it could go
7 away." And so there were options talked about, about
8 how that could be pursued.

9 We could have pursued it outside of the
10 litigation by trying to keep the parties together and
11 help usher the parties towards some sort of
12 resolution. I don't think intervention was necessary
13 to do that.

14 Q. (BY MS. EPLEY) And I don't practice
15 civil law but in my experience, a mediator -- and not
16 that that was your role, but their goal isn't the
17 equitable or just division, it's just a resolution
18 people will agree to.

19 A. Correct.

20 Q. Does that make sense?

21 A. Yeah.

22 Q. So was the A.G.'s office functioning as a
23 mediator or did they do some independent analysis in
24 terms of actual worth of the suit?

25 A. So we -- we could see -- I would say

1 our -- I'm trying to recall the information we would
2 have had and at what time -- and at what time we
3 would have had it. We had a general understanding of
4 what the claims on each side were and had been given
5 some information that, well, maybe not the worth,
6 could have shown evidence that would have been in
7 favor of I would say largely the Mitre parties in
8 terms of their investment and the value of that and
9 when that value may or may have not been diluted over
10 the time of their investment, balancing that against
11 the length of the litigation and how long it may
12 take, and if something goes into bankruptcy and they
13 see nothing, I don't know that we did necessarily the
14 math to figure out what an actual litigation of risk
15 value to put on it, but it was trying to see if
16 we could get them to something they can accept and
17 walk away from.

18 You're right when you talk about
19 mediation. Everybody should come away a little bit
20 unhappy but also satisfied that they can live with
21 the process as opposed to --

22 MS. BUESS: And so --

23 A. -- not in the future.

24 Q. (BY MS. BUESS) At the point that the
25 A.G.'s Office intervenes, had there not already been

1 a settlement breached?

2 A. There had been settlement.

3 Q. And who had breached that?

4 A. World Class had breached it.

5 Q. Yeah, not Mitte?

6 A. Correct.

7 Q. Mitte didn't need any pressure, did they,
8 to reach an agreement?

9 A. An agreement, correct. They had an
10 agreement -- well, I take that back. They had an
11 agreement that they were satisfied with. Having
12 reached that agreement and having that agreement
13 breached --

14 Q. Correct.

15 A. -- did make them a little hesitant to --
16 to go into those waters again.

17 Q. So, I mean, just looking at that from the
18 outside, it seems to me the person who would have had
19 the pressure on them would have been World Class.

20 A. Correct.

21 Q. It seems to me just based on the little
22 that I had learned is that Mitte, in good faith, had
23 reached an agreement that was fair to the charity --

24 A. Yes.

25 Q. -- had been breached?

1 A. Correct.

2 Q. (BY MS. EPLEY) And then the A.G.'s
3 Office comes in to help facilitate something to -- I
4 think the words we have used -- that Mitte could
5 accept, which I assume means less than what they have
6 already agreed to?

7 A. I don't know that they -- I mean, in my
8 mind, it wouldn't have had to have been less than
9 they would have agreed to.

10 Q. Okay.

11 A. It could have been the same amount they
12 agreed to. I mean, more would have been better as
13 well, but something they could agree to; and frankly,
14 I think there was a large risk of anything actually
15 being funded --

16 Q. Okay.

17 A. -- whether they reached an agreement or
18 not, whether there would be liquidity that would
19 allow something to be founded.

20 Q. (BY MS. BUESS) So what is the next step?

21 What happened after the intervention?

22 A. Some angry phone calls from Mitte's
23 counsel, which is understandable. So really what
24 happened, then was there were a couple of hearings in
25 there, which I'm going to try to think of and we can

1 talk about in a minute, but largely outside of the
2 litigation machinations that were going on was a lot
3 of trying to get them to talk to one another again to
4 see if there is something that could be worked out to
5 resolve it.

6 A. Uh-huh. World Class was largely -- they
7 were very firm in their position that they had done
8 nothing wrong and yada, yada, yada, which everybody
9 always is. Mitte was also very firm in their
10 position that they were in the side of the right and
11 yada, yada, yada.

12 World Class was fairly singularly
13 unwilling to provide anything of substance of what a
14 settlement could look like. Mitte was -- and I am
15 getting this from their counsel, so I am getting that
16 it is coming from them -- very, very reluctant to
17 enter into another -- basically waste their time with
18 another set of negotiations when they had been --

19 Q. I was just going to add that on there.

20 A. Yes, was a bit --

21 Q. (BY MS. EPLEY) And did the violation of
22 that settlement trigger a reversal of the resolution?

23 A. It was supposed to, yeah, but I believe
24 that was still going to be litigated as they -- as
25 they went along --

1 Q. Sure, okay.

2 A. -- as everything is. There were a couple
3 of hearings there in the middle. I think there was
4 something that was to keep the receivership in place.
5 I don't remember was -- there were some discovery
6 disputes that they were having and kind of discovery
7 disputes as we have seen the entire time.

8 I saw recently that the Judge ruled in
9 Mitte's favor on some of them. And based on the bits
10 I had seen in some of the discovery, I think that's
11 probably the right ruling based on what I was seeing,
12 based on how the discovery was -- was being
13 conducted. And so at that point, it was largely --
14 largely me trying to get Ray Chester -- and I am
15 going to call her Sheena because I just can't
16 remember her name -- Sheena Paul, Nate's Paul sister,
17 to something where they could agree to sit down and
18 talk to one another. They couldn't agree on the
19 dates. They couldn't agree on the mediators. At
20 first they couldn't even agree on mediating. Pretty
21 much anything they could fight over and disagree on,
22 they would fight over and disagree on.

23 World Class would claim that all they
24 want to do is resolve this, but they did very little
25 to evidence a desire -- or a willingness to actually

1 do that through deed or action. World Class was -- I
2 mean Mitte was up front that, yes, they would like it
3 all to go away, but their client was very, very
4 hesitant to waste more time going down another route,
5 and to be perfectly frank, they were also -- they did
6 not like our positioning in this lawsuit.

7 They viewed our intervention as favorable
8 to World Class, and I think they viewed our
9 intervention as trying to pressure them and trying to
10 disarm them, which I did everything I could to try to
11 dispel with Ray Chester. I felt like by the end of
12 it I had a good relationship with Ray Chester. I
13 think he believed my intention to be honorable of
14 trying to come something together and resolve
15 something, but he had a client that he was trying to
16 bring around to doing that. And that took time.

17 And at a certain point I was told by -- I
18 got the impression from Darren that -- my boss,
19 Darren McCarty, that Attorney General Paxton was not
20 happy that it was still going and that people were
21 still fighting and that I was not getting them what
22 they wanted in terms of getting them to the table,
23 largely that -- my belief from what I heard was that
24 he was hearing that from World Class people; that
25 they were trying to give things and I am not getting

1 them a seat at the table with -- with Mitte.

2 And so Darren was tasked with coming in
3 to help in that effort. And I believe at that
4 point -- there was one last sticking point and you're
5 going to have to forgive me. I don't know if y'all
6 have the docket. We had already intervened and there
7 was something, and it's taxing my memory to -- there
8 was a discovery deadline or something and this had
9 come up as a possibility of what we could do to try
10 to buy time or something like that. I think we
11 filed some sort of Motion to Stay. I believe it was
12 a Motion to Stay. I think it was a Motion to Stay
13 discovery pending trying to work some of this stuff
14 out. I think -- I think Ray had had his clients
15 about ready to agree to sit down and talk when I was
16 told to file that, and then any hope of them sitting
17 down to talk went pretty much back down to zero.

18 Q. (BY MS. BUESS) Who told you to file that?

19 A. Again, I think it may have come through
20 Ryan Bangert, but my understanding is that it was
21 directed by General Paxton.

22 Q. (BY MS. EPLEY) I can guess, but would
23 you tell me the position that leaves both parties in,
24 one wants to rip it up and has their weapons and the
25 other wants to look like they were -- I don't know

1 what I'm asking exactly other than what's the import
2 of that? Why stop discovery when people haven't come
3 to an agreement and they already have a settlement
4 that has been broken?

5 A. Because Mitte was ready to just push
6 forward and get it over and done with and go to
7 trial.

8 Q. And why did you have a position on that?

9 A. My position was not to file and that was
10 also Darren's position and Ryan's position was not to
11 file a Motion to Stay discovery. And I'm calling it
12 that because that's what I think it is. It may have
13 been a different thing.

14 Q. Sure.

15 A. If you look at the docket, I think we
16 only filed two things. So it would have been a
17 Motion to Stay, something or another. It had been
18 the advice of all of us to not file that, and part of
19 it was because progress is being made, this will
20 stimy that progress.

21 Q. So where did the directive come from?

22 A. My understanding is it came from General
23 Paxton. It was told to me I believe by Ryan Bangert.
24 It may have been told to me by Darren McCarty. I
25 don't believe it was told to me directly by General

1 Paxton, if I recall.

2 I would have talked -- during this time
3 when we were trying to get them together, I talked to
4 General Paxton on the phone maybe four or five times,
5 give or take, wanting to know about progress and
6 being updated on things; and then I had -- like I
7 said, I had that one -- I believe it was one
8 in-person meeting he and I, and then one or two
9 meetings with other people on the executive staff.

10 Q. (BY MS. BUESS) Have you ever seen him get
11 involved in any other charitable funds like that --

12 A. No.

13 Q. -- four or five calls on the telephone --

14 A. No.

15 Q. -- and personal meetings?

16 A. And to be fair, it was pandemic, so a lot
17 of stuff was happening on the phone that wasn't
18 happening before.

19 Q. Sure. But how many cases --

20 A. Nothing --

21 Q. -- that you were handling that he
22 actually picked up the phone and --

23 A. No, this -- this was --

24 Q. -- talked to you about -- directed you to
25 do certain things?

1 A. I had not. I had not experienced it, a
2 charity case, like this before.

3 Q. Okay.

4 Q. (BY MS. CAMERON) So you're all as
5 attorneys giving him advice of saying, "Let's not
6 file this motion." Did the motion get filed?

7 A. It did.

8 Q. And whose name got signed to that?

9 A. I think mine, if I recall correctly.

10 Q. And how did you feel about that?

11 Did you feel that was a directive or did
12 you feel as an attorney that was the right thing to
13 do?

14 A. I felt like it was really supportable,
15 but it was not the advice I would have given as
16 litigation counsel, but I feel like there was -- I
17 could support it legally. I did not feel like I had
18 to say no to the order. I could support it legally
19 as the wish of the client, the State, the public
20 interest and charity.

21 Q. (BY MR. MCANULTY) Was there some
22 speculation that Nate Paul and his group had some
23 in -- I forget how to say it -- had some undue
24 influence with the General over this, and if so,
25 where was the genesis of it? If you have any --

1 A. That I -- that I don't know. I heard
2 speculation sort of later. I think there may have
3 been a comment at one point, and I don't -- from
4 someone on the -- one of those two on the executive
5 staff, I don't recall who there was, something along
6 the lines of, "We don't know why he's so
7 interested" -- like, "Don't know why he's so
8 interested in this or can't believe he's so
9 interested in this," words to the effect of his
10 interest in this was a shock to them as well.

11 Q. Did you ever come to know that he had a
12 fairly close partnership with Nate Paul?

13 A. I had heard about that after the fact,
14 yes. I did not know that at the time.

15 Q. Okay. And how did you do -- what did you
16 hear?

17 A. Oh, I had heard -- I mean, it's all sort
18 of the rumor that has gone around and the stuff
19 that's made it into the press about them -- him being
20 I think a donor and having done some stuff for his
21 house and some of the other.

22 Q. Do you have any knowledge of that other
23 than just what you've read in the paper?

24 A. No. As a -- as a -- I will say, luckily,
25 as a division chief here sort of a rung or two

1 removed from sort of the inner circle, and so that
2 wasn't anything that I was privy to at the time.

3 I think even in the meeting where it was
4 he and I, he did not make mention of the relationship
5 with him. He was -- he -- his concerns seemed to
6 come from that this was wasting the charity's
7 resources -- or that drawn-out litigation would waste
8 the charity's resources.

9 He did seem to feel like World Class was
10 more in the right than what we were seeing and what
11 we were telling him. He also expressed -- I'm trying
12 to think of the right way to put it -- frustration
13 from the sense that with -- sometimes investment
14 vehicles when they don't go the way you want,
15 people's first thought is to sue and turn it into
16 litigation as opposed to -- and demonize an
17 investment vehicle as opposed to just taking it,
18 accepting it as a -- as a business loss, and that
19 sometimes -- and he made reference to the fact that
20 he had been looked at before by the State Securities
21 Board, but this was sort of later in the -- in the
22 one-on-one game that I had had with him.

23 Q. (BY MS. EPLEY) Did that position feel
24 consistent with the information that you had of these
25 specific parties? Did you share his concerns?

1 A. Not based on the facts of what I had
2 seen, no. It was from the -- the documents, the -- I
3 would say the balance of evidence looked more with
4 Mitte than with World Class.

5 World Class, to be fair to them, had some
6 arguments. The documents were not perfectly written,
7 few are, of course, but I would say on balance, the
8 case had favor, not maybe heavily, but favored well
9 the Mitte Foundation.

10 Q. (BY MS. BUESS) So I'm still trying to
11 understand the Motion to Stay.

12 A. Uh-huh.

13 Q. And if it is -- the progress is being
14 made and it seems to me lawsuit and about to go to
15 trial on a lawsuit is a whole lot of motivation to
16 make things happen that if you haven't achieved
17 anything through either arbitration or any kind of,
18 you know, discussions up to that point, it seems to
19 me trial seems to be the way to go.

20 Why would you stop --

21 A. I agree.

22 Q. -- that process? I don't -- I just -- it
23 doesn't make sense to me.

24 A. Sure. Well, and I will say I think part
25 of it, they were a long way away from trying the

1 case, largely based on the litigation tactics of
2 World Class. Their tactics throughout the entirety
3 of the case had been to frustrate and delay and
4 obfuscate as much as they can.

5 I think by that point they had taken it
6 up on appeal at least one other time. They had it up
7 on appeal again at that time. They were -- their
8 tactics made it quite clear that they were going to
9 do anything to drag this out as long as they could
10 and burn -- make it to where at a certain point it is
11 not worth it for them to pursue it. So they were
12 some good distance from having entourage --

13 Q. (BY MS. EPLEY) And which party was
14 benefited by continued stalemate?

15 A. World Class.

16 Q. (BY MR. MCANULTY) Which was sort of the
17 opposite of what Paxton says he wants the
18 intervention filed for, correct?

19 A. Correct, the -- it at least gives the
20 parties a chance. Because I think they had some sort
21 discovery deadlines coming up for -- he had some sort
22 of deadline that -- again, I apologize that I'm not
23 remembering the details of -- it gave a chance --
24 could give a chance if the parties -- if the parties
25 would be willing to sit down and talk and reach a

1 resolution before needing to try to hit those --
2 whatever those deadlines were, and I just don't know
3 what those deadlines were. I don't know, I'm sure it
4 in the docket.

5 Again, I'm a transactional lawyer. I
6 don't have to remember any of this stuff anymore.

7 Q. (BY MS. CAMERON) So at some point did
8 you come to know that World Class, Nate Paul, there
9 were other dealings within the office in addition to
10 charitable trusts?

11 A. No, I didn't learn about that until after
12 the fact.

13 Q. Okay.

14 THE WITNESS: And I apologize, I need to
15 check family stuff real quick.

16 MS. CAMERON: Oh, sure, sure.

17 THE WITNESS: Can we pause for just a
18 moment?

19 MS. BUCESS: Take a break.

20 THE WITNESS: Well, let me just do this,
21 I just want to make sure that -- let me send a text
22 just to --

23 MR. MCANULTY: I'm not sure I know how to
24 pause it.

25 THE WITNESS: No, no, you can left it

1 run. I just need to send a text message if it is all
2 right.

3 MS. BUESS: Now would be a good time to
4 call.

5 MS. EPLEY: And since there are so many
6 less, I am going to step out again.

7 (Discussion off record)

8 MS. CAMERON: So what time do you need to
9 go?

10 THE WITNESS: I am good now. My wife is
11 picking both of them up. She works -- she works
12 right over here as well and she's able to pick both
13 of them up, and so I am good.

14 MS. CAMERON: All right. Should we wait
15 for Erin or --

16 MS. BUESS: Let's keep on going.

17 MS. CAMERON: Keep on going, okay.

18 Q. (BY MS. BUESS) I just can't get my head
19 wrapped around that stay. I have never heard of it
20 kind of when they're at this particular position, and
21 with that kind of history. So tell me what your
22 legal argument was for it.

23 A. So I think it was also wrapped up in the
24 appeal.

25 Q. Uh-huh.

1 A. Because they also had an appeal pending,
2 it may -- I don't know that something was wrapped up,
3 because they -- they were -- something went into or
4 was going into bankruptcy around that time, too. We
5 had never actually had to argue it.

6 I think the merit -- the merits that we
7 put in the pleading were fairly simple, something
8 along lines of, like, we are new to this case as the
9 A.G.'s Office, we're new to this case, we would like
10 time to analyze everything, have a talk -- have a
11 chat with the parties -- or continued chat with the
12 parties and see if we can help move this case towards
13 resolution, and so we would ask the Court to stay.
14 It was something -- it was not --

15 Q. (BY MR. MCANULTY) Nothing based on facts
16 or arguments or anything --

17 A. No, no, no. It was sort of the bare
18 bones pleading you would put on for a stay and wait
19 until someone contests it and then go make your
20 arguments there.

21 Q. (BY MS. BUESS) So what is the next thing
22 that happened in it?

23 A. So we took some --

24 Q. So at that point -- sorry.

25 A. I'm sorry I cut you off.

1 Q. I'm sorry, go ahead.

2 A. No, no. So that -- Ray Chester and the
3 Mitte Foundation took that -- took that one hard.
4 They were not -- I believe he said words to the
5 effect of like "This just confirms to us that the
6 A.G.'s Office is single-sided in this," and he said
7 similar things in the press as well, to which I tried
8 to convince him that we're just trying to see if we
9 can get to a resolution that would help them, that
10 would get them what they want and get them out of
11 this and then hopefully our presence could help exert
12 some pressure on World Class to do that.

13 And ultimately sometime after Darren got
14 in, I don't remember if he came in before or after
15 the -- if he got sort of tasked to come in and help
16 everybody to the table, I don't remember if that was
17 before or after the Motion to Stay. I believe it was
18 maybe after, but I don't recall for sure.

19 Ultimately we got the parties to agree to
20 go to mediation with two mediators, which if anyone
21 has ever mediated a case --

22 Q. I have never heard of two mediators.

23 A. You have already got a bunch of people
24 fighting and now you're throwing two mediators in
25 this, but it really boiled down to one party wanted

1 the mediator that had heard it -- or I will call it
2 correctly, Mitte wanted the mediator that had heard
3 it before on the logic that --

4 Q. Uh-huh. They were familiar --

5 A. -- that mediator's familiar with the
6 case, knows what's all's going on, we don't have to
7 spend a bunch of time getting everything done back up
8 and sort of reeducate it and I believe World Class'
9 argument was along the lines of, we don't believe
10 that mediator pushed hard enough or was strong enough
11 to push the parties towards a resolution and so we
12 don't want that mediator.

13 And so it was -- we ended up going with
14 two mediators that are over that -- I think it is
15 Lakeside Mediation. I am blanking on the names I
16 believe one starts with a G. If I saw a list, I'm
17 sure I could pick them out. Really showing my -- my
18 ability to remember names here. Not embarrassing at
19 all. I will never be a politician.

20 Q. (BY MR. MCANULTY) You struck something a
21 while ago that was perhaps the strongest thing I've
22 heard yet, you said that that is that your
23 presence -- that the office's presence about
24 intervening was designed to -- to help --

25 MS. CAMERON: One side.

1 Q. (BY MR. MCANULTY) -- one side and not
2 the other?

3 A. Well, that was -- that was Ray Chester's
4 supposition about our motives after we filed the
5 motion to stay.

6 Q. But isn't that really what happened? I
7 thought that he was -- that you were agreeing that
8 it -- your presence did, in fact, put pressure on
9 their need to settle and get to -- perhaps to the
10 benefit of World Class consultants?

11 A. No, I don't think our -- I mean, as
12 evidenced by the fact that they didn't settle, I
13 don't think our -- I don't think our presence was --
14 we were trying to get them to the table, like
15 that's -- and that's what I would tell -- that was my
16 argument to Ray Chester, that the arguments I would
17 have to have with Ray Chester and Sheena Paul were
18 pretty singular. In terms of with Ray, I would have
19 to argue that "Just come to the table and see if we
20 can help get this somewhere that you can accept."

21 Q. (BY MS. EPLEY) I might have missed this,
22 but what does come to the table mean --

23 A. To mediate.

24 Q. -- if they think they're in agreement?

25 A. Well, I mean, they have an agreement

1 that's been breached. Maybe if they come back to the
2 table, they can get an agreement that will survive.

3 Q. So de facto coming to the table means
4 getting something less than the agreement?

5 A. It doesn't in my mind. It's possible
6 that they would have thought it that way. It was
7 never -- it was never positioned by me like that to
8 them, that, like, come to the table, maybe it's --
9 they breached it once, maybe you get them to agree to
10 it again, maybe you agree to more with different
11 terms. If it is a liquidity issue, maybe they would
12 agree to fund it a different way, maybe they fund it
13 out of something else.

14 We didn't know all of their previous
15 settlement was confidential, so I don't think we
16 had --

17 Q. Got it.

18 A. -- all of the terms of it, but it was
19 never necessarily to take less. And I will say as
20 a -- from their position as litigation counsel, even
21 if it is to take less, there could still be benefit
22 in that because the delta between what you had before
23 and what you get now, if that delta is smaller than
24 what your litigation costs would be to get the larger
25 number, you would still end up farther behind by

1 getting the larger number when you factor in all your
2 litigation costs. So there could be a lower dollar
3 figure that financially makes sense, but that's my
4 own thought. That's not what we were talking about.

5 Q. (BY MS. CAMERON) You had said early on
6 when you were looking into World Class you saw some
7 bankruptcies; is that correct?

8 A. I saw that there had been some prior
9 World Class entities that had gone into bankruptcy.

10 Q. In thinking about that, were you going,
11 okay, he reneged on a settlement, he has a history
12 of bankruptcy, what are we doing here?

13 A. Oh, I went into bankruptcy -- if I
14 recall -- recall correctly, I think it went into
15 bankruptcy sometime in August. I only remember
16 because I think it was close to my birthday.

17 Q. So you said that only later did you find
18 out that Nate Paul or World Class, that it wasn't
19 just your little --

20 A. Correct.

21 Q. -- section, it was other places?

22 A. Correct.

23 Q. How did you come to find out that he was
24 involved in other divisions?

25 A. I -- I don't remember if I first saw it

1 in the press or reporting on the letter that got
2 filed by some of those in exec. I am guessing that
3 would have been the first I would have seen of it,
4 and then just the removal of a large agency as people
5 talk about things.

6 Q. So did you know anybody in the open
7 records division that might have had personal
8 knowledge about --

9 A. I knew the chief of the open records
10 division, but I don't -- in the -- we never talked
11 about this. So I don't know anything about that.

12 Q. Okay. So when you hear about it, see it
13 in the press, did you ever start to see a pattern or
14 any red flags that seemed to be, you know, here's
15 General Paxton and here's this person and his
16 entities and there seems to be this selective
17 intervention in his behalf or --

18 A. So I will say -- so when you say "red
19 flags," do you mean generally or with regard --
20 regarding the Mitte litigation.

21 Q. Well, I know I think you've expressed
22 that there was some red flags with Mitte.

23 A. And I ask because by the -- by that -- by
24 the point the letter came out, we had withdrawn from
25 the Mitte litigation. I was directed by Darren

1 McCarty to file.

2 Q. And how did that come about?

3 A. It was an e-mail to me from Darren
4 McCarty instructing me --

5 Q. Well, what was your understanding, why
6 would you-all -- because there's a Motion to Stay,
7 does that mean you would always get out or withdraw?

8 A. So this was after the mediation. So we
9 have skipped a little bit of time between those two
10 things.

11 Q. (BY MS. BUESS) Yeah, can we -- can we go
12 back to the mediation because --

13 A. However y'all want.

14 Q. Yeah, in my head it works better if it's
15 chronologically done.

16 A. That obviously only works well somewhat
17 in my head, so I will do the best I can with whatever
18 direction we're going.

19 Q. So right before the mediation, was there
20 contact made to try to get all the parties ready
21 prior to the mediation day?

22 A. Well, we would have been speaking to all
23 the parties leading up to that just to, frankly, try
24 to get the people to the mediation that were --

25 Q. And were you involved in that or was

1 Darren involved in that?

2 A. Darren and I.

3 Q. Both of you together.

4 A. Almost always. There may have been a
5 one-off call here or there just based on schedules.

6 Q. Okay. So would there have been a joint
7 phone call with Ray Chester and Sheena and --

8 A. Well, it would have been separate phone
9 calls with each side.

10 Q. Okay.

11 A. This was never a joint one with all of
12 the group together.

13 Q. And that would have been, what, maybe the
14 night before a meditation or the day before?

15 A. Well, there were -- there were phone
16 calls I would say probably every day because we were
17 trying to get people --

18 Q. Okay.

19 A. Because it was kind of like once we got
20 people agreed, it was like let's strike and get
21 folks in there without a lot of time in the middle.
22 Dalton, Eric Dalton, was one of the mediators, and
23 another was Ben Cunningham was the other mediator.

24 Q. And how did the meditation go?

25 A. So I would say I was not -- so it was all

1 virtual, and I would say Darren was largely the one
2 running it.

3 Q. Uh-huh.

4 A. The parts that I -- so I was never in
5 the -- I was never in the sort of virtual mediation
6 room with either of the parties.

7 Q. Okay.

8 A. Darren and I had had our own little
9 virtual room and then the mediators would pop in and
10 talk to us and say how things were going. And near
11 the end, he and Darren went into -- into the other
12 rooms with the other parties.

13 Q. Who and Darren?

14 A. The mediators and Darren --

15 Q. Okay.

16 A. -- went into the room, and I sat in my
17 little virtual con -- virtual meeting room and
18 waited.

19 Q. Is that common for the -- I mean, are you
20 not now kind of a party in the mediation?

21 A. Oh, I am but Darren was also my boss.

22 Q. Okay. No, I understand. I just -- but I
23 have never seen like, you know, we have got three
24 parties involved in mediation, right?

25 A. Uh-huh.

1 Q. I mean, each of them have their own
2 interests.

3 A. Uh-huh.

4 Q. I have never had one party accompany the
5 mediator. I mean, you usually keep everybody very
6 separate.

7 A. Oh, I see what you mean.

8 Q. Has that ever happened before?

9 A. I think I have had that happen before in
10 multiparty litigation, depending on -- I mean, some
11 of it -- a lot of it comes down to where the
12 interests are and where the -- almost to some degree
13 where the funding is.

14 Q. Okay.

15 A. I have seen it happen. It did not strike
16 me as terribly uncommon at the time or terribly out
17 of balance.

18 Q. So Darren did that?

19 A. Yes.

20 Q. So they go and talk with the other two in
21 the individual rooms?

22 A. Correct.

23 Q. And was anything worked out?

24 A. Ultimately, no.

25 Q. Okay. So it's a bust?

1 A. Yeah.

2 Q. So what happened next?

3 A. I don't remember enough about the span of
4 time between the two things. My -- I'm sure there
5 would have been some manner of internal meeting to
6 talk about what happened, but I'm sure Darren had
7 those conversations -- they may have just had those
8 conversations -- some of those conversations directly
9 with Darren and then shortly after I got an e-mail --
10 I think I got a phone call beforehand from Darren
11 telling me it was coming and then an e-mail shortly
12 thereafter to myself and Rachel Obaldo, who was the
13 chief of the bankruptcy division who had -- had also
14 appeared in the case, telling -- telling us to
15 nonsuit the case.

16 Q. And why, why at this point?

17 A. There was no explanation given to me.

18 Q. And that came from Darren?

19 A. It did. And that was either the day or
20 the day before the letter went out to -- the letter
21 went to HR and everything made the news.

22 Q. Okay. Okay.

23 A. I was not unhappy to. It was not a
24 pleasant --

25 Q. It sounds like a lot of work had been

1 done?

2 A. It was not a pleasant dispute between.
3 There were -- there were many feelings between the
4 two of those parties.

5 Q. Yeah.

6 A. It's not -- it's not unpleasant to get
7 out of them.

8 Q. (BY MR. MCANULTY) And was that an e-mail
9 or a call to --

10 A. He gave me a call as a heads-up to tell
11 me it was coming and then an e-mail --

12 MS. CAMERON: And then there was an
13 e-mail?

14 A. Followed.

15 Yeah.

16 Q. (BY MS. BUSS) From -- from Darren?

17 A. From Darren. He may have copied Jeff
18 Mateer, the first assistant. I don't recall that for
19 sure.

20 Q. Okay. So at one point was there -- was
21 there discussion about General Paxton coming and
22 arguing in Court concerning this? Tell me about
23 that.

24 A. I had heard prior to one of the -- I
25 think it was one of the discovery fights that we were

1 having. This was when -- that was when Rachel got
2 added. Rachel was one of the -- was the chief of the
3 bankruptcy division -- is still the chief of the
4 bankruptcy and collections division. And the way it
5 was told to me -- I was not part of the conversation.
6 The way it was relayed to me was there was a hearing
7 coming up either that morning or the following
8 morning, and there had been a couple of hearings
9 before that and the -- what had been relayed to me
10 after those was that World Class was not happy with
11 the position that I took in the hearing, was not
12 happy that I was not strong enough and was not
13 pushing back against Mitte enough.

14 And then prior to this hearing, I believe
15 it was Darren that called me to let me know, like,
16 "Hey, we're going to add Rachel to come into this one
17 and make an appearance as well," in the sense of -- I
18 mean, they have a number of entities in bankruptcy,
19 so having someone in from our bankruptcy division
20 makes sense. And it was --

21 Q. Had that ever happened before in your
22 work?

23 A. Well -- I'm sorry, let me finish the
24 thought just to --

25 Q. Sure.

1 A. It was -- it was relayed to me that -- to
2 answer the prior question -- that the General had --
3 had made mention of showing up himself and that this
4 was sort of, "Why don't we just put another -- put
5 another division chief on it." Like show strength,
6 put another division chief on it, and that is what
7 helped I guess talk him down from showing up himself.
8 So I had heard thirdhand that it had been talked
9 about.

10 Q. Okay.

11 A. To answer your question, would it be
12 weird to have another division chief assigned
13 alongside your case? Largely, yes, unless there was
14 something specific that made sense or it had been
15 requested or something.

16 Q. Did Rachel make sense? I mean, did it do
17 anything in this lawsuit?

18 A. If it was -- if -- if I was going to make
19 the decision to add another division chief to this
20 case, the bankruptcy division would make the most
21 sense to me, because it is a company that -- on one
22 side that has added a number of bankruptcies and
23 there is a possibility that this case itself could
24 become embroiled in yet another bankruptcy.

25 But largely adding another division chief

1 to a case like that, it is -- is abnormal.

2 Q. Okay. Any of the paperwork concerning
3 the Attorney General's Office, was any of that signed
4 by the Attorney General himself?

5 A. The pleadings, you mean?

6 Q. Yeah.

7 A. No, those would have been -- the few we
8 filed would have been signed by me.

9 Q. Okay. Okay.

10 A. I more or less once it -- once it became
11 obvious the import of it, I more or less took it over
12 and just started signing my name and stuff as opposed
13 to having someone else's name on it.

14 Q. So now that you kind of have a little
15 bigger picture, having read the press --

16 A. Yeah.

17 Q. -- tell me what you think about what
18 happened here.

19 A. I mean, I will start by saying that I
20 don't -- I don't know the truth of any of the stuff
21 that's in the press. It's been read on, it's been
22 reported about, it's made it into pleadings, it's
23 made it into those kinds of things. I don't -- I
24 don't have firsthand evidence of all of it.

25 Q. Okay.

1 A. If I were to accept all of it as true, it
2 would seem very troubling to me in terms of what it
3 shows as a pattern, I don't -- I believe there was an
4 opinion request that was part of it and then the
5 criminal stuff that was part of it. The invest --
6 the criminal investigation stuff, those seemed to be
7 happening outside of -- again, if I take as true
8 what's been reported, it seems to be happening
9 outside of sort of the normal course of the way
10 things would typically happen, but it certainly
11 doesn't look good when you view it all together like
12 that, if it is all true.

13 It just felt like -- it just felt like
14 interest in a case that I had not -- of this size and
15 scope, which in the grand scheme of things was not
16 large and was not of great State import. It seemed
17 outsized compared to what it actually -- or what the
18 case actually was, but --

19 Q. (BY MS. CAMERON) So if we were to get
20 all of the, quote, Mitte records, not going back
21 historically to, you know, what Abbott might have
22 looked into, what would we ask for, what would be
23 relevant? Would this be a physical file, any work
24 product notes or what would be on the computer that
25 we should ask for?

1 A. So I would say a lot of -- and I don't
2 know what they have kept -- all that stuff got -- I
3 left it behind when I left the office. I would
4 say -- I guess you would guess that it would be
5 almost largely electronic just because of the
6 pandemic and everything. Other people might have
7 taken written notes that they kept, I don't know.

8 All the pleadings would be on file, all
9 the drafts. All the e-mails should be on -- sort of
10 going -- within the agency and going to the parties,
11 all that still should have been preserved.

12 Q. So, in other words, you would start out
13 with the referral and then the memo and that whole
14 process of making that initial call not to intervene?

15 A. That should still be on file, yes, I
16 would imagine so.

17 Q. And then following it down, there should
18 be that same level of approval and memo --

19 A. Uh-huh.

20 Q. -- we're intervening?

21 A. Yes. Because that is a permission to
22 file, permission to intervene, and so that goes up to
23 the executive level for approval.

24 Q. So who would have had to approve that at
25 an executive level?

1 A. I'm trying to remember at the time. So
2 it certainly would have gone to Darren. I'm trying
3 to -- over the course of time, sometimes the approval
4 and the level of approval things changed, just as any
5 administration monkeys with procedure. It may have
6 gone to the first assistant. I just don't recall off
7 the top of my head if at the time it would have gone
8 to the first assistant or not, but the first
9 assistant was aware of it because I talked with
10 him -- I mean, I was in meetings where we talked
11 about that matter as well.

12 Q. And is this anything similar to DocuSign
13 for, like, maybe a contract approval?

14 A. My fear is this was early enough pandemic
15 all the DocuSign stuff may have not been put up as
16 such. So it may have been sort of like e-mail, I
17 sign it, scan it, and send it on. And the others
18 scan it, sign it or type an e-mail that says
19 "Approved by e-mail" or something like that or type
20 it physically. I don't remember if this was done via
21 DocuSign or not. I don't think it was. I think it
22 was done by e-mail, if I recall correctly.

23 Q. Joshua, how much time do you think you
24 spent on this, on this particular lawsuit?

25 A. I mean, I would say for the course of --

1 whenever it started to whenever I got out, I would
2 say I probably, on average, spent four hours a day on
3 it, four or six hours a day on it.

4 Q. And how many days were you on it?

5 A. That I can't -- that honestly I can't
6 remember. It would have been --

7 Q. (BY MS. CAMERON) Months.

8 A. It was a couple of months. It would have
9 been from the date -- basically from the difficult of
10 the letter from World Class to the A.G.'s Office
11 until the day that we filed our Notice of Nonsuit,
12 whatever those dates were. I think it was about two
13 months or so.

14 Q. (BY MS. BUESS) Okay and --

15 A. I would said there were days where it
16 would have been 12 hours. There were days where it
17 wouldn't have been as much.

18 Q. And at what point did Darren start
19 getting involved?

20 A. I would say it was maybe halfway through
21 that time.

22 Q. So a month maybe?

23 A. Yeah, maybe a little -- maybe closer to
24 two-thirds of the way. Maybe I did two-thirds and he
25 got pulled in for a third.

1 Q. And how many times did the -- is it
2 Rachel?

3 A. Rachel Obaldo.

4 Q. How many times did Rachel go to court
5 with y'all?

6 A. I think she appeared maybe just the once,
7 maybe twice. It was just on Zoom, so she didn't -- I
8 think she just made her appearance and that was it.
9 She didn't argue.

10 It was also then made problematic because
11 the -- and this has made it into some of the stuff,
12 so it's not telling anything that you can't find --
13 the -- or that they haven't alleged -- the receiver's
14 wife worked in the bankruptcy and collections
15 division, which we found out about -- or started
16 sometime around there. And so they tried to make
17 some hay out of that as well. World Class did.
18 Sorry. World Class tried to make some hay out of
19 that as well. Rachel was not there because she
20 wanted to be off.

21 Q. (BY MS. CAMERON) Anybody you think we
22 should talk to that would have personal knowledge
23 like you do about the administrative?

24 A. Outside of the people I have already
25 mentioned?

1 Q. Ryan. I mean would he have the most?

2 A. He -- he was at the executive -- he was
3 the -- a Deputy Attorney General, so he was at the
4 executive level, so he was -- he would have been much
5 more involved in the kind of -- I mean, I was in
6 one -- the one-on-one meeting with the General and
7 then a handful of meetings with Ryan and Darren and
8 maybe one or two other people and the General.

9 He reported directly to the General, so
10 he would have had -- well, through the first
11 assistant, but he would have probably had more
12 conversations with him about this, and he was the one
13 directing me on some of the stuff when we were
14 starting to look at it and making the decision to
15 intervene and things like that. So it was relayed to
16 me through him that he was getting these directions
17 from the General or this is what the General wants to
18 do.

19 Q. So he has firsthand knowledge?

20 A. Yeah, I would say him. The people -- the
21 people I have mentioned that were there. I will say
22 that the -- to be perfectly frank, the senior
23 attorney for charitable trust and the line attorney,
24 they -- I kept them out of it fairly quickly, and
25 they weren't -- they weren't involved when we were

1 having those kinds of conversations, so that's not
2 something they would know.

3 Q. Why did you keep them out of it?

4 A. Just because of the scope of it and the
5 visibility of it. It just -- the kind of stuff
6 that -- the kinds of things we were already starting
7 to hear from World Class and from Mitte and not
8 knowing exactly how it was going to play out, not
9 wanting them to have to be part of it if it ended up
10 going sideways.

11 Q. Was that a protective mode --

12 A. Yes.

13 Q. -- on your part?

14 A. Yes, yes. If -- if there were going to
15 be a sanctions charge or something brought by World --
16 by Mitte for us intervening or something brought by
17 World Class, I didn't want their names attached to
18 it. And our names already were attached to it in
19 ways I couldn't help, but I could at least keep that
20 part out of it.

21 Q. And you stayed on until 2022?

22 A. Correct.

23 Q. After you left, did you receive any
24 communications of, "Don't talk to anyone or" --

25 A. No.

1 MS. CAMERON: Anything else?

2 Q. (BY MS. CAMERON) Well, I have got
3 your -- do I have your cellphone?

4 A. You do.

5 Q. Okay. So maybe reach out to you if we
6 have other questions?

7 A. Of course.

8 Q. And I assume you don't have any documents
9 at home or organizational charts or --

10 A. I will go look. I may have kept the
11 e-mail from Darren telling me to file a nonsuit, just
12 to make sure I have a copy of it. I will look and
13 see if I have it. If not, it's all in the -- it's
14 all in the records of whatever you can request from
15 him as well, or at least it should be; but I will
16 look and see if I still have it.

17 I think I remember printing it out to
18 be -- to be on the safe side.

19 MS. BUSS: All right. Well, thanks for
20 coming in and meeting with us.

21 THE WITNESS: Sure thing.

22 MS. EPLEY: I'll have to turn this off.

23 (End of meeting)

24

25

1 STATE OF TEXAS

2 COUNTY OF HARRIS

3 REPORTER'S CERTIFICATE

4 AGC MEETING

5 April 4, 2023 Meeting

6 re: Mr. Joshua Godbey

7 Transcribed June 22, 2023

8
9 I, Michelle Hartman, the undersigned
10 Certified Shorthand Reporter in and for the State of
11 Texas and Registered Professional Reporter, certify
12 that the facts stated in the foregoing pages are
13 transcribed to the best of my ability.

14 I further certify that I am neither
15 attorney or counsel for, related to, nor employed by
16 any parties to the action in which this testimony is
17 taken and, further, that I am not a relative or
18 employee of any counsel employed by the parties
19 hereto or financially interested in the action.

20 SUBSCRIBED AND SWORN TO under my hand and
21 seal of office on this 22 day of June, 2023.

22
23 

24 Michelle Hartman, CSR, RPR
25 Texas CSR 7093
Expiration: 12/31/23

EXHIBIT 013

AGC MEETING

February 23rd, 2023 Meeting
re: Mr. David M. Maxwell, Jr.
Transcribed June 22, 2023

AGC MEETING OF 032423-1.75 HRS - TAPE ONE, re:
Mr. David M. Maxwell, Jr., transcribed by Michelle
Hartman, Certified Shorthand Reporter in and for the
State of Texas and Registered Professional Reporter,
reported by computerized stenotype machine from audio
tape recordings to the best of her ability.

APPEARANCES

Ms. Terese Buess
Mr. Dan McNulty
Mr. T.J. Turner, counsel for Mr. Maxwell
Mr. David M. Maxwell, Jr.
I.T. guy, Mike

1 MR. MAXWELL: I can finish here. I am
2 sitting over here testifying for days.

3 MR. TURNER: Well, for whatever reason, I
4 have never -- I have never been in this one.

5 MR. MAXWELL: Yeah. Now, they ended up
6 they were thanking me, because they gained so much
7 knowledge --

8 MS. BUESS: Yes.

9 MR. MAXWELL: -- and ability that they
10 didn't have.

11 MS. BUESS: Good.

12 MR. MAXWELL: And so --

13 MR. MCANULTY: You know, this thing says
14 "standby," and I don't think that's right. Let me --

15 MS. BUESS: Go get them?

16 MR. MCANULTY: Yeah, let me go and get
17 Mike to make sure. I did what he told me to do, but
18 --

19 MS. BUESS: They're right across the
20 hall, so --

21 MR. MCANULTY: Yeah, yeah, just a second.

22 MR. TURNER: You know, I worked over here
23 for almost five years in the Governor's office and
24 the Attorney General's Office. I have been in every
25 building on this complex except --

1 MS. BUESS: This one?

2 MR. TURNER: Yeah, I don't know what's in
3 here. It turns out --

4 MR. MAXWELL: They have a lot of
5 committees here. I mean, they have several here
6 testifying for days.

7 MR. TURNER: Well, for whatever reason, I
8 have never -- I have never been in this one.

9 MR. MAXWELL: Yeah.

10 MS. BUESS: So I read about the -- kind
11 of the standoff on the -- on the proposal.

12 MR. MAXWELL: Uh-huh.

13 MR. TURNER: Yeah.

14 MS. BUESS: And it almost seems like it's
15 going to be an indefinite kind of thing. It's --

16 MR. TURNER: Well, if it were up to
17 Mr. Paxton and his lawyers.

18 MS. BUESS: Uh-huh. So what -- what --

19 MR. TURNER: Do you want to know about
20 how --

21 MS. BUESS: I don't know anything about
22 civil practice, so what kind of happens next?

23 MR. TURNER: Right. Well, what happened
24 was we are -- we are on an interlocutory appeal of --
25 of very early pleadings in the jurisdiction --

1 MS. BUESS: I saw that.

2 MR. TURNER: -- pre-discovery.

3 MS. BUESS: Uh-huh.

4 MR. TURNER: We haven't done a lick of
5 discovery in the case. Honestly, I would have done
6 the same thing. I worked in the AG's office, I have
7 pulled that trick before. It worked, and so they
8 delayed us that way. They came to us about six weeks
9 ago, maybe, and said, "Hey" --

10 MR. MAXWELL: In February?

11 MR. TURNER: -- "Legislature's in
12 session." The first -- first we have heard of the
13 word "settlement." Nobody's uttered that word. We
14 were waiting on the opinion from the Supreme Court on
15 their petition for removal and we expected it to be
16 denied. And the Supreme Court confers on Tuesdays
17 and issues opinions on Fridays. And they called us
18 on a Tuesday afternoon and said, "We're supremely
19 confident, but have you guys thought about settling?"

20 MR. MCANULTY: I want to make sure that
21 this is working because it says --

22 MR. TURNER: -- (talkover) --

23 MR. MCANULTY: I tried to be more -- I
24 push on the buttons but it says standby on here.

25 MR. TURNER: So we said, "sure."

1 MIKE: Okay. That is just the display of
2 this camera.

3 MR. MCANULTY: Okay.

4 MIKE: Once you hit "record" here,
5 you're --

6 MR. MCANULTY: Okay.

7 MIKE: -- you're -- the red light here,
8 it is recording and you're on.

9 MR. MCANULTY: Okay, because it says
10 something.

11 MIKE: Okay, you're recording and it
12 says -- you're getting what you need.

13 MR. MCANULTY: So we just -- well, if you
14 had told me to ignore that, I --

15 MIKE: Yeah, it's because you're not
16 actually recording from that device.

17 MR. MCANULTY: All right. Right. Thank
18 you so much. All right.

19 MR. TURNER: We had a meeting next week
20 and we filed our first motion to abate, and then when
21 they invited us to the table, you know, "The
22 legislature's here, we can get this approved now, we
23 can get this approved this session. If we settle
24 something in between this session and the next one,
25 we are going to have to wait for the next one to come

1 back. Let's try to do it now."

2 And we -- so we mediated and got down
3 to -- got to a point where nobody was happy, which is
4 a good settlement. They were paying too much and we
5 were taking not enough, and then I have been kicking
6 mission because I told our team, I said, "We need to
7 have a deadline by which the legislature needs to
8 approve this in the mediated settlement agreement."

9 And the mediator said, "Oh, we don't" --
10 surely that has been the premise of all these
11 negotiations. Surely they would never argue that
12 it's not, and I let them talk me out of it.

13 And -- and then I talked to the Attorney
14 General, the general for civil litigation that runs
15 up to them when we were filing our second motion to
16 abate, which says -- we asked the Supreme Court,
17 "Hey, we have settled, we have preliminary settlement
18 terms. We need to execute a file settlement
19 agreement, but will the Court abate any ruling while
20 we go try to get this settlement approved?" Because
21 it is contingent on the legislature's approval, but
22 to be fair, it doesn't say --

23 MS. BUESS: Why.

24 MR. TURNER: -- which -- which
25 legislature or by a certain amount -- but I called

1 the general lit guy who was working on a motion --
2 his name's Chris Hilton -- and I said very
3 specifically, I said, "Chris, I can't have these
4 plaintiffs caught in some special funding. We need a
5 deadline."

6 And Chris -- we were trying to amend the
7 things. I don't even have to be black -- I need to
8 talk to you today. What is the deadline? Is it
9 signing, guys? Is it Governor's veto authority? Is
10 it" --

11 He said, "We are going to get this
12 approved this session. And we can take care of the
13 deadline in the final settlement agreement, but we
14 need to get this motion to abate on file today." And
15 again, I have been kicking myself because I didn't
16 just insist on it. And sure enough, they -- they
17 backtracked. And now they're saying that we are, you
18 know, caught in this indefinite position where they
19 get the benefit of the settlement agreement but --
20 but we get none, unless and until -- although I think
21 they were probably just as surprised, maybe. Unless
22 they were mega millions, they may be. I think they
23 were just -- maybe just as surprised as we were at
24 the legislature's reluctance to approve the
25 settlements. I have never seen that happen. So here

1 we are.

2 That was a very long answer to your
3 question when we should probably talk about what we
4 came here to talk about, unless you have any more
5 questions about that.

6 MR. MCANULTY: Can you give me a timeline
7 of when this first -- I gather that there were a
8 number of events that led up to your -- your standing
9 up and saying --

10 MR. MAXWELL: Do you want to kind of make
11 an introduction before we start?

12 MS. BUESS: Yes. Yes, we can.

13 MR. MAXWELL: Y'all know us, but nobody
14 else --

15 MS. BUESS: Yes.

16 MR. MCANULTY: Okay. Why don't we start
17 with Terese, do you want to --

18 MS. BUESS: My introduction?

19 MR. MCANULTY: Your name. Well, I think
20 for purposes of the Court --

21 MR. MAXWELL: The purposes of the Court,
22 yeah.

23 MR. MCANULTY: -- and the camera to --

24 MS. BUESS: Yes. So today is
25 February 23rd, 2023. It is about 10:48. My name is

1 Terese Buess. I am an attorney with the
2 investigation -- employed by the Investigation
3 Committee.

4 MR. MCANULTY: And I'm Dan McAnulty, and
5 I am not an attorney. I am a retired police officer,
6 and like Terese, we work as a part of a team.

7 So, David, go ahead.

8 MR. MAXWELL: My name is David Maxwell,
9 and I was the director of law enforcement at the
10 Attorney General's Office for six years. I was a
11 deputy director of law enforcement under Abbott for
12 four years. Prior to that, I was employed by the
13 Texas Department of Public Safety, which I began my
14 career in 1972.

15 I spent eight years in the highway patrol
16 as a trooper in Harris County. I have spent five
17 years in DPS narcotics in the Houston area, working
18 undercover narcotic on major offenders, and we did
19 actually the first reversal in the state for a
20 thousand pounds of weed on some out-of-state
21 offenders.

22 I spent 25 years as a Texas Ranger. I
23 worked public corruption and mostly homicides. A
24 great deal of it I worked in Harris County. I was
25 also stationed in Fort Bend County, which is adjacent

1 to Harris County, for a number of years; and then I
2 went to Matagorda and Wharton County and worked
3 there.

4 During my time as a ranger, I was one of
5 the lead investigators on the Waco shootout with the
6 ATF. I was one of the lead investigators on Rafael
7 Resendez, the serial killer. I worked probably over
8 200 homicides during my career before I left DPS and
9 came to the Texas Attorney General's Office.

10 MS. BUESS: T.J.?

11 MR. MCANULTY: T.J., do you want to tell
12 us your name?

13 MR. TURNER: Sure. My name is T.J.
14 Turner. I am counsel for Trooper Maxwell --

15 MR. MAXWELL: Ranger Maxwell.

16 MR. TURNER: -- Ranger Maxwell. Pardon
17 me.

18 MR. MCANULTY: So, all right, so kind of
19 back to the beginning of the --

20 MR. MAXWELL: Uh-huh.

21 MR. MCANULTY: -- where did all of this
22 start and when?

23 MR. MAXWELL: It started early 2020,
24 probably sometime in January. The first assistant
25 came to me and he told me that Ken Paxton had an

1 individual that was a strong supporter of his that he
2 wanted me to interview.

3 And I said, "Well, what is it about?"

4 And he says, "Well, he's got a situation
5 with the FBI and General Paxton wants you to
6 interview him."

7 I said, "Well I'm not inclined to do
8 that." And so I just left it that way. And Jeff
9 came back to me two or three times and asked me about
10 it and I said, "Well, give me the name of the person
11 that is the contributor."

12 So he gave me the name of Nate Paul.

13 MR. MCANULTY: And this is Jeff, can you
14 tell me -- I know you know him but I don't know who
15 Jeff is.

16 MR. TURNER: Nateer, N-A-T-E-E-R.

17 MR. MAXWELL: Yeah, Nateer.

18 MR. TURNER: Former first assistant of --

19 MR. MAXWELL: Yeah, he was the first
20 assistant.

21 MR. TURNER: Mr. Nateer resigned
22 immediately after the report was made to the FBI
23 rather than stick around to get fired.

24 MR. MAXWELL: Yeah. Jeff resigned
25 because Paxton had come to him and basically screamed

1 at him demanding that he fire myself and Mark Penley. ¹²

2 MR. MCANULTY: Okay.

3 MR. MAXWELL: And he refused to do it and
4 then resigned. So he gave me the name of Nate Paul.
5 I did some research and found out that Nate Paul in
6 August of 2019 had -- had a raid done by the FBI on
7 his business at home and other holdings for records
8 relating to what appears to be a very large Ponzi
9 scheme involving real estate.

10 His holdings amount to over a billion
11 dollars, and at that time when I did my research, he
12 had about a hundred million dollars of lawsuits
13 against him for investors that he did not, you know
14 meet the contracts he had with them, were not paying
15 them back basically.

16 I also saw that he was collecting very
17 expensive cars, Ferraris and Lamborghinis and he was
18 young, quite the -- quite the around town man,
19 flashing his money, and making promises at -- at big
20 fundraisers to support different causes, and had
21 never contributed any money to it.

22 So I went back to Jeff Nateer and I told
23 him, I said, "This is what I found out." And I said,
24 "We cannot be involved in interfering with a federal
25 investigation. It's against the law. We can't do

1 it."

2 And Jeff is not a criminal lawyer, he
3 does not know, and he -- so he told me, he said,
4 "Well, Paxton's putting a lot of pressure on -- on me
5 to do this."

6 And I said, "Okay, this is what I will
7 do, this is what I will agree to do, I will agree to
8 meet with Nate Paul and interview him, but I am
9 telling you up front that during that interview, if
10 he makes any statements against his interest, I'm
11 going to immediately turn over that information to
12 the FBI, and the interview will be recorded."

13 He said, "Okay. That's good."

14 So I think the first interview took place
15 in June, and the dates would actually be in our --
16 our pleadings, in June of that year. I met with Nate
17 Paul and his -- his attorney, his attorney was an
18 ex-USA -- United States assistant attorney. And he
19 told me his story.

20 His story was basically this: He said
21 that the FBI and DPS Intelligence and a couple of
22 other agencies did a raid on his home and his
23 businesses and seized records and that they abused --
24 they were -- he didn't like the way they did it. He
25 said they didn't give him a copy of the search

1 warrant. He was making all kinds of allegations
2 about improper procedure when they executed a search
3 warrant.

4 I said, "But my understanding is that you
5 did get a copy of the search warrant?"

6 "Yes, my lawyer" -- during the interview
7 he said his lawyers at one time contacted the U.S.
8 Attorney's Office, they faxed over copies of the
9 search warrant. And he said, "But I didn't get a
10 copy of the affidavit."

11 I said, "Well, you're not going to get a
12 copy of the affidavit. You're not entitled to get a
13 copy of the affidavit. You're entitled to a copy of
14 the search warrant itself and a list of everything
15 that they seize, and that's all you're entitled to."

16 He said -- so his main allegation, other
17 than he didn't like the way that they conducted the
18 raid, was that he was alleging that the copy of the
19 search warrant that had been sent to him had been
20 altered, and he was alleging that the after -- the
21 FBI, the U.S. Magistrate, the U.S. Attorney all
22 conspired to falsify a search warrant to search his
23 place and seize his property, and that it was
24 illegal.

25 And I said, "Why do you think that it's

1 been altered?"

2 He said, "Well, because when we looked at
3 the metadata, the metadata had been changed. The
4 metadata changed, because I got a copy of it from the
5 clerk's office."

6 I said -- I said, "I'm not an expert on
7 metadata. I can't tell you what that means or
8 doesn't mean." I said, "I do have people that work
9 for me who are experts. I have a forensic -- a
10 computer forensics section that could tell me
11 everything I want to know about it."

12 So that was his allegation.

13 I said, "Well, why are you coming to me?"

14 He said because General Paxton basically
15 said that he could help me with this.

16 And I said, "That's wrong, we can't help
17 you with this." And I said, "We have no legal
18 standing to do anything about the federal
19 investigation, how it was run, or the documents or
20 anything of that nature. That's all on the federal
21 side."

22 And I said, "If I went up there and asked
23 for their report, they would just would laugh at me
24 and say, 'There is the door. You know how to get --
25 you find your way in here, you can find your way

1 out."

2 So he said -- and I said, "So you think
3 that we can go in and we can investigate the FBI and
4 we can investigate the U.S. Magistrate and the U.S.
5 Attorney's Office, and that's what you want us to
6 do?"

7 "Yes, that's what I want you to do."

8 I said, "Two things stand out to me here.
9 One is in my career," in which the time was over 40
10 years, almost 48 years, I said, "In my career, I have
11 never seen this happen. I have never seen an
12 investigation where the FBI, DPS, the U.S. Magistrate
13 and the U.S. Attorney's Office all conspired to
14 falsify a search warrant to get one individual. Why
15 do you think anybody would do that?"

16 He goes, "Well, they did."

17 I said, "Well" -- and this is what I
18 wanted to answer, I said, "Well, I guess you're
19 pretty big fish then."

20 He didn't like that.

21 So I spoke to his attorney. I said,
22 "Michael, how long were you a U.S. Attorney?"

23 He said, "12 years."

24 "12 years, right?"

25 "Yes."

1 "And you prosecuted a lot of cases?"

2 "Yes."

3 "Then you know that it is -- if you have
4 a complaint about a federal investigation, it goes to
5 the Federal Office of the Inspector General; that
6 they have the right and the ability to look at
7 anything and everything related to this, and the FBI,
8 the U.S. Magistrate and the U.S. Attorney cannot
9 refuse that. So why are you here?"

10 He wouldn't give me an answer.

11 So I -- my -- we had our criminal
12 attorney look at this whole request and --

13 MS. BUESS: Who were those?

14 MR. TURNER: Johnny Sutton. Are you --
15 I'm sorry, you're talking about the criminal
16 attorneys in the Attorney General's Office?

17 MR. MAXWELL: Just give me a minute. I
18 will think --

19 MS. BUESS: That's okay.

20 MR. MAXWELL: Let me back up just a
21 minute. We had received -- first of all, I got a
22 phone call from Don Clemmer. Don used to be the
23 executive deputy over prosecution for the A.G.'s
24 Office and he left the A.G.'s Office, and he went to
25 work for the Governor's office when Anna became

1 governor. Then he got appointed as a -- as a
2 district judge, and then when it came around to Ron,
3 he didn't run, but took a position with the Harris
4 County D.A's Office as a -- head of their corruption
5 unit.

6 MR. MCANULTY: Don used to work for
7 Harris County?

8 MR. MAXWELL: Oh, yeah, he worked for
9 Harris County. No, he started with Harris County,
10 yeah, I knew. So Don -- they were friends. So Don
11 calls me up before I agree to look at this and he
12 gave me a heads up that the official request was
13 coming from Travis County. I had some not too kind
14 words to say to him. And I said, "Why are you doing
15 this?"

16 He said, "I don't have a choice. Ken
17 Paxton came down here himself with the complainant
18 and met with the -- with the elected district
19 attorney, and he walked him through the procedure on
20 how to file this and then requested that they refer
21 it to our office."

22 Lisa Tanner was the one who took a look
23 at it, at the -- you know Lisa?

24 MS. BUESS: Yes.

25 MR. MAXWELL: Yeah. So --

1 MR. TURNER: The district attorney at the
2 time in Travis County was Margaret Moore.

3 MR. MAXWELL: Right, Margaret Moore. And
4 she also came from the A.G.'s Office. I knew her
5 when she worked for us.

6 MR. TURNER: And Mindy Montford was
7 involved in that. She of course --

8 MS. BUSS: Was she present in that
9 meeting with you?

10 MR. TURNER: I don't -- I don't know if
11 she was present at that meeting.

12 MR. MAXWELL: I think Mindy was present
13 when Paxton met with Margaret. I think so.

14 MR. TURNER: And she's employed by the
15 Attorney General's Office?

16 MR. MAXWELL: Yeah.

17 MR. TURNER: Shortly thereafter.

18 MR. MAXWELL: Oh, yeah. Oh, yeah.

19 That's a whole other story.

20 But -- so I had gotten the official
21 reports. I gave Jeff a copy of it and I set up the
22 interview. And so Lisa Tanner, she looked up through
23 the statutes, she said, "David, the only -- the only
24 authority we would have is that if you falsified a
25 search warrant whether it's federal or state, it

1 would still abolish a state law."

2 I said, "Okay." That was the reason I
3 agreed to talk to Nate Paul to begin with, because
4 that was the only standing we would have with no
5 ability to actually investigate it.

6 So at the end of the first meeting, like
7 I said, it was reported. I told Nate Paul and his
8 attorney that I needed copy -- copies of all the
9 documents they had gotten so that we could take a
10 look at it, and so that was the end of the meeting.
11 They weren't too happy.

12 They lobbied for a second meeting, and
13 they were supposed to bring all the stuff with them.
14 The second meeting, it was myself and Mark Penley,
15 and Nate Paul and his attorney.

16 In the second meeting, I let Mark Penley,
17 who took -- he came in. We had the head of
18 prosecution. The executive head of prosecution had
19 retired and moved to New Mexico. Mark Penley was
20 recruited from the U.S. Attorney's Office out of
21 Dallas by Ken Paxton because they knew each other.
22 They had gone to the same church, and he knew him
23 when they were both young lawyers and worked for a
24 law firm together.

25 Mark is a standup guy, very, very

1 religious. He graduated from the United States Air
2 Force Academy. He had a military career, became an
3 attorney, and been an attorney ever since. He left
4 his position with the U.S. Attorney's office in
5 Dallas and took this position, and -- but knew
6 nothing about State law, so I was kind of his mentor
7 in teaching him about State law and how things
8 worked, and also how the agency worked.

9 And so Paxton would come to him and ask
10 him to do things and he would ask me and I would say,
11 "Oh, no, no, we can't do that, Mark," you know.

12 So we -- he's in the next meeting. I let
13 him take the lead, because that's -- really, that's
14 what Paxton wanted. He thought that Mark would do
15 whatever he wanted him to do.

16 And we had another meeting, the same
17 story. I asked him some hard -- asked Nate Paul some
18 hard questions in the second interview, which he
19 didn't rely on. And they were supposed to turn over
20 all their stuff to us, which they didn't. They
21 turned over part of it. And I told him I would
22 turn -- I would give this information to my forensic
23 team and they could look at the metadata and tell me
24 what they found out.

25 Now, from the beginning of all this, I

1 mean, as a director of law enforcement, you don't
2 normally do investigations, and -- but I refused to
3 involve any of my people in it, because I knew from
4 the beginning that what he was asking me to do was
5 not legal and was not right.

6 I didn't know exactly what may be going
7 on between him and Nate Paul, but I wasn't going to
8 put my people in the position of doing something at
9 my direction that they later get fired for doing, and
10 so I kept it strictly with myself.

11 The only thing I didn't do, or didn't
12 have the ability to do, was do the forensic work. My
13 forensic team comes back and tells me that what they
14 had -- what they found is that the U.S. Attorney's
15 Office, or whoever they worked -- I guess it would be
16 the U.S. Attorney's Office, uses a program that
17 redacts information from documents when they turn
18 them over to people who are not part of law
19 enforcement, and that that changes the metadata.

20 And of course, when I looked at the
21 stuff, not only -- you could tell it had been
22 redacted, so obviously the metadata is going to be
23 changed. The search warrant that they say that they
24 lied about is all standard wording that you use on
25 financial type criminal investigations for a search

1 warrant. There would be a billet type. The language
2 is nothing unusual, nor is it going to change
3 dramatically except to be specific to the case.

4 And they allegedly don't have a copy of
5 the probable cause affidavit, but I didn't know at
6 the time that I was doing these interviews that he
7 had had Nate Paul put in a Freedom of Information
8 Request to to get a copy of it from DPS; and of
9 course, the A.G.'s Office, does all of the requests
10 for the State on information. And he tried to force
11 our -- our division who does that to say that DPS had
12 to turn it over to them. And Paxton actually took
13 all the information from the search warrant that DPS
14 had and kept it for three weeks and did not give it
15 back to the attorneys who had signed --

16 MS. BUESS: (Sneezes). Excuse me.

17 MR. MAXWELL: -- this determination.

18 MR. TURNER: Let me clarify that, how
19 that process works. So the Public Information Act
20 Request is made of the governmental entity. You all
21 know that if the governmental entity wants to
22 withhold based on any of the numerous exceptions in
23 the Freedom of Information Act, they submit that
24 information to the public information --

25 MS. BUESS: Right.

1 MR. TURNER: -- division in the Attorney
2 General's Office who makes a ruling.

3 MR. MAXWELL: Right.

4 MR. TURNER: Along with that request,
5 they submit the information they seek to withhold.

6 MR. MAXWELL: Right.

7 MR. TURNER: Attorney General Paxton
8 attempted to -- to cause the Public Information Act
9 division to rule in Mr. Paul's favor on that request,
10 and when they would not, because it would expose --

11 MS. BUSS: Uh-huh.

12 MR. TURNER: -- it would be a precedent
13 to expose all sorts of law enforcement --

14 MR. MAXWELL: Oh, yeah.

15 MR. TURNER: -- of exceptions, that are
16 one of the strongest exceptions you have.

17 MS. BUSS: Yes.

18 MR. TURNER: The Attorney General took
19 the file home with him and kept it for three weeks,
20 during which time we don't know --

21 MR. MAXWELL: What happened to it.

22 MR. TURNER: -- what happened with it.
23 There -- you can make whatever presumptions you want.

24 MR. MCANULTY: Tell me how you know that
25 he did that.

1 MR. TURNER: David --

2 MR. MAXWELL: Because the attorney who
3 was over that division physically gave it to him and
4 he did -- he did not give it back to him for three
5 weeks.

6 MR. MCANULTY: And we knew he took it
7 home versus leaving it in his office?

8 MR. MAXWELL: Oh, yeah.

9 MR. MCANULTY: Because?

10 MS. BUSS: He took it out of the office.
11 I mean, he -- he took it for three weeks and had
12 never -- Nate Paul would come up and have meetings
13 with him in the office.

14 MR. TURNER: Maybe I misspoke. Maybe we
15 don't know that he took it home.

16 MR. MAXWELL: Yeah.

17 MR. TURNER: But he -- but he physically
18 took the file out --

19 MR. MAXWELL: He took possession of it.

20 MR. TURNER: -- of the Public Information
21 Act's possession of it and had possession of it
22 for -- for three weeks.

23 MR. MCANULTY: And at that same time, he
24 met with Nate Paul because you saw that, that Nate
25 Paul was there. How do we know --

1 MR. MAXWELL: Oh, the people -- well,
2 Jeff Nateer is on the same -- on the same office
3 level as Paxton is, plus the secretaries. I know
4 from talking to them that Nate Paul was coming up
5 there, had to sign in, go through security.

6 MR. MCANULTY: Where -- where do those
7 secretaries sit now in all of this? Has he fired any
8 of them?

9 MR. MAXWELL: One of them is a very good
10 friend and still works for the agency in a different
11 position but keeps me informed of what's going on.

12 Another one who was Jeff Nateer's
13 secretary is still there. She's in another position.
14 All these people are very much are afraid of losing
15 their jobs.

16 MS. BUSS: And you said that Paul had to
17 sign in every time he came in to see --

18 MR. MAXWELL: Well, that's the protocol.

19 MS. BUSS: Yes.

20 MR. MAXWELL: Whether or not he -- Paxton
21 didn't have him sign in or not, I don't know. But I
22 know from talking to the secretaries that they would
23 see him on the floor, even after it became even more
24 controversial.

25 MR. TURNER: We also know from -- from

1 his travel aids that they did spend time together --

2 MR. MAXWELL: Right.

3 MR. TURNER: -- outside of the office --

4 MR. MAXWELL: Right.

5 MR. TURNER: -- by Mr. Paul and

6 Mr. Paxton.

7 MR. MAXWELL: Yeah, his travel aid who
8 was with him all time outside the office, went with
9 him to -- we had meetings with him, and also in one
10 instance carried some documents and gave them to Nate
11 Paul in a dark alley one night in the middle of the
12 night. He did not --

13 MS. BUESS: Who was that travel aid?

14 MR. TURNER: Oh, gosh. We can find out.

15 MR. MAXWELL: He gave a -- yes, he gave a
16 full statement to the FBI about it.

17 MS. BUESS: Is he still with the A.G.'s
18 Office?

19 MR. MAXWELL: Oh, no, no.

20 MS. BUESS: No, he's gone?

21 MR. MAXWELL: Yeah, he left.

22 MR. TURNER: And I think you're getting
23 to this point in the chronology, but Major Maxwell
24 starting out by drawing you all a diagram.

25 MS. BUESS: Yes.

1 MR. MCANULTY: Yes.

2 MR. TURNER: These folks are relatively
3 siloed, right?

4 MS. BUESS: Yes.

5 MR. TURNER: They will have meetings
6 occasionally as a group, but they're relatively
7 siloed and --

8 MS. BUESS: Right, because they have
9 their --

10 MR. TURNER: It wasn't until -- it was
11 either Brickman. So Brickman, Clay Brickman, one of
12 the plaintiffs in the explorer's (ph) suit, his
13 office was right next door to Paxton's.

14 MR. MAXWELL: Right.

15 MR. TURNER: He was deputy A.G. for
16 policy. So was Mateer's. They are all in what they
17 call the eighth floor --

18 MR. MAXWELL: Eighth floor.

19 MR. TURNER: -- of the Supreme Court
20 building over here. And it wasn't until they all
21 started talking that they realized that there were
22 things happening within each of their divisions
23 concurrently --

24 MS. BUESS: Uh-huh.

25 MR. TURNER: -- all things that were

1 being done to benefit Mr. Paul, like the Public
2 Information Act Request. So some of this is --

3 MS. BUESS: Uh-huh.

4 MR. TURNER: -- kind of necessarily
5 secondhand. Sorry, I just wanted to make that clear,
6 so --

7 MR. MAXWELL: Yeah, and I knew nothing
8 about what was going on in the other areas. I found
9 out about it when they called me and told me
10 that they were going to confront Paxton and
11 Stanley Peyton (ph), and that they really wanted me
12 to -- they wanted me to come back and kind of head it
13 up, and I go, you know, "I rent a house on top of a
14 mountain in Colorado. Every time I get a text, I
15 would have to drive down to where I can get a
16 signal" --

17 MS. BUESS: Uh-huh.

18 MR. MAXWELL: -- "and talk to them and
19 drive back up." And I just -- I wasn't going to do
20 that to my wife. And so I did it from -- from afar
21 and --

22 MR. TURNER: This is when you were
23 suspended, right?

24 MR. MAXWELL: Yeah.

25 MR. TURNER: You jumped -- you jumped

1 ahead quite a bit.

2 MR. MAXWELL: Yeah, yeah.

3 MR. MCANULTY: Did -- let me ask you:
4 Did you construct a writing that lays all this out
5 other than the petition itself, a personal one that
6 you would have maybe given to your lawyer or for
7 your -- you know, like writing a report so that you
8 could refresh your memory about it on all this stuff?

9 MR. MAXWELL: We have -- we have done
10 that, incorporated all that into the document that's
11 public knowledge.

12 MR. MCANULTY: That's the petition, okay.

13 MR. TURNER: What about when you guys
14 recorded the FBI into DPS to the Rangers, was that
15 written or was that verbal? Something.

16 MR. MCANULTY: I don't remember.

17 MR. MAXWELL: It was verbal.

18 MR. TURNER: It was verbal?

19 MR. MAXWELL: Yeah, I mean, I called the
20 assistant director of law enforcement -- or no,
21 assistant director of DPS, who I broke in. I first
22 met him when he graduated from college and I was a
23 Ranger working for his dad. His dad was my captain.

24 Do you know Captain Prince?

25 MR. MCANULTY: Oh, yeah, Bobby Prince.

1 MR. MAXWELL: Bobby Prince, he was his
2 son, Randy Prince. And he was a trooper. Randy was
3 a rookie trooper, and it ended up he went into motor
4 vehicle theft and then he made Ranger, and I broke
5 him in as a Ranger. And I have been knowing him his
6 whole career, and so I called him at home at night
7 and told him what was happening.

8 They were reluctant to go at him on the
9 State side, since they already had seven cases on him
10 and nothing's happened, and I told him, "We are also
11 going to contact the FBI and make our allegations
12 known to the FBI," which we did.

13 MR. MCANULTY: And that's all verbal as
14 well, you --

15 MR. MAXWELL: All verbal, yeah, yeah.

16 And I did not create a paper trail
17 because -- because what he was doing was he was
18 asking us to violate the law, and I didn't want to
19 put it in our system. I was just going to hand it up
20 front and try and make him stop doing it, give the
21 money back. It wasn't going to happen. I could see
22 that as we got further in.

23 So let's go to the meeting that we had --

24 MS. BUESS: The second meeting?

25 MR. MAXWELL: Yes. So we -- we had that

1 meeting, and then we got to the point when we got the
2 results was that we -- Mark Penley called him -- or
3 talked -- Mark Penley talked to Paxton.

4 At this time Paxton won't talk to me
5 anymore --

6 MS. BUESS: Uh-huh.

7 MR. MAXWELL: -- because every time I
8 have talked to him -- on one occasion when I talked
9 to him directly about it, I told him, I said,
10 "General Paxton, Nate Paul is running a Ponzi scheme
11 that would make Billie Sol Estes envied. It's huge.
12 You need to get away from this guy. He's a
13 criminal."

14 And he just blew me off, so he wouldn't
15 talk to me anymore. And I told him after the first
16 two interviews that I'm done. I told Jeff Mateer and
17 I told Paxton, "I'm done. Do what you want to with
18 me, but the law enforcement division is not going to
19 be involved in anything else."

20 So Mark Penley goes to to Paxton, he
21 says, "This is the results from our forensic
22 examination. It's a program used by the U.S.
23 Attorney's Office. It was redact -- it was
24 redacted," and that's when you see the change in the
25 metadata and there's nothing to this.

1 And Paxton said, "Okay, okay." And he
2 said, "Just call him and tell him."

3 And then, then he thinks about it and he
4 goes, "No, no, don't call him and tell him. I want
5 to set up a meeting. I will have him come in and you
6 can explain it to him."

7 So, you know, my intention was to have
8 him come back in and record the -- record the
9 meeting, as I had done previously, but the meeting,
10 he didn't want -- he had specific instructions it was
11 not to be recorded, and that it was in --

12 MS. BUESS: Who?

13 MR. MAXWELL: Paxton.

14 MS. BUESS: Those were directed to you or
15 to Mark?

16 MR. MAXWELL: Mark Penley --

17 MS. BUESS: Huh.

18 MR. MAXWELL: -- that it would not be
19 recorded and that it would be in our conference room,
20 which is his conference room on the eighth floor,
21 which I had an office there which I never went to. I
22 had an office in the 15th floor of the Clearance
23 building, which I spent my time there because that's
24 where my people were.

25 And so he set up a meeting with Nate

1 Paul, and I brought my forensic -- two of my forensic
2 people, who did the examination, and Ken Paxton was
3 there, myself and Mark Penley. So we met with them,
4 and of course, General Paxton was sitting in his
5 chair. And this is the same conference room that we
6 have meetings with him twice a week, although most of
7 the time he is not there, but all the executive
8 deputies go around and we talk about different things
9 with respect to the agency, et cetera.

10 And so I had my forensic people explain
11 to Nate Paul what our findings were. Well, he wasn't
12 going to accept that, so he asked for a computer and
13 hooked it up to the video system in the conference
14 room, we have a pretty nice system setup, and he did
15 some manipulation with a document showing how when
16 you -- when you change something, how the metadata
17 changes and all that kind of stuff.

18 And so he thinks that he has proven his
19 point with us and with the -- General Paxton, and so
20 Nate Paul and I kind of got in a little bit of -- I
21 tried to solicit his attorney to be involved. I was
22 going to make him a witness is what I was going to
23 do, and he refused -- I can't remember exactly how I
24 worded the question, but when I asked him the
25 question, he caught it right away and he says, "No,

1 sir, I'm not going to be a witness. I'm not going to

2 be a witness in this. I'm just here representing my

3 client and I'm not going to answer that question."

4 And so --

5 MR. MCANULTY: Did you tell me his
6 name or did --

7 MR. MAXWELL: It's -- gosh, I can't --

8 MR. TURNER: It's the guy from Houston?

9 MR. MAXWELL: Yeah, Michael -- I would
10 have to go back --

11 MR. MCANULTY: I think you mentioned that
12 earlier.

13 MR. MAXWELL: Yes, his first name is
14 Michael.

15 MR. MCANULTY: I think we could find that
16 out later.

17 MR. MAXWELL: He doesn't work for Paxton
18 anymore. He got a --

19 MR. TURNER: Wait, which one? I thought
20 we were talking about Nate's attorneys? Nate's
21 attorneys from Houston that introduced Paxton --

22 MR. MAXWELL: Nate Paul. Nate Paul and
23 Michael

24 MR. TURNER: I have got it somewhere back
25 in the -- in your notes. I can follow up with you

1 guys.

2 MR. MAXWELL: I think he switched sides
3 now is what I hear.

4 MR. MCANULTY: Okay.

5 MS. BUESS: What do you mean "switched
6 sides"?

7 MR. MAXWELL: He's come over to our side
8 now.

9 MS. BUESS: Oh.

10 MR. MAXWELL: I know him in --

11 MS. BUESS: Who told you that? Has --

12 MR. MAXWELL: Huh?

13 MS. BUESS: How did you know that? How
14 do you --

15 MR. MAXWELL: Just like you would know
16 about it, by inside information with the U.S.
17 Attorney's Office and stuff, so --

18 MR. TURNER: Paxton's travel aid during
19 this time was the name of Drew Wicker.

20 MS. BUESS: Drew Wicker?

21 MR. TURNER: Uh-huh.

22 MS. BUESS: W-I-C-K-E-R.

23 MR. TURNER: Correct.

24 MS. BUESS: Young man?

25 MR. MAXWELL: Yes.

1 MS. BUESS: He's young.

2 MR. TURNER: Yeah, they always are.

3 MS. BUESS: Okay. That helps.

4 MR. MAXWELL: Michael's last name is on
5 the tip of my tongue, but I just -- I can't
6 remember --

7 MR. TURNER: Yeah, I will find it.

8 MR. MAXWELL: We will find it.

9 MR. TURNER: In fact, I can get my
10 computer out and I can probably find it while we're
11 sitting here.

12 MR. MAXWELL: So in this meeting that
13 Paxton was running --

14 MS. BUESS: Yes.

15 MR. MAXWELL: -- Nate Paul has come up
16 now with a new allegation, I guess the FBI saying
17 when they conducted the raid on the house and stuff
18 that they cut all this -- his lines to his video, his
19 surveillance cameras and some other stuff.

20 And he asked me, "Are you trying to tell
21 me that you can't do anything about that?"

22 I said, "First of all, I don't know
23 anything about what happened during the -- other than
24 what you're telling me. We have no jurisdiction over
25 that. Again, it's not something that we have any

1 control over. If they did do that, I'm sure they
2 have some sort of reason that they did that, and --
3 but that, again, is not within my jurisdiction."

4 And then Paxton got really mad at me, and
5 he said, "Are you trying to tell me" -- he said, "If
6 you ever did anything like that, I would just fire
7 you."

8 And I said, "Well, I haven't. You know,
9 your firing me is your prerogative."

10 And then during all this, it had been a
11 grievant with the attorney and with Nate Paul that I
12 requested that they not go to the meeting with any of
13 this. Because I told them very clearly, "This is not
14 an investigation, this is an inquiry at this point,"
15 and so this is an inquiry to determine what happened
16 in this case, just like we did in the Rangers, we did
17 not jump into a full corruption investigation without
18 first doing an inquiry to determine whether this is a
19 political deal, if it has merit.

20 Because as you know working public
21 corruption, you can't take it back. When the Texas
22 Rangers or the D.A.'s Office comes in to investigate
23 a public official, just that alone will be the news
24 story, whether or not there's ever any merit to the
25 allegations. So we just don't do that. And that was

1 also my policy. We don't do that until we know that
2 there's merit and this is something that we need to
3 be involved in.

4 So he got very angry with me, and he got
5 up to leave and I turned -- Nate Paul had gone to a
6 business media source and talked about how we were --
7 the agency themselves was investigating the FBI and
8 the U.S. Attorney's Office, which of course I found
9 it and I confronted him about it -- or wait a minute,
10 Paxton was still there, because I confronted him
11 about it, and at first he denied it; and so I pulled
12 out a copy of it and I gave it to him. I said,
13 "Well, that's what it says right here."

14 And his attorney, Michael, pipes up and
15 he says, "Well, we still have First Amendment
16 rights."

17 It's not about -- I said, "It's not about
18 First Amendment rights, it's about the fact that you
19 said you would not do this and now you're using our
20 office for your own purposes by putting this out
21 there in the media."

22 MS. BUESS: And when this discussion is
23 being had, was Paxton present?

24 MR. MAXWELL: He was. As a matter of
25 fact, Paxton chimed in and he says, "Yeah, they have

1 got First Amendment rights."

2 And I said, you know, "That's not the
3 issue here. The issue is that this is not even an
4 investigation at this point, it's an inquiry. And
5 our agreement was that we talk to no one about this,
6 particularly the media, until we knew what we were
7 going to be able -- what direction we were going to
8 take this, and that's not just not right."

9 And Nate Paul got mad and Paxton got mad
10 and Paxton got up and left, and Nate Paul and I had a
11 few words, and I just poked the bear a little bit and
12 that was the end of that.

13 So after that, I was definitely on the
14 outs and I was not involved in anything else that
15 happened.

16 MR. MCANULTY: And again, no -- no record
17 of this?

18 MR. MAXWELL: None, no, because he -- he
19 insisted on not recording it. Now, you have a record
20 in the fact that people knew that were there.

21 MR. MCANULTY: Right --

22 MR. MAXWELL: Yeah.

23 MR. MCANULTY: -- and could say what
24 happened.

25 MR. MAXWELL: Exactly.

1 MR. MCANULTY: And who are those forensic
2 people? And were they -- were they hearing all of
3 this?

4 MR. MAXWELL: They were there for it,
5 yes.

6 MR. MCANULTY: And that's something you
7 can provide later?

8 MR. MAXWELL: Yeah, I can get -- I have
9 got their contact information, but I hate to drag
10 them into it because --

11 MS. BUESS: That's okay.

12 MR. MAXWELL: -- they still work there --

13 MS. BUESS: Yeah.

14 MR. MAXWELL: -- and they will get fired
15 over this.

16 Let me tell you what's happened: Anybody
17 who was close to me has been fired, whether an
18 attorney, whether they're law enforcement. It's kind
19 of like what happened with the Harris County D.A.'s
20 Office, Lisa's gone; the -- the criminal prosecution
21 division over there, that Lisa was such a strong
22 force in, has been gutted; one of the civil
23 attorneys, who was over the civil Medicaid fraud
24 division, which brings in about a hundred,
25 \$120 million a year to the State budget; Raymond

1 Winters, Raymond -- well, you know what F5 is, right? ⁴²

2 MS. BUESS: Yes.

3 MR. MAXWELL: Okay. All right. Well,
4 when I -- when I left, of course, they deemed me on
5 my F5. Took them two months to decide what to do.

6 MR. MCANULTY: How to call it, yeah.

7 MR. MAXWELL: And -- well, you know, I
8 fired a lot of people when I went to the A.G.'s
9 Office. We had a lot of people who didn't even work
10 there. And so we would -- I would give them an F5
11 rating or whatever they deserve, and if it was a
12 general or a dishonorable or whatever it was, well,
13 that's what they got.

14 So we litigated a lot of those and --

15 MS. BUESS: It's an Amber Alert.

16 MR. MCANULTY: Oh, okay.

17 MS. BUESS: Sorry.

18 MR. MAXWELL: -- in the administrative
19 court. And Raymond Winter was my attorney, who
20 always did that, because he had experience and we
21 tried a lot of them. And of course, we always won.
22 I mean -- and so Paxton -- of course, I -- we filed a
23 complaint and when I -- when I filled out the -- the
24 protest for my F5, it said "Reason for protest," and
25 I said, "Ken Paxton tried to require me to commit a

1 felony."

2 And so when -- when -- and of course,
3 they got this stuff back from TCOLE, they went to
4 Raymond Winters and said they wanted him to represent
5 the agency against me, and he refused, so they fired
6 him. And 12 of his attorneys are now gone in that
7 one section. They have -- Paxton has totally
8 devastated the agency with good people that he's
9 gotten rid of because the criteria to get hired in
10 the executive level is to plead your allegiance to
11 him, not to the agency or not to the law. I mean,
12 they specifically ask you that question, that --
13 where they're asking you to be loyal to Ken Paxton,
14 not to the agency or what we stand for, and that's a
15 requirement for getting hired in the executive now.

16 I know because one of the guys that I
17 used to supervise, when he became first chief,
18 applied for my position. And when he did the
19 interview, after they asked him that, he walked out.

20 MR. MCANULTY: Who is the current person
21 to --

22 MR. MAXWELL: He is -- I don't know him,
23 but he's a retired assistant chief with APD, a pretty
24 young guy. You can look online and see him. I don't
25 know him.

1 MR. MCANULTY: Okay.

2 MR. MAXWELL: But he's --

3 MR. MCANULTY: I didn't know if you might
4 know who he was.

5 MR. MAXWELL: You know, and I never run
6 across him. I don't -- I think he was kind of one of
7 those guys who rose pretty quick, you know, through
8 the ranks in APD and then he retired. He retired
9 because of the controversy that was going on at the
10 top, and he felt like that he probably wouldn't
11 survive it.

12 MR. TURNER: Okay, sorry it took me a
13 little while. The attorney for Mr. Paul Beckman,
14 '20 -- '20, '21, was a guy named Michael Wynne,
15 W-Y-N-N-E.

16 MR. MAXWELL: Yeah, Michael Wynne.

17 MR. TURNER: He's in Houston. He also
18 represented Laura Olsen for a little bit, who was
19 attorney General Paxton's alleged mistress.

20 MR. MAXWELL: Right.

21 MS. BUSS: Where was he?

22 MR. TURNER: Olsen, O-L-S-E-N.

23 MR. MCANULTY: O-L-S-E-N?

24 MR. MAXWELL: Uh-huh.

25 MR. MCANULTY: Do you know where she is

1 now?

2 MR. TURNER: The last I heard she was
3 working for Nate Paul --

4 MR. MAXWELL: Right.

5 MR. TURNER: -- but it's been a little
6 while.

7 MR. MAXWELL: I think she was working the
8 real estate part of it when Nate Paul --

9 MR. TURNER: Well, what he said -- and we
10 have a deposition transcript. Mr. Paul said she
11 works as a construction project manager for him.

12 MR. MAXWELL: Yeah.

13 MR. TURNER: She was previously in
14 constituent services for -- oh, who's our State
15 Senator from San Antonio?

16 MR. MAXWELL: Uh-huh.

17 MR. TURNER: I can't remember her name,
18 but --

19 MR. MCANULTY: Do you know if she's been
20 interviewed by anybody?

21 MR. TURNER: I do not, no, sir.

22 MR. MAXWELL: I would think the FBI has
23 tried to interview her. I'm sure she's not going to
24 be a willing witness, but when she was still working
25 for the Senator and Angela Paxton was a freshman

1 Senator, they -- and after she knew that he had had
2 an affair with her, they had quite a loud verbal
3 confrontation down at the cafe (ph).

4 MS. BUCESS: Angela and?

5 MR. MAXWELL: And the girlfriend, yeah.

6 MR. TURNER: Is it Donna Campbell she
7 worked for? Yeah, Donna Campbell.

8 MR. MCANULTY: Donna Campbell.

9 MR. TURNER: Donna Campbell, who she
10 worked for previously.

11 MR. MAXWELL: Right. And as we talked
12 about earlier, when all this was going on with me and
13 my contact with Nate Paul and General Paxton,
14 et cetera, I knew nothing about what the other
15 executives were dealing with in the other areas with
16 the Mitte Foundation and the open records request. I
17 knew nothing about all that, and didn't find out
18 about it until they called me when I was in Colorado
19 and -- after I got suspended and said that they were
20 all going to stand with me and gave me a briefing of
21 what they had had -- what had happened with them as
22 well so that I could tell the Texas Rangers about
23 that when I made contact with them.

24 MR. MCANULTY: Who did you talk to at the
25 Rangers?

1 MR. MAXWELL: Huh?

2 MR. MCANULTY: Who were the Rangers that
3 you talked to?

4 MR. MAXWELL: The one I talked to was
5 Randy Prince.

6 MR. MCANULTY: Oh, that's right, you told
7 me that.

8 MR. MAXWELL: Randy Prince, and he was
9 the -- he had risen to the level of chief of the
10 Rangers and then Lieutenant Colonel, which there's
11 three Lieutenant Colonels and then the Colonel, so --
12 which is the highest level that any Ranger has ever
13 gone in DPS since 1935.

14 MS. BUESS: So you talked with Randy.
15 Did you do it on the phone?

16 MR. MAXWELL: On the phone.

17 MS. BUESS: So you told him -- gave him a
18 rundown?

19 MR. MAXWELL: I was in the mountains,
20 yeah.

21 MS. BUESS: Okay. And the FBI, did --

22 MR. MAXWELL: The FBI interviewed with
23 him in person after I got back.

24 MS. BUESS: Okay. Who -- do you know who
25 that was that you met with?

1 MR. MAXWELL: I met with Joe Blackwell; I
2 met with two FBI agents, a male and a female; I met
3 with two U.S. attorneys out of Washington D.C., out
4 of their public corruption section, and then one
5 other U.S. Attorney.

6 MS. BUESS: Okay.

7 MR. MAXWELL: And we -- I gave a
8 debriefing. An interesting thing happened, jumping
9 ahead a little bit, so when I get back from Colorado,
10 I called the group and said, "I'm back, let's meet
11 for lunch."

12 So we go to a restaurant not too far from
13 downtown and we're sitting there and one of the
14 executive deputies gets a call, which it was from
15 French, Lesley French. Lesley French was a line
16 lawyer and worked for Ryan Besser (ph), I think.

17 MR. TURNER: Yeah, was she -- I thought
18 she was in the General Counsel's -- she may have been
19 General Counsel at that time. She's chief of staff
20 now.

21 MR. MAXWELL: Yeah, right, she may have
22 been General Counsel. Anyway, she asked -- Nateer
23 agreed to hire her. She had gotten fired from HSSC
24 and had agreed to hire her as a favor for I think
25 Paxton. And so she was like a line attorney in

1 general theft. So she called and wanted to come talk
2 to us. She had some guy talk to us right away.

3 So she came over to the restaurant. She
4 was very nervous, and so this is what she told us,
5 she said she had a friend in the U.S. Attorney's
6 Office and that we need to be very careful because we
7 are being looked at by the U.S. Attorney's Office.

8 Now, I'm sitting with nothing but civil
9 lawyers. None of them know anything about criminal
10 law, much less the U.S. Attorney's Office, and I
11 asked her, "What do you mean?" She said -- well, she
12 was very vague, "Well, I can't really talk about it
13 because there's a confidence, but" --

14 I said, "Why do you say that they're
15 looking at us?"

16 "Well, that's just the impression that
17 she gave me and that y'all need to be careful about
18 what you do because y'all may incur criminal
19 charges."

20 I said, "That's bullshit." I said,
21 "There's nothing that we have done that's going to
22 incur criminal charges."

23 And then she got really nervous. And I
24 said, "Who is it you're talking to?"

25 "Oh, I can't -- I can't tell you that. I

1 can't tell you that."

2 So she left, and I looked at the rest of
3 them and I said, "That is not the truth." I said,
4 "Our going to law enforcement is absolutely our
5 right. We have done nothing criminal in nature. She
6 was sent here by Paxton to try and get us to -- to
7 walk away from this."

8 One of -- one of the female attorneys --
9 or executive deputies was so shook she went to the
10 bathroom and threw up. Seriously, I mean, they were
11 all afraid, because they didn't know. They know.
12 They know that --

13 MR. MCANULTY: Sure. If they hear this
14 from somebody that they think it might be true,
15 they --

16 MR. MAXWELL: Yeah. And I think she had
17 spent like a year in the U.S. Attorney's Office is
18 what she told me.

19 Well, of course, that didn't work. All
20 of us individually went to the FBI and we were
21 interviewed by the same group that I told you about.
22 We all told our stories and what was going on and
23 what we thought was going on. And they were very
24 receptive and very appreciative of us and told us
25 that we were heroes for doing this and they know how

1 difficult it would be to basically give up your
2 career.

3 And I said, "You know, I'm not too" -- I
4 was 70-something at the time. I said, "I'm not
5 worried about me. I'm definitely more worried about
6 my -- my fellow friends who have stood up with me in
7 this situation. My -- my career is done. They can't
8 really hurt me. People around the state know me.
9 They know my reputation. I don't think General -- I
10 will put my reputation against General Paxton any day
11 of the week and we will see who comes out as a winner
12 there. So I'm not worried about that, but I would am
13 worried about the individuals that he can continue to
14 prevent them from having a decent revenue and a
15 career and having to go through all of this turmoil."
16 So --

17 MS. BUESS: Can I back you up a little
18 bit?

19 MR. MAXWELL: Sure, absolutely.

20 MS. BUESS: So we have talked about the
21 second meeting. So bring me forward to your
22 termination, how --

23 MR. MAXWELL: Okay.

24 MS. BUESS: Tell me -- fill that in for
25 me if you would.

1 MR. MAXWELL: All right. So at the first
2 meeting --

3 MS. BUESS: Huh-uh.

4 MR. MAXWELL: -- which I think was in
5 June, I think the second meeting was in July, and
6 then I think the third meeting was also in July? Or
7 was it in August?

8 MR. TURNER: I don't remember, but
9 you're --

10 MR. MAXWELL: It's around there.

11 MS. BUESS: Okay.

12 MR. MAXWELL: So we had those meetings
13 and then --

14 MS. BUESS: What happened at the third
15 meeting?

16 MR. MAXWELL: The third meeting?

17 MS. BUESS: Uh-huh.

18 MR. MAXWELL: That was when Paxton was
19 there.

20 MS. BUESS: And the two experts?

21 MR. MAXWELL: The two experts.

22 MS. BUESS: Okay.

23 MR. MCANULTY: You called that second,
24 and that's really the third.

25 MS. BUESS: Yeah, I'm confused, that --

1 MR. MAXWELL: That's the third meeting?

2 MR. MCANULTY: Yeah, that's the third
3 meeting.

4 MR. MAXWELL: I'm sorry. Because we had
5 the two -- the first two were the ones that were
6 recorded, and the third meeting --

7 MS. BUESS: Oh.

8 MR. MAXWELL: -- was the one that we had
9 in the conference room on the eighth floor of the
10 Price Daniel Building.

11 MS. BUESS: Tell me what's happened to
12 those recordings.

13 MR. MAXWELL: When I left, they were
14 still there.

15 MS. BUESS: And where would they be?

16 MR. MAXWELL: They were preserved on the
17 server by my people in the criminal law enforcement
18 division.

19 MS. BUESS: What would I look for?

20 MR. MAXWELL: Huh?

21 MS. BUESS: What would I look for on the
22 server, particular dates?

23 MR. MAXWELL: The dates uh-huh, yeah.

24 MS. BUESS: Okay. I have got it. What
25 would you have called it, do you know?

1 MR. MAXWELL: "Interview of Nate Paul."

2 MS. BUSS: I got it.

3 MR. MCANULTY: And that's -- you're
4 talking about the first one?

5 MS. BUSS: First and second.

6 MR. MCANULTY: First and second.

7 MR. MAXWELL: The experts was --

8 MR. MCANULTY: Was June 2020 I had when
9 you interviewed him the first time.

10 MR. MAXWELL: The first time.

11 MR. MCANULTY: And the second one, the
12 approximate date or --

13 MR. MAXWELL: I think it was the next
14 month.

15 MR. MCANULTY: Okay. So perhaps -- July
16 perhaps?

17 MR. MAXWELL: Yeah, it was in July. I'm
18 pretty sure.

19 MR. MCANULTY: So about July.

20 MR. MAXWELL: And then the third one was
21 a few weeks after that, and that was on the Eighth
22 familiar of the Price Daniel Building in Paxton's
23 conference room. The eighth floor is where -- it
24 houses all of the executive deputies, and then it has
25 General Paxton and then your support staff.

1 MS. BUESS: So at the end of that third
2 meeting, you confronted them about releasing this
3 information to the press?

4 MR. MAXWELL: Uh-huh.

5 MS. BUESS: So things were not very good?

6 MR. MAXWELL: Yeah.

7 MS. BUESS: Was Paxton present for
8 that --

9 MR. MAXWELL: Oh, yeah.

10 MS. BUESS: -- portion of the
11 conversation?

12 MR. MAXWELL: Oh, yeah.

13 MS. BUESS: So who left first?

14 MR. MAXWELL: Well --

15 MS. BUESS: I need it all in.

16 MR. MAXWELL: -- Paxton got up and walked
17 out after all that's over and then Nate Paul and
18 Michael Wynne get up and talk to Paxton in the hall
19 outside the conference room, but Paxton was very
20 angry with me and made -- you know, talked about
21 firing me if I did anything like what the FBI had
22 done, that kind of thing.

23 So I knew at that point. Because
24 throughout my -- my career with him, I said no to him
25 a lot, and he would -- he would come to me and --

1 with an idea and I would go, "No, you can't do that.
2 You know, no, you can't do that."

3 And when a criminal incidence would
4 happen around the State and he wanted inside
5 information, so he could get on t.v., I said, "No,
6 you can't talk about that. That's not your case.
7 You're not going to have any involvement in this."

8 MS. BUESS: So up until this particular
9 incident, had he listened to you before?

10 MR. MAXWELL: Always, yeah.

11 MS. BUESS: So this is the first time he
12 was bucking you?

13 MR. MAXWELL: Right. And there was one
14 other incident that happened right when Mark Penley
15 came on and it was an investigation out of Canadian
16 Texas. It was, it received attention nationally, of
17 a missing 18-year-old boy who went missing. The
18 investigation was being done by the sheriff's office.

19 The family had a very contentious
20 relationship with the sheriff, where the sheriff was
21 incompetent, which would be nice. The Rangers had
22 been involved in the investigation for the missing
23 young man, and the parents were on "Good Morning
24 America," they were on this show and that show on
25 national t.v.

1 And so I'm not really following this
2 information, but the next thing I see reading the
3 paper is that the sheriff announced that the Attorney
4 General's Office was going to investigate this
5 missing person. And I'm going, "We are? Nobody's
6 told me about that."

7 So I called -- I had talked to Jeff about
8 it and -- Jeff Mateer, and I called the head of the
9 Rangers, the chief of the Rangers and asked him about
10 the investigation and he said, "Yeah, it's been very
11 contentious. It's -- we haven't made any headway.
12 We don't know what happened to him. We have put a
13 lot of work into it."

14 And I said, "Well, you're kind of getting
15 some bad press."

16 He said, "Yeah."

17 I said, "Now, I saw what the sheriff
18 said. That didn't come from me, so what do you think
19 about that?"

20 And she goes -- there was kind of a pause
21 and he said, "Well, it wouldn't be a bad deal."

22 And so I said, "Oh, so you want me to
23 deflect some of the heat, right?"

24 He said, "Yeah, yeah."

25 They kind of invited us in to come in and

1 help them maybe go back and review the investigation,
2 which we did, decided to investigate it. Both of
3 them were very confident and they start doing this,
4 and then there is a guy, a wealthy individual, who
5 lives, in of all places, Canadian, Texas, and which
6 is a very small community, and he is a hedge fund guy
7 who's been very successful and a strong supporter of
8 General Paxton.

9 And he called Paxton and told him that
10 this investigation was being handled by our -- was
11 being -- wasn't being done properly by our office,
12 and that nobody has interviewed him and he has
13 information pertinent to the disappearance; and Jeff
14 Nateer told me this, that he threatened to not give
15 Paxton any more money and talked to the Republican
16 party and talked them into withdrawing any
17 contributions or funding for in his future fund raise
18 into election.

19 So he's putting a lot of pressure on
20 Paxton. And so he asked me about it. We had a very
21 lengthy summation of all -- everything that we have
22 done, and he wanted Mark Penley to take a look at it.
23 Mark Penley had just come on. He had gone like a
24 month maybe. So he talked to Mark about it. Mark
25 came in and I explained to him the background, gave

1 him a copy of the report, which is, you know,
2 probably two or three inches thick, and he took a
3 look at it, and after a few day came back and he says
4 "Well, David, I don't know what else we would do."

5 And I said, "Well, we're continuing to
6 look at it, but I don't know what else we're going to
7 do. It's -- and it's" -- and so the guy continued to
8 make threats and stuff, so I had my investigators go
9 interview him, which he had absolutely no
10 information. You know, he just wanted to be the big
11 dog and have somebody come to him and talk to him,
12 but those are the only two times he's ever interfered
13 with an investigation.

14 Thank you.

15 MR. TURNER: Uh-huh.

16 MR. MAXWELL: And both of it was about
17 money.

18 MS. BUCESS: Let's go forward again from
19 that third meeting to termination. Tell me how it
20 happened.

21 MR. MAXWELL: All right. So after the
22 third meeting, I knew what was involved,
23 everything's going through Mark Penley. He wants
24 Mark Penley to sign off on hiring outside counsel to
25 conduct the investigation. I convinced Mark not to

1 do that. And at this point I'm on my way to
2 Colorado, so I'm talking to him on the phone. And
3 then Mark tells me that the -- well, okay. So he
4 refused to do that, but -- and Paxton had several
5 personal meetings with him that lasted -- one of them
6 lasted several hours, where he got pretty heated.

7 Mark stood his ground and refused to sign
8 off on -- because he needed -- Paxton can't write a
9 check. He's -- I mean, he's very limited in what he
10 can do. He can't fire any of the employees, except
11 the first assistant. He can't sign a check. He
12 doesn't have a budget. It all has to come through
13 the proper channels to make sure it's done properly.

14 But he went ahead and signed this guy to
15 a contract anyway, even though Mark did not sign off
16 on it and did not approve it, and then took him down
17 to the Travis County D.A.'s Office, where he got a
18 bunch of Grand Jury subpoenas to subpoena records and
19 stuff.

20 MR. MCANULTY: And that would be -- have
21 been done through his contact there, who at the time
22 was -- what's the lady's name, was it a lady?

23 MR. MAXWELL: Mindy Montford.

24 MR. MCANULTY: Mindy Montford.

25 MS. BUESS: So those subpoenas were

1 obtained through Mindy?

2 MR. MAXWELL: I think so.

3 MS. BUESS: In Eustace?

4 MR. TURNER: We have never been able to
5 figure that out.

6 MR. MAXWELL: It did go -- it did go --

7 MR. TURNER: We had an assistant district
8 attorney who was over that has since retired --

9 MR. MAXWELL: Yeah.

10 MR. TURNER: -- and has not -- nobody --
11 nobody from that office has been very cooperative
12 with us.

13 MR. MCANULTY: Somebody -- an assistant
14 would have had to sign.

15 MR. MAXWELL: Right.

16 MR. TURNER: But what David's talking
17 about is after -- after David and Mark refused to
18 approve hiring of outside counsel, Attorney General
19 Paxton actually drafted and sent a contract to
20 this -- this guy Cammick (ph) --

21 MR. MCANULTY: Cammick, yeah, right.

22 MR. TURNER: -- in Houston and then took
23 him over to the attorney -- to the District
24 Attorney's Office and introduced him to them, where
25 he went to the Grand Jury under the auspices of being

1 a special prosecutor where the General Attorney's
2 Office and obtained somewhere around 40 subpoenas.

3 MR. MAXWELL: Yeah, I think 42.

4 MR. TURNER: Some -- some were issued to
5 the federal -- with the individuals involved in the
6 federal government that Nate Paul had previously
7 accused of -- whatever it was he accused them of, the
8 Magistrate Judge, the FBI, agents that's executed the
9 read, but maybe even more importantly, I don't know,
10 there were several subpoenas that Cammick obtained
11 that were issued to Nate Paul's civil adversaries,
12 his banks that he was fighting with that he had --
13 had issued loans and held debt on his properties,
14 that attorneys -- he actually got subpoenas for the
15 cellphone records for the attorneys that were
16 representing a party opposite him in litigation
17 called the Mitte Foundation.

18 MR. MAXWELL: And he got -- he got
19 subpoenas for bank records in reference to that
20 litigation.

21 MR. TURNER: Uh-huh.

22 MR. MAXWELL: And so then --

23 MR. TURNER: Well, at what one point
24 Cammick had walked into one of the banks with Nate's
25 civil attorney --

1 MR. MAXWELL: Michael Wynne.

2 MR. TURNER: -- Michael Wynne to issue
3 one of the subpoenas.

4 MR. MAXWELL: It was at Round Rock. It
5 was over at Round Rock.

6 MR. TURNER: To -- we know of that
7 happening at least --

8 MR. MAXWELL: Well, we know that because
9 the bank president called us, called one of the
10 executive deputies who knows her and told him -- told
11 her exactly what had happened. So they -- they're
12 telling me that this has happened as I'm driving to
13 Colorado, and I got Mark on the phone and I told him,
14 "We have got to quash those."

15 I said, "Mark it is against the law to
16 use a criminal Grand Jury for a civil process." And
17 I said, "Not only that, and when you look at it, as
18 far as serving the civil process, it says if you're
19 part of litigation, you cannot be present during the
20 service of that." And of course, Michael Wynne is
21 part of the litigation. He was present when they
22 were serving the criminal Grand Jury subpoenas on the
23 bank, so --

24 MR. TURNER: Around that same time -- let
25 me clarify something. And I don't want to make

1 myself a witness either, but this is just what we
2 have been able to determine through the civil case,
3 that -- so Cammick sent an invoice to the office for
4 his services and Ryan Basser, who's one of the
5 plaintiffs in the civil lawyer suit, said, "We don't
6 have a contract on file for you." And then Cammick
7 sent him this contract with Attorney General Paxton's
8 signature on it.

9 And Basser ran some traps and figured out
10 that that contract had not been approved in the
11 normal --

12 MS. BUESS: Is that he --

13 MR. TURNER: He had a normal process, has
14 a number, and -- and Basser then told Jeff Nateer,
15 who said that -- that we have to terminate his
16 authority. This is -- really, it was the subpoenas
17 that were issued that brought this all to a head and
18 made all these folks get together and talk, and then
19 they found out what was happening in each of their
20 respected divisions --

21 MR. MAXWELL: Let me explain --

22 MR. TURNER: -- all related to Paul.

23 MR. MAXWELL: -- when I looked at the
24 contract, of course, Paxton didn't look at it, but
25 it's a standard contract we use for outside -- it has

1 a clause in there that says you cannot be a special
2 prosecutor.

3 MS. BUESS: Huh.

4 MR. MAXWELL: It's strictly for
5 litigation purposes.

6 MR. TURNER: And Paxton told the press
7 that Basser had draft that contract but I think Ryan
8 would tell you different.

9 MR. MAXWELL: Yeah, and he talked about
10 in the media how I had botched the case and -- which
11 is, you know, all that type of -- alleging my
12 incompetence.

13 MR. TURNER: So, I mean, the basic gist
14 is when they refused to do this investigation that
15 Nate Paul wanted, General Paxton just hired outside
16 counsel and said they would do it and that's when
17 they obtained a bunch of subpoenas on civil
18 litigants.

19 MR. MAXWELL: Lisa Tanner was the one
20 that helped quash the subpoena.

21 MS. BUESS: Lisa did that?

22 MR. MAXWELL: Yeah. And then he forced
23 her out. He demoted her twice.

24 MS. BUESS: How did she do that, do you
25 know?

1 MR. MAXWELL: What's that?

2 MS. BUESS: How did she quash those
3 subpoenas.

4 MR. MAXWELL: Went down to the D.A's
5 Office and hand them --

6 MS. BUESS: Withdrawn?

7 MR. MAXWELL: Withdrawn.

8 MR. TURNER: Yeah, they --

9 MR. MAXWELL: Said that they were -- they
10 were being requested on false premise.

11 MR. TURNER: I have trouble keeping it
12 straight but their -- the subpoenas say special
13 prosecutor but the contract -- and I was trying to
14 find the contract and I can't find it. I can't get
15 on my server, but his contract says something else,
16 and I think that was part of it, she went down there
17 and said, "He's not special prosecutor."

18 MR. MAXWELL: I've saw it, on the -- on
19 the back --

20 MR. TURNER: Yeah.

21 MR. MAXWELL: -- right before you sign,
22 it says that you cannot be involved in the
23 prosecution and cannot be a special prosecutor.

24 MS. BUESS: That's a problem.

25 MR. MAXWELL: Yeah, that's a problem.

1 Those pesky, little legal things.

2 MR. TURNER: We have only been able to
3 obtain a few of those subpoenas. They're all --
4 because it's -- because it's the Grand Jury and all
5 that stuff is in a black box.

6 MR. MAXWELL: So my direct involvement
7 with Paxton ended after my third meeting with Nate
8 Paul, all of my interactions with him, with my boss,
9 which was Jeff Nateer; and then, of course, I had
10 quite a bit of interaction with Mark Penley, but he
11 can tell you that story.

12 MS. BUESS: Sure.

13 MR. MAXWELL: And he has made some
14 chronological notes and stuff which he could give
15 you. We kind of put together -- he's the keeper of
16 it, but he's got those notes and he could tell you
17 his story and what happened.

18 MS. BUESS: Uh-huh.

19 MR. MAXWELL: From the day of his hire,
20 until he got fired was about maybe a year. So he
21 gave up his career for -- to come work for the State
22 with someone he thought was a good person and a
23 friend and it didn't turn out well.

24 MR. TURNER: Yeah, he was running
25 (inaudible) for Dallas County in the D.A.'s Office

1 now.

2 MR. MAXWELL: So he suspended me on
3 September -- whatever it was, and we were on
4 suspension for at least two months before he finally
5 fired us, and I think he fired us in November,
6 November 2nd?

7 MR. TURNER: Yeah, sometime around there.
8 It was right around when we filed the lawsuit.

9 MR. MAXWELL: Yeah.

10 MR. MCANULTY: And this is all 2020 --
11 all occurred during the calendar year 2020?

12 MR. MAXWELL: Occurred in 2020 for me.

13 MR. MCANULTY: Right.

14 MR. MAXWELL: All of my stuff occurred in
15 2020. When he -- when he fired me, of course, he had
16 Brent Webster, the new first assistant, who was a
17 piece of work, and him and Aaron Reitz.

18 Aaron Reitz at that time had been in law
19 school about three years and was Paxton's now right
20 hand man. He's got a lot of issues. So those two
21 were going to interview him because they said that
22 they were -- me and Mark Penley, we both had to go,
23 and I think on the same day.

24 Yeah, anyway, so they wanted to interview
25 me. So they called me down there to be interviewed,

1 told me I couldn't wear my gun. And so I go up there
2 and basically what they're trying to do is get me to
3 admit that I had messed up the investigation; that I
4 had been ineffective as a supervisor. You know, I
5 finally -- you know, of course interviewing is what I
6 taught all over the world, you know, basically.

7 I finally told Webster, I said, "You're a
8 rookie. You're wasting your time. If you're going
9 to fire me, just fire me and let's get on with it,"
10 you know. Because he was so inept in trying to
11 illicit anything out of me. He would ask me a
12 question. I would go, "Well, now, where are you
13 really going with that? What do you really want to
14 know? Ask me a question and I will tell you. Your
15 tricks are not going to -- they're not going to work
16 on me."

17 I also teach how to testify in court. So
18 I said, "You just need to go ahead and ask me a
19 question about what you're trying to find out and I
20 will give you an answer or I won't. It's up to you."

21 So that ended after about an hour, and
22 they said, "You're going to have to come back at 1:00
23 o'clock." So I came back at 1:00 o'clock, but they
24 never came back. They just had me sit there until
25 almost about 5:00 o'clock, and had HR come in and

1 fire me, and that was it.

2 MR. MCANULTY: Their names again?

3 MR. MAXWELL: Huh?

4 MR. MCANULTY: Their names again, the
5 rookie lawyer who was --

6 MR. MAXWELL: Brent Webster.

7 MR. MCANULTY: Brent Webster.

8 MR. MAXWELL: And Aaron Reitz.

9 MS. BUESS: Aaron Reitz.

10 MR. MAXWELL: Reitz, it's with an "R."

11 MR. RUSSELL: Brent Webster is the
12 current first assistant Attorney General --

13 MR. MAXWELL: Yeah, Brent Webster --

14 MR. TURNER: -- that replaced Jeff
15 Nateer, and he conducted the investigation with the
16 internal report.

17 MR. MCANULTY: We have heard these names
18 and read them.

19 MR. MAXWELL: Uh-huh.

20 MR. MCANULTY: Still they're not in front
21 of us.

22 MR. TURNER: There's a lot to that.

23 MR. MCANULTY: There's a lot to that.

24 MR. TURNER: I mean, I was looking --
25 when I was looking back through, I mean, there's

1 stuff I had forgotten about. You know, it was nearly⁷¹
2 three years ago.

3 MS. BUESS: Yeah.

4 MR. MAXWELL: I would tell you that those
5 two individuals, there have been many complaints of
6 sexual harassment by the female employees up on the
7 eighth floor. Most all of them have left. And their
8 complaints were varied. You know, they're so
9 misogynistic it's incredible how blatant they are
10 about it and how openly sexual they are in talking
11 around their female employees.

12 And I know this because I have people
13 that worked on the floor who were telling me what was
14 going on, but you can't find the complaints.

15 MR. MCANULTY: Repeat the name, "Reitz,"
16 you said, the last name?

17 MR. MAXWELL: I think it's R-E-I-T-Z.

18 MR. MCANULTY: Oh, okay. R-E-I-T-Z.

19 MR. MAXWELL: T-Z, is that right?

20 MR. TURNER: I think so.

21 MR. MCANULTY: The first name again?

22 MR. MAXWELL: Yeah, you'll be able to
23 find him.

24 MR. MCANULTY: Is it Aaron?

25 MS. BUESS: Aaron.

1 MR. MCANULTY: We have too many Aaron's
2 here. Another Aaron --

3 MR. MAXWELL: He finally did get
4 suspended for a couple of weeks on. He -- he would
5 put out on Twitter stuff that you're going, are you
6 serious? He put out on Twitter something about
7 homosexuals and put up like a -- like a picture that
8 was obviously very sexual in nature trashing
9 homosexuals.

10 And then he did -- oh, the -- during the
11 Olympics was the gymnast, the best of all time,
12 greatest of all time. He came out with a Tweet about
13 her very disparaging when she decided not to -- to go
14 further because of injury. He got suspended over
15 that, because there was such an outrage. But you
16 know what? It hasn't changed him. He still puts
17 crazy stuff out there.

18 But those two and Lesley French, which,
19 you know, he pushed -- I mean, an executive deputy
20 when I was there was making \$205,000 a year. Now I
21 think they're making, what, 240?

22 MR. TURNER: I don't know.

23 MS. BUESS: Any idea where Lisa Tanner
24 went to?

25 MR. MAXWELL: Do what.

1 MS. BUESS: Lisa Tanner went to?

2 MR. MAXWELL: She's doing private
3 prosecution, yeah, she's doing special prosecutor
4 work and, you know, trying murder cases. Yeah, I
5 talk to Lisa.

6 MS. BUESS: I think Lance works for her.

7 MR. MCANULTY: Does he?

8 MS. BUESS: Yeah, I think so.

9 MR. MAXWELL: Yeah, she's real busy.

10 MS. BUESS: She's good.

11 MR. MAXWELL: Good people. And her right
12 hand person, Missy Wolfe, who worked for me, she was
13 a lieutenant, well, they got rid of her. She finally
14 retired they were making it so difficult for her to
15 be there, but she and Lisa were a team on those
16 capital murder cases.

17 MS. BUESS: I think they taught together.
18 Did they not teach together?

19 MR. MAXWELL: Yeah, they did.

20 MS. BUESS: Yeah, I think I have been to
21 one of their --

22 MR. MAXWELL: Yes, they did.

23 MS. BUESS: -- one of their classes.

24 Is there anyone else you think we should
25 talk to of -- as far as what you've told us here?

1 MR. MAXWELL: Uh-huh.

2 MS. BUESS: Anything else we should be
3 looking for?

4 MR. MAXWELL: I would tell you that that
5 group has basically devastated the agency as far as
6 talent. They have hired only people who will, as I
7 said before, be loyal to Paxton, regardless of the
8 legality of what they were doing. You probably know
9 that Webster had represented himself as an attorney
10 of record for Nate Paul in the Mitte Foundation
11 lawsuit.

12 MS. BUESS: Tell me about that.

13 MR. MAXWELL: So I saw it because it was
14 a -- it was a deposition throughout the Mitte
15 Foundation lawsuit, and Nate Paul was asked a
16 question on video, it was during a time where
17 everything had to be Zoom, and he said, "I need to
18 contact my attorney before I answer that question."

19 And so, I guess it would have been the
20 attorney, said, "Well, who's your attorney?"

21 He said, "Oh, my attorney is Brent
22 Webster of the Texas Attorney General's Office."

23 MS. BUESS: Oh.

24 MR. MAXWELL: And so now statutorily the
25 A.G.'s Office represents the other side. Committee

1 found -- we represent charitable trusts, we don't
2 represent people who sue charitable trusts.

3 MR. TURNER: Did you all know about --

4 MS. BUESS: Yeah.

5 MR. MCANULTY: -- the charitable trusts?

6 MS. BUESS: I have read -- I have read
7 what's in the pleadings.

8 MR. MAXWELL: And so when they come back,
9 then he talks about he's a consultant with Brent
10 Webster and whatever. And it goes on from there.
11 But -- and this is pretty far into all this stuff. I
12 mean, we've made our allegations, and it's publically
13 being investigated, and he's still having the agency
14 represent Nate Paul in his personal stuff. I know
15 Michael Wynne got sanctioned for, what, \$125,000?

16 MR. MCANULTY: I think so.

17 MR. MAXWELL: And Nate Paul's current
18 lawyer in the same lawsuit got sanctioned -- or Nate
19 Paul got sanctioned for \$185,000.

20 MR. TURNER: Yeah, that was his intent
21 recently.

22 MR. MAXWELL: And the Judge held him in
23 contempt both criminal and civil. You saw that?

24 MS. BUESS: I did.

25 MR. MAXWELL: And then, of course, the

1 Third Court of Appeals stayed it for right now, which
2 justified the 185,000.

3 MR. TURNER: For my part, I think you
4 should talk to all the claimants --

5 MR. MAXWELL: For sure.

6 MR. TURNER: -- all of the
7 whistleblowers.

8 MS. BUESS: Definitely.

9 MR. TURNER: Because they have not
10 discouraged to file a suit. There were -- there were
11 eight people that all were resigned or fired after
12 they reported the Attorney General to the FBI.

13 MS. BUESS: You mean all the people that
14 signed that letter?

15 MR. TURNER: Yes.

16 MS. BUESS: Because you didn't actually
17 sign it because you were away?

18 MR. MAXWELL: Because I wasn't here.

19 MS. BUESS: You were in Colorado.

20 MR. MAXWELL: Yeah, I was Colorado. I
21 didn't sign it, but all eight -- all eight was there.
22 They called -- they said seven, but there was eight
23 of us. I was the eighth one, yeah.

24 MS. BUESS: Yeah, we would definitely
25 like to talk to all of them if we could.

1 MR. MAXWELL: They would send me copies
2 of what they wanted and I would make -- and I would
3 send it back to them. We went back and forth.

4 MR. TURNER: What sort of time frame are
5 you guys -- y'all are under --

6 MS. BUESS: We don't have a lot of time.

7 MR. TURNER: Can you give me -- because
8 like, I know Mr. -- I believe Mr. Griffin is out of
9 town right now, but I can tell his lawyer if you're
10 going to talk to him, it can be by "X". If you guys
11 can give me any kind of indication of when, that
12 should be --

13 MR. MCANULTY: That's --

14 MS. BUESS: I don't have a good answer to
15 give you.

16 MR. TURNER: Yeah.

17 MS. BUESS: Depends on what happens
18 today.

19 MR. MCANULTY: Yeah.

20 MS. BUESS: I mean, we have tomorrow
21 right now open.

22 MR. TURNER: Okay.

23 MS. BUESS: So if we can get someone in
24 for tomorrow, we would like to do that.

25 MR. MAXWELL: Maybe Brian Bassar?

1 MR. TURNER: Yeah, I will be more than
2 happy to go talk to -- as soon as we get done since
3 we may have --

4 MS. BUESS: I do not have a card. I do
5 not have a card, so what I'm going to give both of
6 you is a piece of paper with my cellphone number on
7 it, okay.

8 MR. MAXWELL: That would be great.

9 MS. BUESS: If y'all would, you know,
10 feel free to call me and --

11 MR. MAXWELL: Uh-huh.

12 MS. BUESS: I apologize, but it is what
13 it is.

14 MR. MAXWELL: I don't have any cards
15 either. All my cards say Texas Ranger or director.
16 I don't give anybody cards. I just give them my
17 phone number.

18 MR. TURNER: The same here, I don't -- I
19 think I stopped carrying a business card a long time
20 ago.

21 MR. MCANULTY: I don't think people carry
22 them like they used to.

23 MR. MAXWELL: I don't think so.
24 Everything's so --

25 MS. BUESS: Electronic.

1 MR. MAXWELL: That's right, yeah.

2 MS. BUESS: Feel free to pass on my
3 information.

4 MR. TURNER: Thank you. I will.

5 MR. MCANULTY: Yeah, I will be glad to
6 give you my number as well.

7 MR. TURNER: Yeah, please.

8 MR. MCANULTY: REDACT

9 MR. MAXWELL: Yeah, y'all can have my
10 cell number if you would like it.

11 MR. MCANULTY: Yeah, that would be
12 very -- that would be great.

13 MR. MAXWELL: If you have any follow-up
14 questions or --

15 MS. BUESS: That would be awesome.

16 MR. MAXWELL: REDACT .

17 MR. MCANULTY: And I know Terese has
18 yours but why don't you --

19 MR. TURNER: Yeah, it's REDACT --

20 MR. MCANULTY: Uh-huh.

21 MR. TURNER: -- REDACT . It's my
22 personal cell. You can reach me there any time.

23 MR. MCANULTY: Okay. So you're -- you
24 live here?

25 MR. TURNER: Yes, sir. And like I said,

1 about Penley and his attorney are both in Dallas. I
2 don't know that you're going to get them down here by
3 tomorrow. I doubt it. In fact, his attorney hasn't
4 really responded to me about this yet --

5 MR. MCANULTY: Really?

6 MR. TURNER: -- but I will follow-up with
7 him. Excuse me.

8 MR. MAXWELL: Is there anything else you
9 can think that you have a question about? Even if
10 it's not part of my story, I might have an idea of
11 who you can talk to.

12 MS. BUESS: I'm sure as we kind of put
13 things together in our end, we will --

14 MR. MAXWELL: Yes, ma'am.

15 MS. BUESS: -- probably have some
16 additional questions.

17 MR. MAXWELL: It was a little kind of
18 hard to put all the pieces together. It was for me
19 just because I only knew me story, and then I'm
20 getting their story and they're telling me -- and
21 they're pretty excited over the phone, and I am
22 going, I didn't know any of that, you know.

23 MR. MCANULTY: Well, that can happen in a
24 circumstance like this where people are --

25 MR. MAXWELL: Yeah, well, they -- they

1 all decided they wanted to stand up against him
2 and --

3 MR. MCANULTY: Do you know how that came
4 about? Do you -- was that a gradual thing where they
5 talked among each other or --

6 MR. MAXWELL: Well, it was -- they were
7 all upset because they all knew each other's story.
8 Now, Jeff Nateer knows everybody's story, right?
9 Because he's -- everybody has to report to Jeff. So
10 well all -- once a week -- we have at least once a
11 week where it's one on one. So he knows the whole
12 story about everything.

13 It came first from this -- Paxton had
14 already tried to fire Penley and I and Jeff had said
15 no. And I have -- we had a great team. I mean, our
16 exec team, we have a lot of fun. We did a lot of
17 good work. I mean, it's like some of the old times
18 in Harris County. So we're all pretty close. And
19 unbeknownst to me, when this push came to shove and
20 they knew that Jeff was going to get fired if he
21 didn't fire us and they weren't willing to do that,
22 they all stood with Jeff and with me and Mark Penley
23 and said no.

24 And then they -- well, we drafted that
25 letter, and they gave it to him. And they thought if

1 their mind that he would back down. I knew he wasn't
2 going to back down. I mean, I know what his
3 personality is. But that's what he described Ken
4 Paxton is that he is a sociopath, but, you know, we
5 have sociopaths throughout our society. Not all
6 sociopaths are serial killers but all serial killers
7 are sociopaths, okay?

8 So he is a sociopath, so he has the
9 ability, like a lot of sociopaths, to be very social
10 and to be able to make -- oh, he's a good old boy,
11 and make you like him; but he's very passive
12 aggressive, he will agree with you and then go behind
13 your back and stab in the back and not do what you
14 agreed upon.

15 And -- but in his mind, because of the
16 way his mind works, anything he does that benefits
17 him is okay. I mean, he sincerely believes that
18 being associated with Nate Paul and doing what he's
19 doing is okay, even though it is against the law
20 because it benefits Ken Paxton.

21 He believed that screwing around on his
22 wife was okay because it benefited him and everything
23 else he's done. Well, you look at him, he got caught
24 on video stealing a \$1,000 Blanc pen out of the
25 courthouse. You knew about that, right?

1 MS. BUESS: A long time ago, yes.

2 MR. MAXWELL: Yeah, a long time. You
3 look at his whole record, I mean, he -- and when
4 you're around him, all he talked about was how much
5 money -- how we made so much more money than he did.

6 I told him I said -- you know, we were at
7 a conference in Washington D.C., I said, "Ken Paxton,
8 you got employed by the legislator, step by the
9 legislator. You lobby for us to get more money, go
10 lobby for yourself to get more money. I mean, you
11 can do that."

12 So he was all about money. He always had
13 his hand out. I will give you a little example. And
14 I knew this early on when he first came. When I had
15 worked for Abbott for four years before Paxton came
16 along, he asked -- one of the first things he asked
17 me to do, he said, "David, can you get me those
18 license plates that -- you know, state license plate
19 that says who I am, that kind of thing?"

20 And I said, "Sure, yeah, I can do that."

21 "Okay, would you do that for me?"

22 I said, "I would be happy to."

23 So I got with my fleet manager and I
24 said, "Sherry, hey, you take care of this?"

25 "Sure."

1 So she got a lawyer and stuff and, you
2 know, because he's an elected officials, it's only
3 \$12. And so we got the plates in. And twice a week
4 we have an executive meeting with all the executive
5 deputies and Paxton and Steve Battier (ph) and Paxton
6 would sit at the head, Steve was here and I was next.
7 See, I was the most senior executive deputy in the
8 administration, been there longer than anybody.

9 And so I was talking to him after one of
10 the meetings and said, "Hey, you got your license
11 plates in. It's \$12.50."

12 "Okay, okay, I will give you a check."

13 I did not give him those plates until he
14 handed over \$12.50. I kept it for over a month,
15 because I knew exactly what he was going to do. He
16 wants everybody else -- when people would travel with
17 him, he would always make them pay. They made a
18 lot -- anyway, I'm talking about employees who don't
19 make any money, you know. He's always trying to get
20 his hand in somebody's pocket and make them pay.

21 He was at a convention probably -- I
22 don't remember where it was now, but the Texas
23 Attorney's Association was paying the bill. They
24 were in a nice hotel, so he goes down to the shop in
25 the hotel and buys a \$600 sports coat and a tie and

1 shirt and charged it to the room. I mean, that --
2 that's his mentality.

3 So him taking money from Nate Paul, it's
4 okay because he's Ken Paxton. In his mind he can
5 justify anything as long as he receives a benefit
6 from it. And he doesn't have any long-time friends
7 because he's screwed over everybody.

8 MR. MCANULTY: Do you know how he came to
9 know Nate Paul to begin with? Other than --

10 MR. MAXWELL: I don't. The only thing I
11 know is that Nate Paul is a contributor and came to
12 him about his problem with the FBI in 2019.

13 MR. MCANULTY: Right. And that was like
14 a large contribution, like 25,000?

15 MR. MAXWELL: 25,000, that's -- that's
16 not considered a very large contribution, but yeah,
17 it was 25,000.

18 MR. TURNER: And he contributed another
19 25,000 through his law firm, right.

20 MR. MAXWELL: Right, so it's over 50.

21 MR. MCANULTY: So that gave him the
22 ability to talk to him?

23 MR. MAXWELL: Huh?

24 MR. MCANULTY: That gave access to Paxton
25 by you, you know --

1 MR. MAXWELL: I will tell you a little
2 story about that. Now, this is not something you're
3 going to be able to verify because -- during the
4 Ranger investigation originally, which they were
5 talking to me during all this, I taught most of them,
6 all the ones that are doing the investigation were,
7 you know, people that I taught.

8 And they did an investigation on a -- he
9 was a provider, you know, medical provider, I think
10 it was dental. Anyways, lots of -- hundreds of
11 million dollars of dollars involved, and he
12 contributed \$250,000, something like that, to Paxton.
13 When the Rangers went to interview him, they said,
14 "So what did you get for \$250,000?"

15 He said, "A phone number."

16 They said, "What do mean a phone number?"

17 He said, "I got his personal cellphone."

18 I said, "Okay, so why is that worth
19 \$250,000?"

20 He said, "When I call, he answers."

21 We ended up settling -- it was a civil
22 Medicaid fraud case. We ended up settling that case
23 for a lot of money, but not nearly what -- there was
24 a lot of uproar about it. Paxton claimed he didn't
25 know anything about this guy, you know.

1 So it's access, exactly. If you give him
2 money, just like in the instance from the guy from
3 Canadian, Texas, you give him money, he's going to do
4 whatever you ask him to do, whether it's legal or
5 not. He's -- he's selling influence is what he's
6 doing.

7 MR. MCANULTY: All right.

8 MR. TURNER: Excuse me.

9 MR. MCANULTY: Sure. If you reach out to
10 him personally you can see what they might tell you
11 about what their schedule is, because she's coming
12 from --

13 MS. BUESS: New Braunfels.

14 MR. MCANULTY: I'm coming from Houston,
15 so it --

16 MR. MAXWELL: You're coming from where?

17 MS. BUESS: New Braunfels.

18 MR. MAXWELL: New Braunfels, oh.

19 MS. BUESS: Retired there.

20 MR. MAXWELL: Like me, it's a good place
21 to be.

22 MS. BUESS: Yes.

23 MR. MAXWELL: My son and his family, they
24 were over in Spring Branch, not too far from them.

25 MR. MCANULTY: Yeah, it's pretty down

1 there.

2 MR. TURNER: I'm happy to. That
3 agreement will only allow me to reach out to the
4 (inaudible) claimants and sue and their counsel. So
5 that's the only people I can help you with right now.

6 MS. BUESS: If you want to share phone
7 numbers, I'm happy to make phone calls.

8 MR. TURNER: Maybe I will once this
9 camera's turned off.

10 MS. BUESS: Yeah, okay, that sounds good.

11 MR. MAXWELL: The case I was talking
12 about with the Rangers was not one that they filed,
13 but they had a good bribery case on him and they went
14 to the D.A., who was an elected Republican and she
15 refused to file it. She said it would be political
16 suicide. So the case went away.

17 MR. MCANULTY: When was that?

18 MR. MAXWELL: Dallas County.

19 MR. MCANULTY: Dallas County. And when?

20 MR. MAXWELL: It would be in probably
21 2016.

22 MR. MCANULTY: And it was a medical -- a
23 dental --

24 MR. MAXWELL: Yeah, it was a -- it was
25 a -- what we call civil Medicaid fraud.

1 So also I had explained to you one of the
2 divisions I had under me was -- it's the criminal
3 Medicaid fraud division. And every state is required
4 by federal law, if you receive Medicaid and Medicaid
5 funds, to have an investigative -- criminal
6 investigative branch to do investigate criminal
7 Medicaid fraud. That division is also under me. And
8 matter of fact, before I got fired, we were the
9 number one Medicaid fraud unit in the nation.

10 MS. BUESS: Was Joni Vollman part of
11 that?

12 MR. MAXWELL: Huh?

13 MS. BUESS: Joni Vollman.

14 MR. MAXWELL: As an attorney.

15 MS. BUESS: Uh-huh.

16 MR. MAXWELL: I think so, yeah. I had 19
17 attorneys that worked for me. I think so.

18 So anyway, all the criminal part of
19 Medicaid has to be done by the D.A.'s office under --
20 under criminal Medicaid fraud. All the civil
21 Medicaid fraud goes to the civil Medicaid fraud
22 section, which was a different one, and that was one
23 that Raymond Winters was over, but the Rangers felt
24 like they had a good case on him but the D.A. refused
25 to file it.

1 MR. MCANULTY: Do you know who with the
2 Rangers worked on it?

3 MR. MAXWELL: You know what, no, because
4 they're not going to give you the information, and
5 they're not going to talk to you about it.

6 Yes, I do know exactly who did it. It
7 was -- that's why I prefaced that with saying, you're
8 not going to be able to take this and this
9 (inaudible) because that's always a criminal
10 investigation on a high official and it's not going
11 to go anywhere. Because the D.A. refused to file it.
12 And that D.A. person is not there anymore.

13 MR. MCANULTY: Right, she's gone.

14 MR. MAXWELL: The file's still there,
15 though.

16 MR. MCANULTY: The file's there?

17 MR. MAXWELL: Yeah. Hey, y'all have been
18 in the business. You know exactly how it is.

19 MS. BUSS: Yeah.

20 MR. MAXWELL: Some things we can actually
21 do in this venue and there's other things we can't
22 do. The people that I talk to inside the agency are
23 not going to put that out there. They're friends and
24 they have been loyal to me and helped me out through
25 all of this, and, you know, I am not going to expose

1 them.

2 MR. MCANULTY: Right.

3 MS. BUESS: Interesting.

4 MR. MCANULTY: Okay. Are we ready to
5 disconnect this.

6 MS. BUESS: Yeah. Well, thank you very
7 much for coming in, both of you. Appreciate you.

8 MR. TURNER: Yes, ma'am.

9 MR. MAXWELL: I am glad that -- first of
10 all, I am glad that it's you two that they asked to
11 do this. That gave me a lot of confidence in the
12 product. Whether or not anything happens, that's up
13 to the --

14 (Tape ends)

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1 STATE OF TEXAS

2 COUNTY OF HARRIS

3 REPORTER'S CERTIFICATE

4 AGC MEETING

5 February 23rd, 2023 Meeting

6 re: Mr. David M. Maxwell, Jr.

7 Transcribed June 22, 2023

8
9 I, Michelle Hartman, the undersigned
10 Certified Shorthand Reporter in and for the State of
11 Texas and Registered Professional Reporter, certify
12 that the facts stated in the foregoing pages are
13 transcribed to the best of my ability.

14 I further certify that I am neither
15 attorney or counsel for, related to, nor employed by
16 any parties to the action in which this testimony is
17 taken and, further, that I am not a relative or
18 employee of any counsel employed by the parties
19 hereto or financially interested in the action.

20 SUBSCRIBED AND SWORN TO under my hand and
21 seal of office on this 22 day of June, 2023.

22
23 

24 Michelle Hartman, CSR, RPR
25 Texas CSR 7093
Expiration: 12/31/17

EXHIBIT 014

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INTERVIEW OF MINDY MONTFORD

1 MS. CAMERON: Okay. Let's go ahead and
2 get started. I want to introduce myself. I'm
3 Donna Cameron, and I'm one of the attorneys that's been
4 working with the House of Representatives legislative
5 committee, and we are now at a point where we're trying
6 to get interviews for the most important witnesses or
7 important witnesses that might have personal knowledge.

8 So if you could introduce yourself.

9 MS. MONTFORD: I'm Mindy Montford, and my
10 current title is senior counsel for the cold case and
11 missing persons unit in the Texas Attorney General's
12 office.

13 MS. CAMERON: And Dan.

14 MR. McANULTY: And my name is
15 Dan McAnulty. I'm assisting the attorneys in this.
16 I'm a retired investigator with -- for a couple of
17 different agencies. I worked 40 years or so, maybe 50.
18 And glad to meet you. I appreciate you coming over to
19 talk with us.

20 MS. CAMERON: Okay. Let's go ahead --

21 MR. McANULTY: Let me -- on tape let me
22 give the date. June 5th, 2023, Monday, and the time is
23 3:24 p.m. Okay.

24 MS. CAMERON: All right. Ms Montford,
25 what you've got in front of me and what we have got

1 copies of is an affidavit that you made. It looks like
2 it's about a five- or a six-page affidavit that appears
3 to have been sworn to on the 21st of January of 2021.
4 So at times we'll be referring to this. And if you
5 need to refresh your memory by looking over it, please
6 feel free to do that.

7 INTERVIEW OF MINDY MONTFORD:

8 Q. We want to start out with, you know, just your
9 basic experience, different firms or different agencies
10 that you've worked for since you've got your law
11 degree.

12 A. Okay. It's going to make me feel old, but I
13 grew up here in Austin and went to University of Texas
14 for both undergraduate and law degree, had great
15 internship experience at Harris County DA's office
16 during my law school days, and then ended up going and
17 working for them right out of law school as a senior
18 prosecutor. And I only did that for a couple years.
19 Way too soon, but just started -- life circumstances
20 brought me back to Austin. And at that time the DA's
21 office wouldn't hire you without
22 three years' experience, which is ironic now because
23 they'll pretty much hire you right out of law school,
24 but back then they would not.

25 And so I ended up -- I knew I wanted to

1 get back into prosecuting, but I went ahead and --
2 while I was sort of biding my time I went and took a
3 job with Senator Eddie Lucio, and I was his general
4 counsel for a couple of his committees and worked in
5 and around the session there, and then applied with
6 Travis County DA's office and was accepted and spent
7 about ten years there. And I did kind of everything
8 over a ten-year period.

9 Q. When did you start? What year would that have
10 been?

11 A. I believe that would have been Octobr of 1999.

12 Q. All right.

13 A. And then that led me up to about May of 2008,
14 so almost ten years, and did everything from child
15 abuse to murders, sexual assaults, family violence,
16 public integrity. I did a pretty big stint there, and
17 then ended up running for District Attorney. Was not
18 successful and rather --

19 Q. That was Travis County, right?

20 A. Rather than going back to work for the person
21 who just beat me, I went ahead and put up a shingle and
22 thought, "I'll give this a shot." And I liked it
23 better than I thought I would, actually, but did that
24 for about eight years.

25 Q. Was that focusing on criminal defense or did

1 you do some civil work?

2 A. Not really. Did criminal defense and a little
3 bit of family law.

4 Q. All right.

5 A. And I really liked my criminal defendants a
6 lot better than my family law clients. No shock there.
7 And then, to my surprise, Margaret Moore called me up
8 and asked me to be her first assistant DA. She had
9 just won a recent election. And, I mean, I thought,
10 "Gosh" -- I mean, that's -- anybody who's been a
11 prosecutor, that's a pretty big job and a dream job,
12 and loved her vision. And so I thought it would be
13 time to close up private practice and get back into the
14 DA's office, so I was happy to do that.

15 Q. Had y'all known each other for years on the
16 campaign trails?

17 A. It's kind of funny because she didn't support
18 me when I ran the first -- I've run twice. I've run
19 for DA and then judge, and runoffs are not kind to me.
20 But in the DA's office she did not support me in that
21 election and then did support me in the judicial
22 election and we just became very close at that point.
23 We really just had similar interests and hit it off.
24 She's just one of those people you click with
25 instantly.

1 Q. It was a good match?

2 A. A very good match. So that was a no-brainer.
3 Went in to work with her, and then she was defeated,
4 unfortunately, and that led me to my current job, which
5 is with the AG's office.

6 Q. And with your affidavit, it looks like you
7 started with Margaret Moore December 1st, 2016 --

8 A. Yes.

9 Q. -- and was there until January 4th, and that
10 had to do with the loss of the election?

11 A. Right. Right. I would have stayed with her
12 as long as she would have had me, so--

13 Q. Okay. And I know you pretty much helped run
14 the office as first assistant, but it seems like you
15 had some passions for certain types of cases. Is
16 that --

17 A. Well, during that time -- one of our first
18 meetings was with the yogurt shop families. That was a
19 case that happened here in 1991, and it was a case very
20 dear to my heart because I grew up in this community
21 and knew there were -- we went to the yogurt shop all
22 the time and lived in that neighborhood. We met with
23 the families and they actually asked if I could
24 personally work on that case, which was a huge honor.

25 And Margaret was so insistent that we

1 show our commitment to that case that she allowed me to
2 work on it regularly. So we started actually at that
3 point a collaboration with the Austin Police Department
4 in their cold case unit, and we really just started a
5 partnership where we had regular meetings, we assigned
6 prosecutors to these cases. And, honestly, it was
7 great because in the past they kind of just haphazardly
8 would assign prosecutors. And this was really nice
9 because we formed like a partnership, a true
10 partnership where these prosecutors would be assigned
11 to this case early on and work with the detectives, and
12 it just really worked well.

13 And so that allowed us also to work on
14 the yogurt shop regularly. And we -- I did that all
15 the way up until we stopped being in the DA's office.

16 Q. Okay. So let's talk about, you know, after --
17 I mean, while you were working at Travis County DA's
18 office, I want to talk about, did you supervise a
19 public integrity or the fraud division?

20 A. Sure. As first assistant you'll supervise
21 every -- every unit reports to you basically. I mean,
22 you have chiefs and directors who are right under you.
23 So you don't have a lot of, as you might know, I mean,
24 the direct contact, but you should be aware of most of
25 the big things going on in the office.

1 Q. Now, I want to back up a little bit because
2 either you or your family had known Kenneth Paxton.
3 And did you all know him before he became the Attorney
4 General?

5 A. Actually, no. I'm trying to figure out how to
6 answer this question. So I was in private practice and
7 the beginning of my relationship with General Paxton
8 would be subject to an attorney/client privilege --

9 Q. Okay.

10 A. -- so I can't --

11 Q. Okay. Okay. Would it be fair to say -- and
12 this is public record. This is not attorney/client
13 privilege, but I had the task of reviewing all the
14 campaign expenditures and the campaign donations, and
15 it appears that your father is a regular donor to the
16 Kenneth Paxton campaign. Are you aware of that?

17 A. I'm not -- I don't know that I -- I don't know
18 about regular. I actually introduced my dad to
19 Ken Paxton.

20 Q. Okay.

21 A. So he --

22 Q. So not --

23 A. He didn't know that -- he didn't have that
24 relationship.

25 Q. Okay.

1 A. And if he's donated since, I wouldn't doubt
2 it. He donates to -- he's a lobbyist, so I'm sure that
3 would not be unusual.

4 Q. Okay.

5 A. We have not discussed it.

6 Q. Right. I saw a lot of law firms that were --

7 A. And hopefully bipartisan. I think he does
8 (simultaneous speaking) both parties.

9 Q. And maybe you're not able to say this, but --
10 and this may be the attorney/client issue, but I
11 understand -- and correct me if I'm wrong. Was there a
12 time when he reached out to you to be his attorney
13 regarding the securities fraud issue in Harris County?

14 A. I think that would probably fall under the
15 attorney/client privilege --

16 Q. Okay.

17 A. -- and so I can't answer that.

18 Q. Whatever was said, you know, but did you -- I
19 guess it wouldn't be attorney/client privilege if you
20 actually represented him and made court appearances.
21 That would be --

22 A. Right. And that was not -- I did not do that.

23 Q. So you did not do that? Okay. How would you
24 characterize his -- your relationship with him?

25 A. I would say -- you mean back then when I first

1 met him or --

2 Q. Right. I mean, you know, sometimes a
3 relationship evolves.

4 A. Sure.

5 Q. It might start out as a family friend, you
6 know, you meet him in court, you see him at a
7 conference --

8 A. Right.

9 Q. -- and then it might evolve to something
10 closer.

11 A. I would say it started professionally and
12 then --

13 Q. What year would that have been?

14 A. I knew you were going to ask me dates. Hang
15 on. So I would have been in private practice, so that
16 would have been prior to December 2016.

17 That's a date -- I'm probably going to
18 have to go back through e-mails to look, but --

19 Q. Well, we don't want guesstimating here.

20 A. I mean, it would have been prior to -- or
21 prior to starting with the DA's office.

22 Q. Okay. So before 2016 and while you were in
23 private practice? If it's something you need to get
24 back --

25 A. Yeah, I think I'm going to have to get back

1 because I can get you an exact thing on that.

2 Q. Okay.

3 A. I just don't know that -- It would take me a
4 while to get it.

5 Q. But you believe you were in private practice?

6 A. Yes, I know I was in private practice.

7 Q. Okay. All right. And so how did y'all meet,
8 connect?

9 A. Well, I believe it would -- I would describe
10 it as professional and then -- I'm sorry. I'm
11 struggling. I'm not trying to not answer your
12 question. I just don't want to violate anything with
13 the State Bar.

14 Q. Right. Well, I know -- maybe we can put it in
15 the context of was he running for the office of
16 Attorney General? He obviously wasn't in the Senate,
17 I'm assuming.

18 A. I don't know if he was running or if he was --
19 I thought he was already elected at that point.

20 Q. Okay. So at that -- so that's --

21 A. Right. I think he was already elected.

22 Q. I think he was elected around 2015 or '16.

23 MR. McANULTY: I believe late '15.

24 A. All right. So that would make sense then.

25 Q. Okay.

1 A. So 2015, 2016, somewhere in there.

2 Q. Okay.

3 A. And I would just describe it as professional.

4 I don't -- I mean, we weren't socializing.

5 Q. You didn't go to his house?

6 A. No.

7 Q. He didn't come to your house?

8 A. No.

9 Q. You didn't -- okay. So professional.

10 A. And then I think we had some mutual friends
11 also that -- so he would -- that doesn't really matter.
12 There were mutual friends. I knew him through that,
13 people around the Capitol. And then I -- I'm not even
14 sure how I introduced him to my dad, but at some point
15 I did make that -- I think by e-mail or maybe by giving
16 them each other's contact information.

17 Q. Okay. And --

18 A. That wasn't for donor, though. That was
19 for -- I think there was some issue that he had wanted
20 to talk to General Paxton about. Or it could have been
21 the other way around. I really cannot remember.

22 Q. Okay. But the nature of their relationship,
23 would you say it's --

24 A. Oh, I don't -- you know, I don't know how
25 often they talk now, but I would, again, say, that's

1 professional.

2 Q. Okay. All right. Well, then, let's talk
3 about you come to work at the Travis County DA's
4 office, and you're able to do your work, you're
5 supervising people, you're very busy. During this
6 time, before you were contacted by General Paxton about
7 this Nate Paul matter, do you see him, do you have
8 lunch with him? Is there regular e-mails or texts?

9 A. No, not regular at all. I will say he had
10 been a help -- so historically the Travis County DA's
11 office didn't play well with a lot of people, and that
12 was probably for a variety of reasons. You know, we
13 used to have the public integrity unit housed there,
14 and I think there was a lot of fear whenever the Travis
15 County DA's office would come to the Capitol, you know.

16 And then the funding got pulled away
17 under Rosemary Lehmborg's administration. The reason I
18 bring all that up is one of Margaret's big things was
19 that she wanted to re-establish those relationships and
20 wanted to play nicely with other agencies.

21 One of the first things that happened in
22 our administration was the Austin bomber, and so that
23 threw us into, you know, this craziness with the FBI
24 and U.S. Attorney's office and just all -- all APD.
25 You know, we were having to figure out who this maniac

1 with the bomb was around town.

2 And that was very helpful because we had
3 started laying the foundation to establish these
4 partnerships and these friendships. And so when that
5 happened I think there was a lot of collaboration and
6 trust because she had started, you know, building those
7 bridges. And one of the ones she wanted to bridge was
8 with the Legislature, and she was trying to get the
9 money back for the public integrity unit.

10 MR. McANULTY: And this was Rosemary?

11 A. It went out under Rosemary Lehmberg because
12 she had run -- she had some issues and I think Perry,
13 Governor Perry then, took the funding away because she
14 didn't resign. So Margaret Moore wanted to bring that
15 funding back,

16 MR. McANULTY: Right, right.

17 A. And General Paxton actually had offered to
18 help us with that because he thought that did sound
19 like something that sounded feasible.

20 And I don't want to put words in his
21 mouth, but he had agreed to help us get -- maybe open
22 some doors for us at the Capitol. So we were very
23 appreciative, obviously, of his efforts. He was able
24 to get us a meeting in with Lieutenant Governor
25 Dan Patrick's staffer so that we could kind of make our

1 pitch about why we thought it would be good to have
2 that money back.

3 And so we had already started forming
4 these relationships with his office, and I think
5 Margaret was very proud of that at first because,
6 again, that was just another partner that we wanted to
7 value and they seemed to want to value us. And so,
8 again, he was very helpful to us during that time.

9 Q. Okay. So you're working there and this is
10 something that is important to Travis County to get the
11 public integrity division back, get the funding back.
12 You-all are dealing actually face-to-face with --

13 A. Or on the phone.

14 Q. -- or on the phone and working together?

15 A. Right.

16 Q. Okay. And that was a good thing --

17 A. Oh, yeah.

18 Q. -- to get the funding?

19 A. Well, no, we did not.

20 Q. Oh, I thought it was a happy ending.

21 A. No, there was no happy ending there, but it
22 wasn't without effort.

23 Q. Okay.

24 A. I mean, we definitely had -- I think with -- I
25 think if things had been different maybe the next

1 session we could have made that happen.

2 Q. Okay. But everybody was trying to play well
3 together?

4 A. Yes.

5 Q. Okay. So let's move forward to when you were
6 first contacted by Attorney General Ken Paxton, and you
7 say the spring of 2020, which ended up in a meeting on
8 May 8th of 2020.

9 A. Is the May 8th the lunch?

10 Q. Correct.

11 A. Okay.

12 Q. Now, is -- in your time there you had been
13 with the office from June of -- I mean, December of
14 2016 through 2021, had you ever had an occasion where
15 the Attorney General himself would bring in -- I mean,
16 I guess you would say a constituent or you could call
17 him man off the street. I mean, this would have not
18 been coming from a law enforcement agency. Had he ever
19 done that before, to your knowledge?

20 A. No. And, also, COVID was, you know, in the
21 middle of all this, so we were closed. I mean, our
22 office was -- I think that's why -- honestly, I don't
23 know if we would have. I mean, that's hindsight, if we
24 would have just invited him to office with
25 Nate Paul, probably. Or maybe he -- I don't know why

1 we wouldn't do it at the AG's office. I don't know

2 that. But I know that COVID was a problem, so we

3 really didn't know where we were going to be.

4 Q. Okay. Well, did you know Michael Wynne?

5 A. No, I had never seen him before.

6 Q. Okay. Never met him ever.

7 A. He was -- I mean --

8 Q. I know when I worked at Harris County and also

9 when I worked in Galveston County we did have a

10 citizens complaint through our major fraud, through

11 public integrity.

12 A. Yeah, right.

13 Q. We had the proverbial checklist.

14 A. Uh-huh.

15 Q. And the attorneys would, you know, contact us

16 whether or not COVID, or whatever was going on, they

17 would reach and -- reach out to us to set up a meeting.

18 You know, "We want to bring to you this information."

19 Do you understand why it would be or did

20 it seem odd to you that you've got an elected official,

21 an Attorney General, shepherding through a complaint

22 where the complainant has a lawyer, actually --

23 A. Well, we didn't know that at the time, but --

24 Q. -- many lawyers, but --

25 A. Yeah. I think it's hard -- you know, in

1 hindsight, sure, now that we know everything that we
2 know --

3 Q. Yeah, going --

4 A. But, yeah, I think at the time it wasn't -- it
5 wasn't that odd, for whatever reason. I mean, he had
6 helped us at the Capitol and so --

7 Q. Right.

8 A. -- I think Margaret, of course, was, "Well, he
9 wants us to just listen to somebody who" --

10 Q. Right.

11 A. And, again, if you look at this, we actually
12 thought this is something that had already happened to
13 him, you know, and there wasn't anything pending. He
14 was just complaining after the fact. And --

15 Q. Well, who would have known that so that you
16 could have been alerted about this so that you could
17 have looked in and been more aware --

18 A. Aware of what was going on --

19 Q. -- before you -- oh, by the way, did he call
20 you Mindy or Ms. Montford?

21 A. Oh, no, I'm sure he would have said Mindy.

22 Q. Mindy?

23 A. Right.

24 Q. So he could have said, "Mindy, I'm bringing in
25 Nate Paul. He's got a lawyer. You know, there's a

1 pending FBI" --

2 A. Nobody told me that, that is true.

3 Q. Well, wouldn't that --

4 A. I suppose --

5 Q. You could have done even a Google search?

6 A. I'll tell you this. As first assistant -- and
7 you have been a first assistant. I mean, you're doing
8 damage control half the time.

9 Q. Yes.

10 A. Half the time you're entertaining calls --

11 Q. Yes.

12 A. -- and letters that -- so that your elected
13 doesn't have to deal with it.

14 Q. Yes, correct.

15 A. So you -- I can't tell you the number of times
16 I had to go to meetings that just, you know --

17 Q. Yeah.

18 A. And so this to me was another -- the Attorney
19 General is asking us to listen to this man and I'm
20 going to go listen to him.

21 Q. Right. Okay. So did you feel as though it
22 cloaked it with some credibility, it was, you know -- I
23 mean, did you think he was just bringing Joe Blow in
24 off the streets or did you think since he was setting
25 it up and he was bringing him in that he was in some

1 way supportive of the efforts?

2 A. I will tell you this. One thing that he told
3 me, if I recall, was, "Look, you know, obviously he has
4 some issues with law enforcement." But his explanation
5 was, "I believe in law enforcement when they act
6 appropriately, and if they're not acting appropriately
7 they shouldn't be in law enforcement."

8 Q. Okay.

9 A. "So I would just like to know the truth.
10 is -- did law enforcement act inappropriately, because
11 if they didn't then somebody needs to look at this."

12 Q. Okay.

13 A. He seemed very righteous about it, like, "I
14 want to truly help Paxton." I think Paxton seemed
15 truly wanting -- and, again, I don't know who Nate Paul
16 is from Adam, right? I mean, you could have called him
17 Joe Blow. I mean, I wouldn't have -- to me it was
18 just, "Will you hear this person out because if he's
19 telling us the truth and if what he's saying is right,
20 then that's not right and there's some problems in our
21 system that need to be addressed."

22 Q. Right.

23 A. So it seemed like a righteous meeting.

24 Now, having said that, I -- honestly,
25 you're juggling 20 balls. It was, "Okay. We'll get

1 this on the schedule." I don't even think I brought a
2 pen and paper to take notes at that meeting. I don't
3 know that I --

4 Q. Didn't take --

5 A. And Don -- I think I called Don going,
6 "Listen, I'm sorry to rope you into this, but can you
7 come to this meeting because it's -- whatever this
8 person is going to say, I mean, if it's got public
9 integrity issues, then obviously I need Don Clemmer
10 there." And we didn't know what we were walking into.

11 Q. Okay.

12 A. Now, about ten minutes into it I realize,
13 "Does this guy -- I mean, he's got an attorney." So
14 then it kind of started sinking in, "Wait a minute.
15 Are you under indictment?"

16 I mean, we finally just asked him flat
17 out. And -- you know, "And this is your attorney?"

18 And then he kind of was -- again, I think
19 he said, "I'm not sure," or something. "I'm not sure
20 I'm under indictment. I think the investigation is
21 over."

22 Q. So Mr. Paul did not go into any of the
23 specifics about the underlying criminal investigation,
24 but, rather, you know, what he perceived as the
25 problems with the search warrant?

1 A. Right, right.

2 Q. And then Mr. Wynne, you say, confirmed the
3 status of the investigation also?

4 A. Right. So this really was, I would say --
5 and, honestly, I don't think Don Clemmer and I got a
6 word in edgewise other than, "Are you under
7 indictment," because he just went on and on and on and
8 on in this story about --

9 Q. When you say "he" --

10 A. Nate Paul. Sorry.

11 Q. Okay. So the attorney, is he kind of taking a
12 back seat and the main historian or the main
13 complainant, if you will, was Nate Paul?

14 A. Yeah, it seemed like that. I think Nate Paul
15 was the one really.

16 Q. Okay.

17 A. Michael Wynne chimed in a few times. It
18 wasn't until after he went through this whole story
19 about the search warrant that Michael Wynne became more
20 involved, because then he starts talking about how
21 there's potential tampering and -- again, very
22 incredulous to me. Just in working for so many
23 agencies, I know there's not that much collaboration
24 that goes on between these agencies to pull off what
25 they were saying could have happened, but --

1 Q. Yeah, I know that when you -- you get -- when

2 he starts going into the photo of --

3 A. Of Gordon Gekko?

4 Q. -- Gordon Gekko --

5 A. That was pretty much when I lost -- yeah.

6 Q. You know, I think that's when you say the

7 story told seemed almost unbelievable to me.

8 A. It did.

9 Q. And, you know, having worked in law

10 enforcement as long as we all have, we know that

11 there's the occasional rogue gypsy police officer, but,

12 you know, we're talking about a judge, we're talking

13 about FBI --

14 A. The DEA, Rangers, right.

15 Q. -- rangers. It's like the universe of law

16 enforcement.

17 A. That's right. And not all of them get along

18 with each other, so to pull that off would have been

19 amazing.

20 Q. Yeah. So you're kind of going, "Okay."

21 A. Yeah, no.

22 Q. "I'm going to sit and listen to this and I'm

23 going to do what I need to do"?

24 A. Uh-huh.

25 Q. So how long was General Paxton physically

1 there?

2 A. It did not seem like very long at all. I
3 think he maybe had like a soup or a salad or something
4 and then left, which --

5 Q. Was he making introductions or --

6 A. Originally. He may have been late. Did I say
7 that in there?

8 Q. I think he joined you-all in progress.

9 A. I think that sounds right. And then
10 introduced them and then I think he listened too. He's
11 probably heard this a few times, I would think. So
12 he -- and he said, "I'm so sorry. I have another
13 meeting," and excused himself.

14 Q. Okay. Okay. So let me ask you this because
15 you provided him with the statutory authority for him
16 to go forward --

17 A. Right.

18 Q. -- with it. Hypothetically, if he knew
19 Nate Paul, hypothetically if they had an ongoing
20 relationship and maybe he knew the whole story, would
21 it have been something that he could have just taken on
22 without even coming to meet with you-all?

23 A. Well, that's why he wanted the statute. He --
24 he truly did -- and let me back up, because when we
25 left the restaurant, you know, Don and I both -- I

1 said, "Look, did you think what I thought of during
2 that whole thing?"

3 And Don just kind of said, "Wow, like
4 that was a lot," you know.

5 And I said, "That just seems incredulous,
6 but I do feel like we've got to at least -- I mean, I
7 suppose, you know, it could be true and if it's true
8 and we don't do anything, then it's back on us, so we
9 ought to at least make a couple calls on this with the
10 U.S. Attorney's office."

11 But Don -- so after we did a few things
12 Don had a suggestion because he had been at the AG's
13 office. So Don said, "You know, how are we -- we can't
14 investigate -- first of all, we don't have the funding
15 to do what we used to do. And, second, how are we
16 going to -- we've got pending investigations with every
17 one of these agencies, so how are we going to go
18 investigate these agencies. That just doesn't even
19 make sense."

20 And Don said, "He can do it. I mean, if
21 he believes in this so much" --

22 Q. Send it back?

23 A. Yeah, "just send it back to the AG's office."

24 And I said, "Oh, my God." Actually, I
25 think I remember saying, "Don, that's brilliant."

1 Q. Yeah.

2 A. But, you know -- and I think I do say in
3 here -- I mean, I did want the General to know I did
4 not -- I don't know if I told him that I didn't believe
5 Nate Paul, but I think what I said was, "Look, there is
6 a pending federal investigation. Why not just let that
7 run its course? And what if this -- what if he is
8 guilty. If he's guilty you're going to be glad you
9 didn't help him."

10 Q. Yeah.

11 A. "If he's not guilty, then okay. Let's go back
12 and start over and look at these agencies and go from
13 there."

14 And he -- that's -- he was not -- and he
15 wanted to go forward. So that was when he was curious
16 about this. But to come back to your question, I think
17 at that point he said, "I don't know that I can do
18 that. How do I have the authority to investigate?"

19 And I said, "Well, let me send you the
20 statute that gives you the authority," because now that
21 I'm over in the AG's office I know that is true. You
22 know, we constantly tell people, "We can't just start
23 an investigation. We have to have a referral."

24 And so I understand now why he was asking
25 for that, because he truly thought it had to be a

1 referral from us. He couldn't just go investigate.

2 Q. And how do you know he thought he had to have
3 a referral?

4 A. Only now that I know the atmosphere over
5 there. I mean, they truly -- I mean, there was a whole
6 case that just came down that, you know, kind of put
7 that into perspective where you can't -- they can't
8 just start an investigation. They've got to have a
9 prosecutor or a law enforcement agency refer it. And
10 they were having special jurisdiction in certain
11 situations, like election fraud. And I think the last
12 one may have been human trafficking. But -- so the
13 mentality over there is very much, "We need a
14 referral."

15 At the time, I think -- because he asked
16 me about the statute. I mean, he said, "Can you send
17 it to me? I'm going to need a referral."

18 So I think he truly thought he needed a
19 referral.

20 Q. This is -- you may not be able to answer this
21 question, but there was, obviously, history with
22 General Paxton being under indictment, having been
23 investigated by DPS, having been investigated by, you
24 know, the Texas Securities Commission and, you know --
25 I don't want to say under siege, but he had this

1 pending indictment or several indictments.

2 A. Uh-huh.

3 Q. Did you get any impression that he distrusted
4 law enforcement and that he's like, "Hey, I'm a kindred
5 spirit, you know. This could be what they're doing to
6 me type of deal"?

7 A. Yes. No, I did get that impression. I mean,
8 I think that was his point by saying, "When law
9 enforcement does their job correctly and lawfully,
10 then, you know, Godspeed. But when they abuse it, they
11 ought to be called out for it."

12 Q. Okay.

13 A. And so I think he did feel -- I think he maybe
14 even said that to me that, you know, "If this really
15 happened to Nate Paul, then somebody needs to make sure
16 it doesn't happen to someone else."

17 Q. And without going into attorney/client
18 privilege --

19 A. And that's not attorney/client because that
20 was all --

21 Q. It -- I know that.

22 A. Okay.

23 Q. But when he's telling you this stuff, can you
24 see that he's also feeling like they did -- they've
25 done him wrong?

1 A. Yeah, I think so.

2 Q. Okay. So -- and I know what you said was
3 you're -- you sit down and you meet with them, Don
4 comes up with this brilliant idea like a boomerang,
5 "Let's send it back. They've got statutory authority."
6 Did you -- I think you did have a conversation with the
7 elected and Margaret Moore, so tell us how that went
8 when you told her, "This is the complaint and this is
9 what we're thinking about what to do with it."

10 A. I mean, I think at the time Margaret did feel
11 a sense of -- what's the right word -- she was very
12 appreciative for General Paxton's efforts to help us
13 during the legislative session. And he's the Attorney
14 General of Texas. She's also trying to form these
15 relationships. So I think she didn't want to just,
16 "Hey, sorry. We can't help you with that" --

17 Q. Yeah.

18 A. -- "you know, peace."

19 I think it was, "Is there anything we can
20 do, you know, that would help him?"

21 Q. Uh-huh.

22 A. And that was when Don -- you know, "Well, Don
23 had this suggestion."

24 And I think Margaret said, "That's
25 absolutely right," because she had been at the AG's

1 office. So I think she thought, "They can investigate
2 it," you know.

3 Q. Right.

4 A. And I truly believe we kind of thought if we
5 went back over there, his investigators and his
6 advisors and the criminal investigations part of the
7 office would probably look at it and have the same
8 conclusion we did. And I guess there was some part of
9 us that thought maybe if he heard it from not just us,
10 but his own people, you know, then maybe he would be
11 like, "Okay. I should stand down," you know.

12 Q. Well, when you say, "If he heard it not just
13 from us," do you feel like you were saying to him,
14 aside from, "Hey, we'll let the federal investigation
15 play out, that this guy's got issues," do you feel like
16 either you or Margaret Moore or Don Clemmer kind of
17 said, "Hey, this is looking a little out there and
18 we're not thinking this is going to go anywhere, but,
19 you know" --

20 A. Yeah, I -- of course you're talking to the
21 Attorney General of Texas. I don't think I felt
22 comfortable saying, "This guy's nuts," you know. I
23 think I did it in probably a very roundabout way,
24 diplomatic, by suggesting, "Let the federal
25 investigation play itself out."

1 I don't recall if I told him I thought
2 Nate Paul was unbelievable. I may have said something
3 like, "Wow, it's -- that's a lot, you know, for -- to
4 believe this you have to believe that all of these
5 agencies, you know" --

6 MR. McANULTY: Colluded?

7 A. -- "colluded, and that's -- that's a stretch."
8 I may have said something like that, but --

9 MR. McANULTY: And you said that to
10 Paxton?

11 A. I mean, I believe I did because --

12 MR. McANULTY: Would that have been then
13 or in a subsequent conversation?

14 A. It would have been the same conversation when
15 I told him, "I've spoken to the U.S. Attorney's office.
16 They've got -- they've got this. I think you ought to
17 wait."

18 And, again, it wasn't -- I probably --
19 you know, again, at the time, you know, we don't know
20 what we all know today. I probably thought, you know,
21 "Don, are we just jaded? Maybe -- maybe this did
22 happen. I don't know. And so we ought to at least
23 look into it."

24 And that's when we called Ashley Hoff,
25 and, you know, Ashley -- again, she couldn't give us a

1 lot of information, but --

2 Q. She's with this -- she's with the Western
3 District?

4 A. Right, in the U.S. Attorney's office.

5 Q. Okay.

6 A. She was at the time. I think she was the
7 first assistant.

8 Q. So you didn't talk to anybody in Department of
9 Justice? She was your contact?

10 A. No, because that -- I believe we thought the
11 investigation was --

12 Q. Being out of here?

13 A. -- under here. And we had -- again, we worked
14 with them so well on the Austin bombing case we -- and
15 I knew Ashley from the Harris County DA's office, you
16 know.

17 Q. Had a lot of respect for her?

18 A. Yeah, she's great. So it was an easy phone
19 call to call Ashley and say, "I know you can't tell me
20 everything, but" -- and I believe Clemmer had talked to
21 Grant Sparks possibly, too, in the U.S. Attorney's
22 office because they had a good relationship from when
23 they both were in the U.S. Attorney --

24 Q. Okay.

25 A. -- the AG's office.

1 Q. Okay.

2 A. So we're both kind of going to our go-tos at
3 that office to say, you know, "Is this possible? We
4 just kind of -- we got this story and, you know, I want
5 to run this by you."

6 And Ashley seemed to say, "Look, because
7 of COVID it's been stalled." And I think Grant told
8 Don the same thing, that, "It just got stalled, but
9 we're still investigating this." And the people he was
10 complaining about from her office are upstanding
11 prosecutors, and, according to Ashley, there's just no
12 way they would have taken part in this.

13 Q. Right.

14 A. And so we said, "We get it. We understand.
15 We're just doing our due diligence."

16 And then we kind of went back and
17 reported to Margaret and that's when I think we all
18 agreed, "Let's just send it to the AG's office."

19 MR. McANULTY: Can I ask a question real
20 quick? This was, again, May the 8th, or thereabouts,
21 and conversations thereafter. Did you get the
22 impression -- and your -- one of your -- and Don's
23 suggestion was, you know, "You can do this. Let your
24 people do this."

25 Did you ever get any information from

1 him, Ken Paxton, that he had already talked to his
2 people about this?

3 A. Not at that point. I didn't feel that he had.

4 MR. McANULTY: If he had, is it -- would
5 it be correct that he didn't tell you that?

6 A. I don't know. I don't know that -- as the
7 elected official, if I'm calling to ask this other
8 entity to look into this -- he didn't seem to give me a
9 lot of background other than, "Would you mind sitting
10 down with him and hearing his story?"

11 And I suppose -- and he may have, you
12 know. I just don't remember that.

13 MR. McANULTY: Well, the reason I ask is
14 simply this. And I know you don't know everything
15 that -- that had occurred prior to this.

16 A. Right.

17 MR. McANULTY: Well, let's just say that
18 if he had already talked to his people and his people
19 had said, "We can't do that and that couldn't happen
20 and I've already checked into it and there's no way and
21 we shouldn't be doing this," and then he then turns and
22 he's forum shopping by coming to you guys.

23 A. Right. Yeah, I would --

24 MR. McANULTY: And you know that at the
25 time that that was -- if, in fact, that was true,

1 perhaps your -- you would feel even -- well, you do
2 kind of know it now --

3 A. Yeah.

4 MR. McANULTY: -- because it's been in
5 the paper.

6 A. But I thought he -- I'm not sure to this day
7 if he had talked to them before coming to us, before
8 that lunch meeting. It felt to me as though once we
9 kicked it back over there, that's when he started
10 having these conversations with the staff and they
11 didn't agree with him. And so I don't know if he had
12 done that before.

13 Sure, I would want to know that. But, on
14 the other hand, it's the Attorney General of Texas and
15 my boss is telling me, "Yeah, we need to go meet with
16 him."

17 So, you know, I don't know that I would
18 have -- if it would have changed anything other than I
19 would have probably gone into that meeting knowing
20 ahead of time, "This is" --

21 MR. McANULTY: More prepared, yeah.

22 A. -- you know, and just, "This is going to be
23 outlandish. Buckle your seatbelts," you know.

24 MR. McANULTY: Yeah. One more thing. I
25 was going to ask about what you did to kind of check

1 that story out. But you already said, well, you called
2 Ashley Hoff --

3 A. Yeah, I called Ashley.

4 MR. McANULTY: -- and Don Clemmer.

5 Q. But did you Google Nate Paul to kind of go,
6 "Wait a minute. This guy has got a bankruptcy"?

7 A. Yeah, I think probably Ashley gave us a little
8 info on Nate Paul.

9 Q. To get a little --

10 (Simultaneous speaking)

11 A. Right, after the fact I think we did that.

12 Q. Yes, right.

13 A. Again, whether we should have done it going
14 into the meeting, probably. But, again, this is one of
15 20 meetings you've got that day.

16 (Simultaneous speaking)

17 MR. McANULTY: But it was not -- how
18 often had you ever had a meeting with the Attorney
19 General present to bring you a case?

20 A. I mean, I think we all kind of developed this
21 relationship with him when he was helping us. Like I
22 remember after he helped us that day at the Capitol
23 everybody -- he goes, "Well, we're going to get lunch.
24 Let's all go to lunch."

25 So I think everybody -- he had a bunch of

1 staffers and everybody who was at the Capitol from our
2 office, we all went and got lunch.

3 MR. McANULTY: Sure.

4 A. So, you know, we -- we started developing more
5 of a casual relationship, I guess, at that point
6 because, you know, we spent time with him and his staff
7 at the -- at the Capitol. So, I mean --

8 MR. McANULTY: Had he periodically called
9 to check on, "How are things going? What's up with
10 you," I mean, any kind of casual -- more casual
11 contact?

12 A. Casual? No. It seemed like whenever we had
13 calls it was usually about -- I mean, I think it was
14 always about -- I'm trying to think of when the last
15 time would have been I had talked to him before this.
16 I would have to look at that. There were a lot of
17 conversations during the legislative session because we
18 were relying on his help.

19 And that was the other thing. I think
20 here now he's calling us to ask us to go meet with
21 somebody. "Okay, absolutely."

22 Q. Right.

23 A. "You got us a meeting with Lieutenant
24 Patrick's staffer, yes, we can meet with Nate Paul,"
25 you know.

1 MR. McANULTY: And do you know how he
2 got -- do you know how Ken Paxton got to that meeting,
3 that lunch?

4 A. I don't. No, we were already inside.

5 MR. McANULTY: Okay.

6 Q. Okay. I want to go back to -- after you
7 talked to Ashley Hoff, it looks like after she
8 confirmed there's an underlying pending criminal
9 investigation, I'm assuming you -- it says, "I spoke
10 with General Paxton." Did you reach out and call
11 him --

12 A. Right, yes.

13 Q. -- because you wanted to give him the update.
14 And it sounds almost -- I don't want to characterize
15 what -- what you're thinking, but you're -- you said,
16 you know, that you wanted to give him information about
17 who he's dealing with, that -- and provide --

18 A. Oh, with Ashley Hoff? Okay.

19 Q. -- him with the limited information regarding
20 Mr. Paul's status with the federal investigations
21 because you felt it was relevant --

22 A. Right.

23 Q. -- for him to know that the matter was still
24 being looked into by law enforcement. And that's when
25 you're telling him, "Hey, wouldn't the best corrective

1 action be to kind of stand down and, you know" -- and
2 you were also saying, "Wait a minute. We've got law
3 enforcement credibility established, and then you've
4 got somebody that's under federal investigation and
5 it's still going forward." Did he respond to that?

6 I mean, I know how he responded. He went
7 forward. But did he -- do you remember him saying
8 anything to you?

9 A. No, I don't remember him saying anything other
10 than -- I'm trying to remember how I thought he
11 responded to that about the feds.

12 Q. And he wanted to know about the statute,
13 that --

14 A. Yeah. I mean, I think it was more -- and,
15 again, it's -- it's easy to -- you know, now that you
16 know -- so much stuff is out there.

17 Q. Right.

18 A. But going back to this, it seemed truly to
19 what you were saying earlier. He felt he had been
20 abused by law enforcement. Whether that's --

21 Q. "He" meaning?

22 A. General Paxton.

23 Q. Okay.

24 A. Whether that's wrong or right, he felt that
25 way.

1 Q. Okay.

2 A. And it truly felt, though, "Okay. Mindy,
3 thank you for your time and for your opinion, but I
4 just feel like if this really happened to this person I
5 can't stand by and let that happen."

6 So it did seem to be coming from --
7 again, not knowing his relationship with Nate Paul, it
8 seemed to come from a righteous point of view at that
9 point. I mean, he really felt like, "If Nate Paul --
10 if what Nate Paul is saying is true, you know, then we
11 have a duty to stop this from -- law enforcement from
12 doing this to other people."

13 Q. Okay. So, you know, you came to know, I
14 guess, that he moved forward with the investigation, or
15 you have heard that. Did he let you know, because you
16 all were asked to -- let me ask you the question.

17 How were you all to get him to fill out
18 your complaints so that, you know, you have a checklist
19 or whatever to send back to him?

20 A. That would be a Don Clemmer question, because
21 I think what happened was we made the decision that's
22 what we were going to do, and then Don took it from
23 there. Now, normally what would happen, because we did
24 this a lot where, for whatever reason, we thought we
25 had a conflict or -- you know, it could be a variety of

1 reasons. "Let's give it to the AG's office," or,
2 "Let's give it to another DA's office."

3 Well, normally Don would call Lisa Tanner
4 up, actually, and say, "Can you take this case?"

5 I don't know if he would normally call
6 David Maxwell and I don't know if Lisa -- no,
7 Lisa Tanner was still there. So I don't know if he
8 called Lisa Tanner like normal and she got, I guess --
9 was it David -- no. Was it Penley or David Maxwell at
10 the time of --

11 Q. Well, Penley and Maxwell were working
12 together.

13 A. Okay.

14 Q. Penley had a lot of criminal prosecution
15 experience.

16 A. Okay. I think Don -- Don was talking to
17 David Maxwell at the time is what I recall.

18 Q. Yes.

19 A. And so Don was able to get it over to them.
20 And I think it was an e-mail, and I may have even been
21 cc'd on it just to know, "Okay. It went over there."

22 So if there was another -- you know, more
23 normal paperwork that followed I wouldn't have had
24 probably anything to do with that. I mean, I might
25 have seen it, but --

1 Q. Okay. And let me ask you, when you-all do
2 complaints -- and I think this is your second-to-last
3 page. "Following the June 8th conversation" -- this is
4 the second e-mail -- "I asked Don Clemmer to follow up
5 with Nate Paul complaint as our office would do any
6 other complaint. I was copied on the e-mail
7 communication."

8 And it's -- and then you're receiving a
9 call from General Paxton regarding a second complaint.

10 Were you aware whether or not those were
11 being filled out, filled out completely --

12 A. No.

13 Q. -- and sworn to?

14 A. I know now there's been some talk about that,
15 but I don't think I knew that at the time.

16 Q. Would that be your expectation, especially if
17 you're taking a complaint in from a citizen and were a
18 businessman, that they verify, you know, that they're
19 not doing this to gain -- I know one thing we did is to
20 have them swear that they're not making this to gain
21 any advantage in the civil suit.

22 A. Right. Okay. I am not aware of -- and
23 even -- I've been in the public integrity unit. I
24 don't remember -- I do believe in the public integrity
25 unit there was an intake form of some sort for people

1 to fill out and make their complaint, and then that
2 would get forwarded to us to review. In this situation
3 I don't know if -- you know, by that time -- that was a
4 long time ago, so I don't know if we were doing
5 something different back then. But, sure, I would
6 think there would need to be some formal paperwork.
7 Even now we have a formal intake form that we use in
8 our full case unit.

9 Q. Now, I'm going to show you -- these are
10 documents that actually I obtained from the Office of
11 Attorney General's response --

12 A. Okay.

13 Q. -- to the allegations. And, first of all, do
14 you know who authored that, or was it a group of office
15 of Attorney General employees or attorneys that put
16 together the 300-and-some-odd-page response?

17 A. No. I --

18 Q. Not the Lewis Brisbois attorney/client
19 response. That's something different --

20 A. Okay.

21 Q. -- that was just placed on the website.

22 A. No, I'm -- yeah.

23 Q. You don't know who --

24 A. I'm so far down the totem pole over there.

25 Q. That could be a good thing, Mindy.

1 A. They would not run that by me.

2 (Simultaneous speaking)

3 Q. That's where I want to be. Okay. So these
4 were provided in there.

5 A. Okay.

6 Q. And you can go ahead and go through them and
7 just see if you were cc'd or you were aware of these
8 two complaints coming in from Nate Paul and whether or
9 not they appear to be sworn to.

10 A. Okay. I've seen this before. I didn't know
11 we were still using that.

12 Q. Okay. So you have seen this before since they
13 were reporting --

14 A. We requested --

15 Q. This is your questionnaire. Is it filled out?

16 A. Uh-huh. I see his signature, Nate Paul.

17 Q. Okay. And under the signature --

18 A. It's not sworn.

19 Q. -- is there a place for it to be notarized?

20 A. Yes.

21 Q. And if this is your form, would you expect it
22 to be notarized?

23 A. Well, sure.

24 Q. Okay.

25 A. Those are on -- it's on there for a reason,

1 so, yes, I would.

2 Q. Okay. And this is probably blocked out for
3 privacy --

4 A. Okay.

5 Q. -- and confidentiality concerns by the OAG.

6 A. Okay.

7 Q. But there's a second complaint, is there not,
8 with the --

9 A. And I am sure I was probably cc'd on these at
10 some point, but I had full faith in Don Clemmer and --
11 okay.

12 Q. And is that one sworn to? It may be before
13 the written summary.

14 A. No.

15 Q. Okay. So if these were coming to you and you
16 were to bless off on them and, you know, somebody
17 assigned that to you, would you expect that they would
18 at least swear to it?

19 A. Sure.

20 Q. Okay. And the reason for that is --

21 A. To make sure they're true and correct.

22 Q. That they're saying it's true and correct?

23 A. Right. Which is -- I mean, I did the same on
24 my affidavit, so --

25 Q. Yes. Okay. So you think you may have seen

1 these?

2 A. Oh, a courtesy copy e-mail, right.

3 Q. Okay. But not a deep dive into it --

4 A. No, no, no.

5 Q. -- because was the intent that this paperwork
6 would then be given to the OAG --

7 A. Right, right.

8 Q. -- since they were going to do the
9 investigation?

10 Okay. Now, let's go on to -- you're
11 rocking along and your office is now recusing itself,
12 correct? I mean, it's not your investigation?

13 A. Right. No, right, right.

14 Q. Right. And even though you might have had a
15 conflict if you had taken it on --

16 A. Sure.

17 Q. -- as your investigation, I know -- you know,
18 represent all these agencies.

19 A. We work with them all day, right, right.

20 Q. What was your expectation that if he, meaning
21 General Paxton, got to the point where they wanted to
22 go forward with it and, say, hypothetically Lisa Tanner
23 was going to be leading the charge, how would they gain
24 access to subpoenas?

25 A. They would use our grand juries.

1 Q. Okay.

2 A. Sure.

3 Q. Okay. And would you expect that if the
4 subpoenas were done that they would sign it as a
5 special prosecutor?

6 A. I would assume so.

7 Q. I mean, how would they be a special prosecutor
8 if they're not associated --

9 A. Right.

10 Q. -- with --

11 A. Because we weren't really asking them --

12 Q. -- the district attorney's office.

13 A. -- to assist. We were giving it to them. So,
14 then -- no, I think they would be coming over, I
15 guess --

16 Q. Outside counsel?

17 A. -- on their own just like we do our
18 investigations. We bring our own, you know, subpoenas
19 and things to whatever grand jury is appropriate.

20 Q. Right. Correct. So did you know or were you,
21 as the first assistant, given a heads-up, or
22 Margaret Moore, that, "Oh, by the way, we have now
23 assigned this to Brandon Cammack, the learned five-year
24 attorney that's going to be investigating all these
25 agencies in this complex matter, and that he's going to

1 be needing y'all's assistance for grand jury
2 subpoenas"?

3 A. Right. It was actually the reverse of that.
4 I mean, I think I say it down here. And I can't
5 remember who contacted me. Let me see. I can't
6 remember if I received a call from our Grand Jury
7 division.

8 Somebody notified me that Brandon Cammack
9 was wanting to obtain these grand jury subpoenas. And,
10 again, we use the AG's office for a lot of different
11 cases. So I remember calling Don, "Do you know
12 Brandon Cammack?" And he doesn't know Brandon Cammack.

13 So then Don was innocently calling over
14 to the AG's office to kind of say, "Which case is he
15 on," you know, like it could be anything. It could be
16 any of our cases.

17 Q. Uh-huh.

18 A. And that was when it just really got crazy
19 because, as I recall -- I may have to look back through
20 this, but --

21 Q. Yeah, go ahead.

22 A. -- the way I remember it is it got to be a
23 blowup. I mean, you're having the AG's office tell
24 Don Clemmer, "We don't even know who that guy is. Are
25 you crazy? He has no business being in there. We've

1 not hired him. Get him out of grand jury."

2 Q. Now, who was this --

3 A. I think that was -- I thought that was
4 Mark Penley or David Maxwell.

5 Q. Okay. And I think you've this in here that --

6 MR. McANULTY: Well, it just says the
7 Attorney General.

8 A. Yeah, I think the OAG. I probably wasn't sure
9 who -- I assumed it was Maxwell because that's who Don
10 was talking to, I believe. And so I believe -- they
11 had told us to -- "We need to get those motions -- we
12 need to get those subpoenas quashed right away and --
13 and he's not to have any access to grand jury."

14 So we -- Don is -- his hair is on fire
15 trying to make sure that gets done, and then -- and
16 let's see. And then we didn't know that he had already
17 gotten -- it looks like he had already gotten some
18 subpoenas that we weren't aware of, but --

19 Q. Now, I understand that he may have been
20 working as a courtesy, Brandon Cammack, with
21 Amy Meredith --

22 A. Okay.

23 Q. -- who -- was she over public integrity at the
24 time?

25 A. She was.

1 Q. And then I believe there was an executive
2 assistant or some -- a secretary that was assigned to
3 grand jury that was kind of, you know, doing
4 whatever --

5 A. Right.

6 Q. -- to shepherd the template through --

7 A. Right. That makes sense.

8 Q. -- and get them out to him? So -- but had Amy
9 Meredith reached out to you about, you know --

10 A. She may have been the -- you know, I don't
11 remember who told me -- I don't remember who called
12 about Cammack. But I know Amy would have been included
13 on the conversations that we had, you know, with Don
14 and -- when we're trying to all figure out what's --
15 what's going on, "Who is this guy," especially once we
16 heard -- I mean, we didn't think anything until the
17 AG's office says, "What? No, he's not hired. He
18 doesn't have our authority."

19 And so then Don calls and tells me that,
20 and I'm, "You're kidding. Wow. Okay." And, "What are
21 you doing to stop it?"

22 And Don is like, "We're on it. We're
23 getting -- we're going to get these quashed. We're
24 talking to Geoffrey Puryear." And so that's kind of
25 how that went.

1 Q. All right. So here you have somebody at the
2 AG's office, and it definitely wouldn't have been
3 Ken Paxton --

4 A. No, it was not Ken Paxton.

5 Q. -- because he had a different view --

6 A. Yes, he did.

7 Q. -- of the contract with Cammack. So did
8 somebody make an effort, you know, as you're saying,
9 you know, hair's on fire --

10 A. Right.

11 Q. -- and, you know, they're trying to do motions
12 to quash, they're trying to, you know, "How do we
13 unring the bell?" Did you or anybody call the man
14 himself and say, "Wait a minute. We're in the process
15 of quashing and people in your office are saying" --

16 A. Are saying one thing.

17 Q. -- "they don't know who this man is"?

18 (Simultaneous speaking)

19 A. He called me. It was either because he -- he
20 called me first or it was -- you know, I don't know why
21 I didn't reach out other than maybe I --

22 Q. This is where you're saying --

23 A. I truly believe that he reached out.

24 Q. -- on September 1st he's calling you?

25 A. Right.

1 Q. But I guess everything in --

2 (Simultaneous speaking)

3 A. This is in September. I think I just
4 trusted -- I mean, Don Clemmer has got it. I'm not
5 going to --

6 Q. Yeah.

7 A. -- stir it up, you know, right? No, it's
8 like, "Okay. You've got it. You've quashed these
9 subpoenas. I don't know what the heck is going on over
10 there, but I've got other stuff going on over here
11 too."

12 Q. Right. So it's not like, "Wait a minute.
13 It's my -- I've got to call" --

14 A. Right.

15 Q. -- "General Paxton" --

16 A. No.

17 Q. -- and say, "What's" --

18 A. "Get ahold of your people." No.

19 Q. Yeah.

20 A. Yeah, no. I think I thought, "Don Clemmer has
21 got a hold on this. They're getting quashed." And
22 obviously we want to figure out where the breakdown
23 went, but it sounds like something is going on in their
24 office.

25 Q. Yeah.

1 A. And all I knew is we got this guy out of our
2 grand jury. I mean, that was easy done, he's not going
3 back, and, you know, he didn't have authority to be
4 there, then get him out. And that's been taken care
5 of, move on to the next fire, you know.

6 Q. Okay. So did the next fire come when
7 you're being --

8 (Simultaneous speaking)

9 A. I meant next fire in our office because it was
10 like every day there's 50 fires, you know.

11 Q. Right. Your hair is on fire daily.

12 A. Right, constant.

13 Q. So let's talk about General Paxton calling
14 you --

15 A. Okay.

16 Q. -- and this idea that he wanted to go into
17 court himself and --

18 A. Wanted to be heard.

19 Q. I'm sorry?

20 A. He just said, "I would like to be heard by the
21 judge."

22 Q. Right. So that means the General himself
23 wants to go into, I guess, Judge Puryear's court and
24 try to protect and say Brandon Cammack does have the
25 authority?

1 A. Yeah. And it was --

2 Q. Tell us about that.

3 A. You know, it was obviously strange to hear
4 this. But, again, not knowing everything you know now,
5 I'm hearing this going, "Wow. They have got some major
6 communication breakdown going on in their office,"
7 because here is the Attorney General telling me he
8 absolutely had authority, they knew he had the
9 authority, they've reviewed his contract. I mean, that
10 was the way I remember him telling me. And I --

11 Q. This is --

12 A. Paxton.

13 Q. -- his viewpoint?

14 A. Paxton is telling me this.

15 Q. All right.

16 A. So then I'm thinking -- and, actually, I guess
17 this was around October 1, but when you asked me why I
18 didn't call him, I really feel like this happened
19 simultaneously because I was trying to get ahold of
20 Judge Puryear at General Paxton's request because
21 Paxton gives me a different story. And --

22 Q. Yeah. Well, we need to get the date that the
23 motions were quashed.

24 A. Right. Because I --

25 Q. I think that would help.

1 A. I think that's around the same time because,
2 otherwise, I wouldn't have even thought I had a chance
3 to stop Judge Puryear, you know, because he's saying,
4 "If they haven't been -- if that motion to quash hasn't
5 been signed yet I want -- I want to be heard or at
6 least please let Judge Puryear know that he did have
7 authority to act."

8 So I feel like it was kind of
9 simultaneous. So I remember trying to get ahold of
10 Judge Puryear and I -- I either talked to Judge Puryear
11 or somebody told me, "He's already signed them. It's
12 done."

13 So then that's when I call him back and
14 say, "They've already been signed. There wasn't an
15 objection, so he didn't think it was a big deal."

16 I think I talked personally to
17 Judge Puryear, and then I let him know, "It's already
18 been signed and I'm sorry. There's nothing, you know,
19 you can do."

20 And he just, you know --

21 Q. Let me give you a hypothetical situation here.

22 A. Okay.

23 Q. You say on that paragraph that he has called
24 you, and this is regarding the authority of Brandon
25 Cammack. General Paxton is -- this is like

1 mid-paragraph -- immediately stated that Mr. Cammack,
2 did, in fact, have authority to act; that his senior
3 staff had been in on the decision to hire Cammack and
4 that his staff assisted in drafting the contract to
5 hire Mr. Cammack.

6 Now, let's just kind of look at that.

7 Did you have any knowledge that there
8 were senior staff on the DocuSign document that needed
9 to sign off on the contract itself --

10 A. No.

11 Q. -- that refused to sign that said, "I'm not
12 going to sign"?

13 A. No.

14 Q. Did you know that the contract did not even
15 have a number in the system --

16 A. No.

17 Q. -- that the only signature on there, which is
18 not normally on there, is General Paxton and the
19 attorney, Pax -- I mean, Cammack?

20 A. No, I didn't know any of that.

21 Q. So the way it's being said to you by General
22 Paxton, are you of the opinion that everybody, senior
23 staff, they are onboard, we're -- we're as one with
24 Cammack having authority?

25 A. I mean, it sure seemed like it. He was also

1 frustrated saying, you know, can you believe -- I mean,
2 I'm paraphrasing, but it was something, you know, can
3 you believe that they would -- and I don't know who
4 "they" was.

5 You know, when he referred to senior
6 staff, it was -- I just pictured it was, you know,
7 maybe his exec staff, just like we had, you know. And
8 it seemed to me he had at least run it by them and
9 maybe they had reviewed it.

10 And I think he expressed frustration at
11 some point in that call saying, you know, I can't
12 believe my staff would lie. Like I think he actually
13 used those words, like they are lying to me or they are
14 lying.

15 And I remember thinking, wow, I mean,
16 that's pretty incredible. And, I mean, my -- whether I
17 expressed this to him or not, my opinion after that
18 phone call was -- and I have had discussions with
19 Margaret and Don about this.

20 I mean, there were a lot of times I
21 disagreed with Margaret on -- not a lot, but there were
22 some times I disagreed with Margaret. I would tell her
23 what I thought, that she's the elected and if that's
24 what she's doing, I'm going to go through with it.

25 Now, obviously, I'm not -- not if it's

1 violating law or something like that, but --

2 Q. Ethical, illegal --

3 A. Right. Yeah, yeah. But to me, it sounded
4 like insubordination. I mean, it was like wow.

5 Q. Not like you have no idea if people might have
6 been saying this would be illegal?

7 A. No, I didn't, no.

8 Q. Okay.

9 A. I had no idea what the turmoil had been. So
10 I'm coming from this phone call as, man, they --
11 something crazy is going on over there.

12 I mean, you know, we're hearing one thing
13 and then we're hearing something else and it just seems
14 like this communication breakdown and -- and they don't
15 agree with what he's doing and he's doing it anyway.

16 Q. Yeah. So when you talk about the people that
17 he's saying -- that you recall he might have been
18 saying they are lying if they are saying, you know, he
19 doesn't have authority or they didn't sign it or agree
20 to it, did you know personally some of the top staff,
21 like David Maxwell?

22 A. I knew of him. I met him, yeah.

23 Q. You knew he had been a Texas Ranger --

24 A. Yes.

25 Q. -- we had dealt with him in Harris County.

1 Mark Penley, did you know him?

2 A. I had just met him, thought he was a great
3 guy, but very brief -- I mean, now, of course, I know
4 all of their résumés, their experience and
5 qualifications. But I just thought he was a very
6 friendly, nice person.

7 Q. Okay. Did you know the first assistant there,
8 Jeff Mateer?

9 A. Just by name.

10 Q. Okay. So you didn't know about, you know,
11 credibility or --

12 A. Or knew who he was.

13 Q. -- what have you?

14 Okay. So I was trying to find -- I'm
15 sure it's changed. I had the organizational chart
16 here. But, anyway, I'll get back to it.

17 So you didn't know that, you know, these
18 people had been handpicked and, you know, their
19 qualifications and --

20 A. I knew David Maxwell because Margaret -- and
21 also Margaret, I think, had worked with some of these
22 people when she was at the U.S. -- or the AG's office.
23 So she had said, you know, good things about them.

24 And Penley, actually, General Paxton had
25 told me all kinds of great things about Penley and

1 that, you know, he had brought him onboard and he, you
2 know, thought he was terrific.

3 Q. Okay. So the quashing is going on, the
4 conversation with Paxton.

5 And then at this point are you hearing
6 from him again after you basically say it's a done
7 deal, the motions to quash have been signed, there is
8 no way for you to be heard?

9 Regarding this matter, does he contact
10 you again?

11 A. I think he did. But Margaret at some point in
12 between all this had issued basically a policy that we
13 were not to have any further contact with the AG's
14 office -- or I don't know if it was the AG's office or
15 General Paxton. I can't remember.

16 But she just wanted all communication to
17 cease. And so I believe he had reached out, but I did
18 not return the call, which I felt horrible about, but,
19 I mean, that was what Margaret had told us to do.

20 And I want to say Brent Webster had
21 reached out to me when he became first assistant. And
22 so I did take that call and then that was really it.

23 Q. Do you remember what he was calling in
24 reference to?

25 A. To let us know he is the new first assistant

1 and he had some questions about the statute, maybe, and
2 kind of some background on how the case got from our
3 office to their office.

4 Q. Okay. So did he ask for a statement from you
5 or --

6 A. No. And I knew Brent before. I mean, I had
7 known him from the prosecutors' world.

8 Q. Okay.

9 A. So it was just a very much like a, hey, I'm
10 taking this role. And I don't even know -- I think he
11 was really just asking for a little bit of background
12 information and --

13 Q. Nothing that was a red flag or anything that
14 made you go, wait a minute, this is what General Paxton
15 wants to know --

16 A. No.

17 Q. -- I can't talk to him --

18 A. I took it as he's like right in the frying pan
19 and really swimming. Like, oh, my God, where are my
20 floaties. You know, I think he just had a lot going on
21 and wanted to try to understand a couple of key points
22 about it, about the investigation. And then -- it
23 wasn't a long call, by any means.

24 MR. McANULTY: Real quickly, how did --
25 tell me how you knew Brent.

1 THE WITNESS: He had been a prosecutor
2 with the Williamson County DA's office or county
3 attorney. I think both. And just from TDCA functions
4 and the courtroom. And then I think he also ran for
5 office. When I was on the defense side, I think I had
6 to probably negotiate cases with him as a prosecutor.

7 MR. McANULTY: All right. Did you have
8 a -- this is a hard question to ask. But what kind of
9 impression did you have of him?

10 THE WITNESS: Of Brent? You know, I
11 think Brent is -- he is loyal to the cause. We
12 definitely have different politics. He was always very
13 friendly to me. You know, I don't -- we didn't engage
14 socially, but, you know...

15 Q. What is the cause you say he is loyal to?

16 A. Oh, I just mean he is --

17 Q. I mean, he is very loyal to Ken and --

18 (Simultaneous speaking)

19 A. Well, I mean, you know, we created a Sanctity
20 of Life holiday in our office when the abortion case
21 was -- I mean, I just -- he's very -- he is a true
22 believer in, you know, the conservative movement.

23 Q. All right.

24 A. And -- and he tolerates my Ann Richards photo
25 in my office and --

1 Q. You be you and I'll be me --

2 A. Right, right.

3 Q. Okay.

4 MR. McANULTY: And how was his
5 performance in Williamson County? Were there any
6 problems as a result of something he didn't do
7 correctly?

8 THE WITNESS: I read an article about
9 forfeitures. I had never heard that until recently.
10 There wasn't anything going around about that. No, I
11 mean, I don't --

12 MR. McANULTY: Do you know how Kenneth
13 Paxton came to --

14 (Simultaneous speaking)

15 THE WITNESS: Oh, I was shocked when I
16 got that call. I thought that is a random selection
17 for a first assistant just because I have always known
18 Brent in the criminal justice world. Now I know he has
19 a lot of civil experience, but I did not know that.

20 So I thought it was an unusual pick for a
21 first assistant, especially with so much stuff going
22 on. It just -- it was an unusual pick for me, but, you
23 know, I don't know how -- maybe they knew each other.
24 I don't know.

25 MR. McANULTY: Sorry to interrupt you.

1 Q. All right. Well, you talked about there was a
2 time when the DA, Margaret Moore, said, you know, this
3 relationship with these issues and with Kenneth Paxton
4 are ceased. Would that be --

5 A. Right.

6 Q. I'm going to show you -- this is Page,
7 actually, 39 and Page 40 that comes from the office of
8 the Attorney General's response. But it seems to
9 have -- and I don't have the whole letter -- but it
10 seems to be that this is Margaret Moore's response. I
11 want you to look that over and see and then it
12 continues on the second page.

13 A. Okay.

14 Q. The big finale.

15 A. Yes.

16 Q. Okay. So it appears that after this, we'll
17 say blew up, became public that Kenneth Paxton went
18 before the media either saying things about the
19 whistleblowers or the origin of the complaint. And
20 let's talk a little bit about this.

21 First of all, did you assist her in
22 putting this together?

23 A. I assisted in watering it down.

24 Q. Okay. Well, let's talk about that.

25 It was -- would it be fair to say that

1 she had some visceral response?

2 A. She was not happy. I --

3 Q. What do you think -- and I don't want to
4 speculate, but you know her and you know the situation.
5 It was a bit like grenade being logged in.

6 What were the feelings that your office
7 was having --

8 A. I think she really felt, wait a minute, we
9 could have dumped this from day one, but we went out on
10 a limb because we -- you know, we had a partnership
11 with your agency, you had helped us, we wanted to
12 return the favor.

13 And when I say that, I mean, we wanted
14 to -- you know, if you asked us to listen to somebody,
15 we're going to listen and take it seriously and do our
16 job.

17 But I think she felt we had gone above
18 and beyond on this one and that the way his comments in
19 the media came out, it almost made it sound like he was
20 hiding sort of the shield that, well, Margaret Moore in
21 the DA's office believed in this case enough to refer
22 to it.

23 Q. It's your referral --

24 A. Right. Right. So quit picking on me because
25 they thought it had merit.

1 Q. Yeah.

2 A. Right. So she really did not like that. And
3 I'm sure he wishes -- I don't know this, but --

4 Q. Well, is it true, I mean, that y'all packaged
5 it to give to him with the blessing of it being a
6 credible --

7 A. I think if he had just worded that a little
8 differently, this might not have gone out. You know, I
9 think when he -- if he could have just said, you know,
10 I asked the DA's office to look into this. They
11 referred it back and under this statutory authority, I
12 have asked my office to look into it. I mean, that's
13 all factually based.

14 Q. Right.

15 A. But to go that extra mile and make it seem as
16 though, gosh, thank you so much for taking this
17 complaint, you know, that we brought you. I mean,
18 that's where Margaret thought, oh, no, no.

19 And her original letter was -- and she
20 admitted it. I mean, she said, look, this is hot off
21 the press. This is what I want to say, but clearly
22 this is not what I'm going to say. So, you know, pull
23 it back. And this was a happy medium.

24 Q. But even at the end, it's still -- it's a
25 strong letter.

Transcript

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1 A. My version did not -- she did not take all of
2 my edits.

3 Q. But she has your opinions --

4 A. Yeah.

5 Q. -- and, you know --

6 A. Yeah.

7 Q. And so you worked on this with her?

8 A. Yes, I did.

9 Q. And this was the template, your watered down
10 version of --

11 A. If you can call that watered down, it's
12 watered down.

13 Q. It's still strong.

14 A. Right, it is.

15 Q. Okay.

16 MR. McANULTY: Did he respond to that?
17 Did he tell you something?

18 THE WITNESS: No. I mean, the last time
19 I spoke with him was, I believe, over the motion to
20 quash. And I think by her saying, "I have instructed
21 my staff not to reach out," he probably understood
22 that, that if he called us we weren't going to be able
23 to talk to him.

24 MR. McANULTY: But there wasn't a
25 personal call --

1 THE WITNESS: No, no.

2 Q. Okay. Let me ask a few questions that -- I
3 think we have pretty much covered that. If there is
4 anything I didn't ask about, let me know. So --

5 A. And may I -- now I'm thinking about that last
6 question you just asked. If he reached out, I never
7 responded. So I don't -- there was one call, but I
8 don't remember what day that came in. So I want to be
9 clear on that. I didn't return it. And I don't
10 remember if that was pre that statement going out or
11 not. I don't remember when that was.

12 MR. McANULTY: But what would it have
13 been, voicemail?

14 THE WITNESS: Maybe. I don't recall.
15 Sometimes -- a lot of times, his call would show as
16 unknown, so I wouldn't know it was him.

17 Q. Because we are -- we subpoenaed records --

18 A. Right. It should be in there, then. Yeah.
19 It's either a voicemail or it will just show a call.
20 And I don't know when that was, but I didn't return it
21 because Margaret had already told us no communication.

22 I think it was before that letter because
23 I actually thought that was why she included that in
24 the letter so he would know I'm not trying to avoid the
25 Attorney General of Texas, but I have been told not to

1 call you back, so...

2 MR. McANULTY: Did you ever have his cell
3 number?

4 THE WITNESS: Yes.

5 MR. McANULTY: Only one or do you know?

6 THE WITNESS: I don't know.

7 MR. McANULTY: Is there something that
8 you still have that you could look at and tell us?

9 THE WITNESS: Let's see. I know I gave
10 this to the FBI. I have one number. Do you want that
11 number?

12 MR. McANULTY: Yes.

13 THE WITNESS: REDACT .

14 MR. McANULTY: And I'm sorry, I forgot to
15 ask you something in the very beginning. Erin probably
16 has your phone number, but I don't --

17 THE WITNESS: You might have it now,
18 because I think I texted y'all earlier.

19 MR. McANULTY: Okay.

20 THE WITNESS: Yeah, I can give it to you.

21 MR. McANULTY: Okay. Go ahead.

22 THE WITNESS: REDACT .

23 MR. McANULTY: Oh, okay. Yes, I have it,
24 now that I see it. Because when I saw who it was, I
25 attached your name to it. Okay. Thanks.

1 Q. All right. Next question. How did this
2 affidavit -- what's the genesis?

3 A. So in the middle of all of this -- and I think
4 it was September 29th, because I looked that up -- I
5 guess it would have been September 29th of 2020. It
6 had to have been, yes. September 29, 2020.

7 I had been working on an idea of a cold
8 case unit, a statewide cold case unit and had kind of
9 been playing around with it in my head for months,
10 probably a year, and had kind of put the structure
11 together and wasn't sure where it would belong. I
12 still don't.

13 I still think there needs to be a
14 nonprofit facility. So I was thinking, you know, at
15 some point I would like to pitch this to DPS or maybe
16 even the AG's office. And now that I have a contact in
17 the AG's office, obviously, maybe I can run it by
18 General Paxton.

19 Angie Ayers, who was the -- one of the
20 yogurt shop family members, really thought that was a
21 great idea and Ron Lara, who had collaborated, he was
22 the sergeant of APD cold case and he thought it was a
23 great idea because our collaboration had worked so
24 well, that we all kind of put this PowerPoint
25 presentation together.

1 And I said, well, I might be able to get
2 it before the AG's office for consideration. And so I
3 actually asked General Paxton if I could meet with him
4 about this idea.

5 And I don't remember when that -- I can
6 find that out, but it was prior to September 29.

7 Q. Right before it hits the --

8 A. Yeah, none of this -- you know, at this point
9 I'm like, hey, remember when we helped you out with...

10 No, no, no. It was more like, you know,
11 I think your office would be a great place for this.
12 Honestly, I didn't even think of the timing. I sort of
13 thought it would be a great place for me to land, but
14 at the same time I wasn't sure if -- well, I didn't
15 know how long it would take for something like that to,
16 you know -- but I thought it was a great idea.

17 And that really is where my passion lies.
18 So we put a PowerPoint together. We -- I brought it to
19 General Paxton. He thought it was an excellent idea.
20 And he said, you know what, I want you to pitch this to
21 my exec team and I want to hear what they have to say.
22 We run everything by exec. It's great.

23 I mean, I'm telling you he really -- the
24 way he talked about his office, I think that's why I
25 was so shocked in that phone call when he told me they

1 did know about this and they are lying, because when I
2 first talked to him about the cold case unit he
3 thought, oh, my gosh, my exec is so wonderful, they are
4 the most amazing people and I want them to hear this.

5 And he talked about Penley and how
6 talented he was. And he said, would you mind coming
7 and pitching it at one of our weekly meetings. I went,
8 oh, my gosh, we would love that and I'll bring Angie
9 Ayers and Shawn Ayers, who is Amy Ayers, one of the
10 victim's brothers, and then Sergeant Lara and we will
11 do our presentation.

12 And so we did that presentation on
13 September 29. And we were in that exec room with all
14 of these people and they could not have been nicer. It
15 was -- they were all so welcoming. I think Lisa Tanner
16 was on the speakerphone and --

17 MR. McANULTY: Blake Brickman --

18 Q. Well, let me --

19 A. It seemed like, you know, again, I know Penley
20 was there because we talked for a moment.

21 Q. Was David Maxwell there?

22 A. I don't remember if David was there or if he
23 was on the phone. I know -- and that's horrible of me
24 not writing down everybody in there at the time, but we
25 didn't know what to expect when we walked in. We

1 didn't know if it would be three people or --

2 Q. Okay. Here is an old organizational chart.

3 A. Okay.

4 Q. And these are closest where it might be easier
5 to read --

6 A. Okay.

7 Q. -- you know, who would have been in that
8 meeting that he considered his trusted executive staff.

9 A. Gosh, it was so long ago. I mean, now I know
10 these names.

11 Q. If you don't remember, it's fine if you don't.

12 A. Well, it's a problem because now I know these
13 names, you know, I can put faces to names now. Back
14 then I --

15 Q. Okay.

16 A. Maybe like Ryan Vassar, Mark Penley, Ryan
17 Fisher, possibly. You know, it was a good group.

18 Q. Okay. Yeah.

19 A. It seemed like it was the top of the top.

20 Q. It was assembled by --

21 A. It was their normal meeting. He said that we
22 have these every whatever day that was, every -- let's
23 say it's Thursday. Every Thursday we do a session
24 where we pitch new ideas, and this will be the one we
25 do for that month and they will love it. I mean, love

1 that you're coming in.

2 So we came in and we pitched it. The
3 reception was great. Mark Penley couldn't have been
4 nicer and more supportive. I mean, he said, we have
5 got to make this happen. This is -- this is too
6 important. We just don't have the funding, but, yeah,
7 this is fantastic.

8 So it really was like what a great
9 meeting, you know, and the Ayers were so excited, you
10 know, had their picture made. It was a really good day
11 and just to think that that idea might go somewhere.

12 And then, of course, you know, a few
13 weeks later all of this stuff happens and everybody who
14 was in that meeting was gone. So I thought I think
15 that idea is probably gone, so just didn't think much
16 more about it.

17 I think I did end up meeting with DPS
18 and the Rangers and kind of pitched that idea to them,
19 too, but I think they felt they already had a cold case
20 unit with their Rangers.

21 Q. So the affidavit --

22 A. Sorry. So the affidavit -- okay. So then
23 fast forward, when Josh Reno, who had been in our
24 office, goes and takes his current job, which was
25 director of criminal justice, he contacts me shortly

1 after he starts over there. And he says, did you come
2 over here and pitch some cold case ideas at some point?

3 And I said, yes, I did, but I thought it
4 was pretty much dead.

5 And he said, well, you know what, they
6 actually liked it and there is some talk about starting
7 it. We don't have a lot, but we could bring you on to
8 build it and then build the unit. Are you interested?

9 And, of course, I'm like, you know, yes.
10 I mean, that's my dream job. And it's so needed. And
11 the Ayers were just, you know -- and the Ayers family
12 was thrilled.

13 And it just -- it seemed like a great
14 idea. Now, he, you know, still wanted me to apply for
15 it, so I had to go through an application process and
16 an interview. And --

17 Q. So now you're applying to the OAG. And has
18 Margaret already lost the election?

19 A. Margaret had lost. And they had pushed the --
20 well, she was in a runoff. And so they pushed it to
21 like July, I want to say, because of COVID, not that
22 that is relevant. So I think at this point she had
23 lost and we were beginning to transition over.

24 She -- when I asked her, what do you
25 think -- you know, I know all of this stuff has gone

1 down now. How is this going to look? But this is
2 truly my dream job, I mean, like to work on cold cases
3 all the time and it's important work.

4 And she knew how passionate I was about
5 it. Everybody knows. They're like, please quit
6 talking about cold cases, you know.

7 So Margaret said, you know what I would
8 do -- and I thought it was great advice. She said, put
9 down everything you know right now in an affidavit and
10 swear to it and you give it over to the FBI, because
11 you don't want to ever at some point be accused that
12 there was some quid pro quo or improper motives, you
13 know, for you or him to come to the office. And that
14 way, you know, you have got everything memorialized.

15 I did take her advice. I thought it was
16 great advice. Obviously it's helpful now because I
17 wouldn't have remembered half of this stuff. So I turn
18 it over to the FBI.

19 Q. Is this after they contacted you?

20 A. We had already been contacted by the FBI and
21 had been cooperating, you know, just they were asking
22 for -- we interviewed with them.

23 Q. When you say "we," it's you and Margaret --

24 A. Margaret, Don, yeah, people in our office.

25 Q. Okay.

1 A. And so I just, you know, called them up and
2 said I wanted -- I actually told them, I believe I'm
3 going to take this job, and I just want to give this
4 over so somebody has this because, you know, I don't
5 want to ever be accused that there was some improper
6 relationship then and I'm going over there with true
7 motive. And so I did that and I never showed it to
8 anyone until you have it.

9 Q. So does Ken Paxton know it exists?

10 A. He knows it exists. I don't know that he
11 knows. Brent Webster knows it exists, and Josh Reno.
12 I told them.

13 Q. Has he asked for a copy?

14 A. I think originally when I told them I had
15 prepared a statement, Brent asked me for a copy. But I
16 told him, well, the whole reason I did that is to kind
17 of protect the integrity of it. So I would prefer not
18 to turn it over. And he said, that's fine.

19 Q. There was no pushback about that?

20 A. None.

21 Q. So any written statements that you have given
22 to DPS or to FBI or to the U.S. Attorney's office?

23 A. I don't think I have ever given a written
24 statement other than this.

25 Q. So it's just they interviewed you?

1 A. Right.

2 Q. All right. And -- okay. So that's where that
3 statement came from.

4 And, to your knowledge, the -- General
5 Paxton has not seen it?

6 A. I mean, I don't know how he would because the
7 only people I gave it to were the investigator for the
8 Public Integrity Unit, Paul Burgess, who I sent it to,
9 and then I turned it over to the FBI agent. And I
10 believe Margaret and Don reviewed it before I signed it
11 just because I was trying to make sure I was accurate.

12 Q. Yeah. Very detailed, very detailed.

13 Have you ever met Laura Olson?

14 A. I don't know. The name doesn't sound
15 familiar.

16 Q. Okay.

17 A. Laura Olson?

18 MS. CAMERON: Dan, do you want to pull up
19 the picture or --

20 MR. McANULTY: Did you show it -- oh,
21 here.

22 MS. CAMERON: From the New York Post.

23 MR. McANULTY: I see, yes. Yes. It's
24 not loading.

25 Q. Let me see if I can get it to load.

1 A. Is she a reporter or --

2 Q. No. There is about three pictures, one with
3 the lieutenant governor, one with --

4 MR. McANULTY: This is kind of
5 a black-and-white close-up. And you don't know who she
6 is?

7 THE WITNESS: I mean, I feel bad because
8 if I'm supposed to know her --

9 MS. CAMERON: That's -- that's the --

10 MR. McANULTY: No, she's asking who the
11 girl -- is she supposed to know who the girl is.

12 Q. No. I'm just asking you is she anybody you
13 have seen at the AG's office?

14 A. Oh, at the AG's office.

15 Q. Or with General Paxton?

16 A. No. I mean, you know, on Facebook I have like
17 thousands of friends. I don't know if I'm friends with
18 her or not, but it's not a close friend. I don't
19 believe I have seen her.

20 Q. Okay. Michael Wynne, you just met him on the
21 lunch?

22 A. At the lunch.

23 Q. And you have not seen him or talked to him
24 since?

25 A. I feel like he called us a couple times, kind

1 of where are things and -- he was an interesting
2 person.

3 Q. Have you seen him come into the office or Nate
4 Paul come into the office?

5 A. No.

6 Q. Since you have been there, but then --

7 A. Oh, do you mean the AG's office? No, I'm not
8 over there.

9 Q. So you are not seeing who might come to the
10 8th floor?

11 A. No.

12 Q. We're trying to assess who may currently be at
13 the AG's office that we may need to reach out to.

14 And is James Coggeshall still there? He
15 did open records.

16 A. I don't know him.

17 Q. Doesn't sound familiar.

18 Do you know forensic experts, Erin
19 Mitchell or Les St. James?

20 A. I know Erin.

21 Q. Okay. Is Erin still there?

22 A. Uh-huh.

23 Q. Okay. And Amy Meredith is still there?

24 A. She's still there.

25 Q. Do you have any reason to know if she would be

1 able to shed light on anything in particular other than
2 maybe --

3 A. The only --

4 Q. -- the grand jury subpoenas?

5 A. At some point I want to say that -- and,
6 again, Margaret would be the best person to ask. But I
7 believe at some point Margaret was thinking about
8 investigating the Whistleblower action. And I don't
9 remember under what authority.

10 But I remember I didn't necessarily agree
11 with it, because I felt like we were kind of
12 conflict -- I mean, you know, we were now witnesses in
13 this whole thing. It just felt like let somebody else
14 deal with that. This is about the same time she was
15 writing the letter that --

16 Q. Oh, this was before she knew that the feds
17 were going to get involved and --

18 A. Right. I think probably so. And I think she
19 just felt they were wronged and, you know, needed to
20 look at it.

21 At that point, I kind of said, you know
22 what, we have got so much going on with this
23 transition -- and there was just a lot going on -- that
24 I kind of pulled back from all of this.

25 And Amy Meredith and Don Clemmer and

1 maybe Greg Cox started having more frequent
2 conversations with Margaret about all of this. That
3 would be the only thing if you were trying to fill in
4 anything --

5 Q. Uh-huh.

6 A. -- from the Cammack thing --

7 Q. Yeah.

8 A. -- forward, Amy could maybe provide
9 information on that.

10 Q. I guess --

11 MR. McANULTY: So wait a minute. You
12 weren't wanting to get involved because you didn't
13 think --

14 THE WITNESS: Oh, no. I just thought,
15 you know, God, this is all hitting the news. This is
16 wild. And I thought should we -- is this really what
17 we should be -- and I told her, I mean, should we
18 expend our resources on this one? We're kind of
19 witnesses now on this, you know.

20 MR. McANULTY: Yeah.

21 THE WITNESS: And she just felt they were
22 wronged and wanted to help if she could.

23 MR. McANULTY: The Whistleblower
24 action --

25 THE WITNESS: Right.

1 Q. Now, I know it's got to be -- awkward might
2 not be the word, but, you know, you go from the
3 District Attorney's office and you're embroiled in this
4 involuntarily, so to speak, and you had to be
5 interviewed by the FBI or DPS or Department of Justice,
6 then your affidavit, and then, you know, there you are,
7 you end up working at the office of the Attorney
8 General.

9 Tell us how that came about, you know,
10 how you got the job offer, how you got interviewed and
11 how that came to be.

12 A. So that was, you know, when Josh Reno called
13 and said, what is this that you pitched?

14 And so I told him about it.

15 And he said, well, I think there is still
16 interest.

17 I said, well, I really thought it died
18 when -- it seemed like everybody who was in that
19 meeting left the office one way or another.

20 And Josh said, no, I think -- I think
21 there is interest in doing this.

22 And I said, well, great.

23 And so after -- again, it wasn't like it
24 just happened overnight. I mean, I put a lot of
25 thought into it and talked to Margaret and Rusty Hardin

1 and people like that and, you know, came up with the
2 opinion that it is good work, it's important work and I
3 want to try to make it work if we can because I think I
4 can do it right.

5 Like there are a lot of units you start,
6 but you have got to start -- you have got to go big or
7 go home and really start it to make it work.

8 So I think then there was a posting put
9 up and I applied and submitted my résumé and then I had
10 an interview with Josh --

11 Q. With who?

12 A. -- and --

13 Q. Was the General there for the interview?

14 A. No. It was -- it really was -- that was
15 almost awkward because I just never talked to him again
16 after all of this. And I honestly thought he might
17 have been mad that I hadn't returned any of -- this is
18 all just in my head. I don't -- you know, I have run
19 into him once in the office and he was perfectly
20 pleasant. So I don't think he was mad.

21 Q. Since you started there --

22 A. Yes.

23 Q. -- you have maybe seen him one time?

24 A. And it was like a coincidental where I'm
25 leaving the conference room over there and he was

1 coming in for something. And I just said, General,
2 thank you so much for this opportunity.

3 And he's like, welcome aboard, I'm so
4 glad it worked out, it's a great idea and go do good
5 things.

6 And I may have ran into him again, you
7 know, when I was over there and we mentioned one of the
8 cases that we're working on. He was interested in a
9 couple of them, like Tom Brown was one. How is that
10 case coming, you know.

11 And then when we had our -- we had a very
12 big hit, victory, where we were able to find a woman,
13 Baby Holly, it got lots of national media attention.
14 And he -- I think we texted just something like, you
15 know, you're a blessing and I'm so happy that you were
16 able to do this. That's it.

17 Q. So with the way it's been kind of walled off
18 and you in another building and you doing your thing
19 and not being on the 8th floor, has there been a
20 concern about retaliation?

21 A. Oh, about -- from this recent?

22 Q. Yes.

23 A. It doesn't feel like it. In fact, let's see.
24 What communication have I had since then. I know Josh
25 called because they listed my name off. My phone and

1 started blowing up. Mindy Montford was on the short
2 list.

3 And Josh just said, hey, your name is on
4 this, and I just want you to know, you know, whatever
5 you need to do, do it and --

6 Q. And Josh's position --

7 A. He is my supervisor.

8 Q. Okay.

9 A. Director of criminal justice.

10 Q. So he has been supportive of you and --

11 A. Just that one call. I mean, we -- no one -- I
12 don't know if they are purposely staying away from me
13 or --

14 (Simultaneous speaking)

15 Q. I don't know why --

16 A. No, no one has. I think Brent called once,
17 maybe when y'all were laying out everything saying, are
18 you watching this. And I said, should I be? I wasn't.
19 Honestly, I wasn't because I didn't know how -- if it
20 was appropriate to watch on my work computer.

21 So he said, turn it on. And he -- he
22 expressed just -- he thought there were some
23 inconsistencies with the way he remembered things. And
24 he said, will you watch it. And I said yeah.

25 But that was it. I didn't hear back from

1 him. And then just Josh calling that one day saying,
2 go do what you need to do.

3 Q. So other than Brent Webster saying, are you
4 watching it and go ahead and watch it, I'm seeing some
5 inconsistencies, not that he had personal knowledge of
6 what happened anyway, but --

7 A. Yeah, I think possibly he is referring to when
8 I first started he was preparing that report, which
9 honestly, I have never even read, but --

10 Q. And how do you know that he was preparing it?

11 A. I guess I don't know that. I just know he was
12 conducting kind of an interview, background interview.
13 And I thought he said, because I'm -- I want to do a
14 full report on this. So I guess --

15 Q. If he was first assistant, it would make
16 sense, but --

17 A. Yeah, it would make sense. So he had asked me
18 a couple of follow-up questions about how things had
19 happened at the DA's office. And that is when I said,
20 by the way, I want you to know I did do an affidavit.
21 And it was not long. We probably talked for 20
22 minutes.

23 Q. Okay.

24 A. So I think he thought there were
25 inconsistencies on that between maybe what Margaret

1 Moore had said and what I told him. And I don't know
2 what those -- I mean, we didn't go into it.

3 Q. Okay. That's all the questions I have.
4 You've been very gracious of giving us your time.
5 We're in the process of getting a lot of records by
6 subpoena both from the Office of the Attorney General
7 and the District Attorney's office. There may come a
8 question that we have and, you know, just to see if it
9 refreshes your memory.

10 A. Sure.

11 Q. But let me give you my name and number.

12 A. I have got it on the text, yeah.

13 Q. Oh, okay. I don't have a card, so --

14 A. Do you need mine? I think you know how to
15 find me.

16 Q. Give it to me.

17 A. I'll give you mine. Do you want my personal
18 or do you want --

19 Q. Whatever you feel comfortable giving me.

20 A. No, my personal is great. It's the ^{REDACT} --

21 Q. Yes.

22 A. -- REDACT. It's not on there. That's my
23 work.

24 Q. So the personal, your cell is?

25 A. ^{REDACT} --

1 Q. REDACT ?

2 A. -- REDACT --

3 Q. REDACT

4 A. REDACT

5 Q. REDACT

6 A. REDACT .

7 Q. ^{RED}. Okay. All right. Well, do you have any
8 questions of us, other than obviously we will keep you
9 apprised of when we know if things are fluid what the
10 rules of engagement are and who is going to be a
11 witness and who is going to be questioning you.

12 And I think we still are not aware of who
13 is going to represent General Paxton. I think he has,
14 you know, had several lawyers and whether or not he's
15 going to go forward with them.

16 And then do you know about all of the
17 attorneys that say they are going to take a leave of
18 absence?

19 A. I saw that on the news.

20 Q. You know, I would -- do you have any
21 thought -- I mean, it seems like a conflict of interest
22 because they are still sworn in for their oath to --
23 for the State of Texas.

24 A. Yeah, I don't know. I don't know about that.
25 Again, it's --

1 Q. Not in your wheelhouse --

2 (Simultaneous speaking)

3 A. Involving cold cases -- yes, yes. I can talk
4 to you all day about that.

5 Q. All right. Well, we will turn off the camera.

6 (Interview concluded)

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Transcript

1 STATE OF TEXAS *

2 COUNTY OF TRAVIS *

3 This is to certify that I, Donna Wright, Certified
4 Shorthand Reporter, in and for the State of Texas,
5 certify that the foregoing transcription of interview
6 was transcribed by me and is a true transcription of
7 the interview given by the witness.

8 I further certify that I am neither counsel for nor
9 related to any party in the case and am not financially
10 interested in its outcome.

11 Given under my hand on this the _____ day of
12 _____, 2023.

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AGC MEETING

April 5, 2023 Meeting

re: Ms. Margaret Moore

Transcribed June 22, 2023

AGC MEETING OF 050423-1.25 hours, re:

Ms. Margaret Moore, transcribed by Michelle Hartman, Certified Shorthand Reporter in and for the State of Texas and Registered Professional Reporter, reported by computerized stenotype machine from audio tape recordings to the best of her ability.

APPEARANCES

- Ms. Terese Buess
- Mr. Dan McAnulty
- Ms. Donna Cameron
- Ms. Erin Epley
- Ms. Margaret Moore

MS. BUSS: That was a hot thing for a long time, Medicaid fraud. It still is, I would imagine.

THE WITNESS: However the --

MS. CAMERON: Is it rolling?

1 MR. MCANULTY: It is going.

2 MS. BUESS: Okay. It is going.

3 THE WITNESS: Defended a guy I worked
4 with, and it was pretty interesting since we
5 recovered about two and a half billion dollars, but
6 hey.

7 MS. BUESS: Well, let's go ahead and get
8 started.

9 THE WITNESS: All right.

10 Q. (BY MR. MCANULTY) And today is still
11 Wednesday, April the 5th, 2023. We are meeting with
12 Ms. Margaret Moore, and my name is Dan McAnulty here
13 to talk about your -- the time frame of 2020 with
14 what was going on at the -- the A.G.'s Office.

15 And if you would, introduce yourself so
16 we will have your name on the tape.

17 A. Yes, I'm Margaret Moore.

18 Q. And what was your position?

19 A. Travis County District Attorney.

20 Q. All right.

21 MS. BUESS: I'm Terese Buess. I'm an
22 attorney assisting in the inquiry for the
23 investigation committee.

24 MS. CAMERON: I'm Donna Cameron, and I'm
25 a Houston attorney, and I am assisting in the

1 courtroom.

2 MS. BUESS: All right.

3 MR. MCANULTY: And I think we are going
4 to be joined by Erin Epley, shortly.

5 MS. BUESS: We will. We will.

6 Q. (BY MS. BUESS) All right. (You were just
7 telling us that you used to work for --

8 A. General Abbott.

9 Q. General Abbott?

10 A. Now Governor Abbott, yes.

11 Q. And that would have been like -- what
12 kind of time frame did you work for him?

13 A. I started in 2005 and retired -- this
14 is -- as you get older --

15 Q. Well, I have the same problem.

16 A. -- it's hard to pin things down.

17 MS. CAMERON: Nine years, right?

18 A. I believe it was September of '14, nine
19 and a half years.

20 Q. September of '14, okay. And I know 2017
21 you were elected -- or you were sworn in as the --

22 A. Right.

23 Q. -- D.A. So 2016 would have been the
24 campaign?

25 A. Correct.

1 Q. Between 2014 and then, what did you do?

2 A. Well, I had actually retired from the
3 State and really wasn't doing a whole lot except
4 enjoying life and then one day -- now I had a moment
5 of madness and was persuaded to run for district
6 attorney.

7 Q. Okay. Well, I think what we would like
8 to focus in on so 2020 and the presentation of a
9 complaint to your office concerning Nate Paul.

10 Do you recall that?

11 A. Oh, yeah. I was -- did not participate
12 in the initial meeting, but it was, of course,
13 reported to me.

14 Q. Okay.

15 A. I need to give you a little context.

16 Q. Sure, please.

17 (Ms. Epley joins)

18 A. And so my first assistant, this woman was
19 a woman named Mindy Montford.

20 Q. Yes.

21 A. And Mindy was, of course, an experienced
22 prosecutor. She worked in Harris County and then for
23 Ronnie Earl. She ran for D.A. and didn't -- was not
24 elected, so she went out -- and I knew her dad real
25 well because he was D.A. out in Lubbock when I was

1 County Attorney here and we got to be friends. So
2 anyway, I have had a lot of confidence in her and her
3 abilities. She had a relationship with Ken Paxton,
4 and I'm not talking personal relationship --

5 Q. Yes.

6 A. -- but she had become acquainted with him
7 and he had been -- she considered a friend. Well,
8 one day I got a call from Rob Kepple from the
9 association saying, "Hey, the A.G.'s over testifying
10 to a Senate committee that your office is refusing to
11 enforce a law" that was an abortion law passed before
12 I took over, which was not accurate. It was not an
13 accurate portrayal of our position. And so I
14 reviewed that and they decided that we would actually
15 contact Attorney General Paxton himself and say that
16 we objected to having our position --

17 Q. Position.

18 A. -- misrepresented, and Mindy felt
19 confident enough in their cordial relationship to be
20 able to do that. So we did. And he was -- he looked
21 into it right away and we were -- ultimately cleared
22 that up and a letter was written and -- to the Senate
23 committee and because I had been a person who worked
24 as an Assistant Attorney General, I felt that it was
25 important that the district attorney in Travis County

1 and the Attorney General's Office maintain a very
2 solid working relationship.

3 Q. Uh-huh, sure.

4 A. Regardless of politics, I had found it a
5 very straightforward office working for General
6 Abbott, despite our differences in our political --
7 you know, affiliations. So to me, we were
8 representing State of Texas, you're going to be doing
9 your very best to maintain a high level of
10 profession -- professionalism.

11 So all that is to lay the basis for how
12 the Nate Paul thing commenced, which was a phone
13 call, from as I understand it -- or was told a phone
14 call from Mr. Paxton to Mindy asking her to
15 go to lunch with him because there was something he
16 wanted to discuss. I'm not at all sure exactly what
17 he told her at that time, but it was enough for her
18 to ask Don Clemmer to accompany her.

19 I had hired Don Clemmer to head up our
20 special crimes division. Don had worked in the
21 A.G.'s Office for quite a while and worked in Harris
22 County. He's a legend in his own time as far as his
23 abilities and extent of his career and his stature
24 that he enjoys, and he was on the bench. I hadn't
25 met him, but he was recommended to me, in fact, by

1 Daniel Hodge and General Abbott as someone that I
2 should look at as a very well-regarded person to
3 handle those kind of -- the matters that went through
4 special crimes --

5 (Knock on door)

6 A. -- which included public integrity to a
7 certain extent. Well, I guess we all know what
8 happened to the public integrity unit during Ronnie
9 Earl's tenure, it had been defunded by the
10 legislature and -- but we still had a very good
11 relationship with the Texas Rangers and we still had
12 a whole --

13 (Discussion off record and Ms. Buess
14 leaves)

15 THE WITNESS: Do you want me to wait
16 until --

17 MR. MCANULTY: Let's just pause.

18 (Recess taken)

19 Q. (BY MS. CAMERON) All right. We are all
20 back here, and I think you left off with you had a
21 good relationship with the Texas Rangers and you had
22 Don Clemmer over special crimes.

23 A. Yeah. So Mindy asked him to go with her.
24 So apparently she is old enough to believe that it
25 had to do with some complaint or something that the

1 Attorney General thought should be looked at. I
2 don't know exactly what she was told.
3 They did go to lunch and what they told
4 me afterwards is that Mr. Paxton was there and he had
5 Nate Paul with him and that he excused himself
6 shortly -- during the lunch, he didn't stay for the
7 whole visit, and that he himself asked Mindy and Don
8 to please listen to the story that Nate Paul had to
9 tell; that he thought there were matters that merited
10 my office conducting an investigation and taking a
11 complaint from Nate Paul.

12 That is the gist of what I was told, and
13 I would not be able, of course, to know exactly how
14 or what they said. It was long -- a long enough
15 lunch that they did have a visit with Nate Paul and
16 came back to report to me what that was all about.
17 And I just have to characterize their attitude as
18 being desirous of being respectful of the Attorney
19 General, but not seeing a -- any reason for the
20 Harris County District Attorney to be involved.

21 So we discussed that, and I will just
22 tell you that the -- my inclination to conduct an
23 investigation of the U.S. Attorney, the FBI, Texas
24 Rangers and sundry others that Mr. Paul was
25 complaining about was absolutely nil. We did some

1 speculation as to what in the world was motivating
2 Mr. Paxton to personally intervene on his behalf, and
3 then we had a discussion about how to promptly and
4 respectfully handle --

5 Q. If you don't mind me asking, what was
6 your speculation as you're sitting around going
7 what --

8 A. Anything from --

9 Q. -- what is he thinking?

10 A. -- I mean --

11 Q. Did you know who Nate Paul was?

12 A. Shucks no, no.

13 Q. All right. And not on your radar?

14 A. And no knowledge with Nate Paul or
15 anything about what was going on with Nate Paul. I
16 just had enough experience with the various entities
17 he was complaining about to --

18 MS. BUESS: Sure.

19 A. -- say, this is crazy. And so, you know,
20 we -- we handled it like we would a citizen coming in.
21 I mean, there are plenty of them that come in that
22 are not bringing in anything that we're going to do
23 anything about, but you accept -- you have them fill
24 out the form and, you know.

25 Q. (BY MS. CAMERON) Uh-huh, so pen and

1 paper, the form?

2 A. Nate Paul did.

3 Q. All right.

4 A. And I don't remember if it was more than
5 one, but he did fill out our standard intake form for
6 special crimes. And then as we discussed how to deal
7 with this without being totally insulting to the
8 Attorney General of Texas, Don said, you know, "There
9 is no reason on either why the Attorney General can't
10 investigate this himself if he really thinks there is
11 some reason to do this, and there is a provision in
12 the Code of Criminal Procedure about who you can
13 prepare in front of Granger (ph) and it includes the
14 Attorney General."

15 He can't come and prosecute in your
16 courtroom without your invitation and consent, but
17 he -- or at least let's say that something district
18 attorney's jealously guard, but -- but the Code does
19 allow him to conduct a Grand Jury.

20 So I'm trying to remember exactly the
21 chain of events. So Don said, "Why don't we just
22 tell him that? If you really think there is a
23 complaint here, you got an investigations division
24 and you got authority enough to go to use the Grand
25 Jury" -- which is typically the issues of a subpoena.

1 Y'all aren't -- I'm not telling you anything new.

2 Q. Yes, uh-huh.

3 A. And I thought that showed a certain
4 amount of finesse, so we did write a letter
5 suggesting that and --

6 Q. Who would have authored that letter?

7 A. I think probably Donald wrote it, but I
8 signed it.

9 Q. And was this to --

10 A. It was General --

11 Q. General Paxton himself?

12 A. Yeah. All right. So David Maxwell was
13 head of investigations and, of course, we all knew
14 him well. And was Lisa's head of prosecutorial
15 assistance at the time? We had relationships over
16 there, you know. We -- I had had a similar case or
17 two that we felt we couldn't handle ourselves for
18 conflict reasons and so we sent the letter, and
19 somehow I believe that Don has, as I recall it, and
20 you know, Don sent it maybe to -- to Chief Maxwell or
21 maybe we sent it to General Paxton and copied
22 Maxwell, but from -- I'm sorry to be so vague, but
23 I --

24 MS. BUESS: It's okay. It's all right.

25 A. But Don sent -- maybe he sent the

1 filled-out complaint form to -- to Maxwell, and he --
2 he basically said something in there forwarding
3 missive of, "The Attorney General is aware of this,"
4 or something to that effect, which was code for, we
5 know this is crap but we feel it necessary to go
6 through this. And I probably shouldn't use that kind
7 of word on a recording.

8 Q. (BY MS. CAMERON) Well --

9 A. But the gist of it was I, Don Clemmer,
10 and therefore all of us over here, we know what this
11 is going to look like to you, but you need to know
12 your boss knows about this. So that was the way we
13 sent it back. And --

14 Q. Let me ask you just briefly. You sent it
15 back. If there was somebody saying you all had a
16 conflict, was there a conflict or just this feeling
17 of --

18 A. No.

19 Q. -- we're not going there?

20 A. It was an absolutely meritless --

21 Q. Okay.

22 A. -- complaint.

23 Q. No cause for it?

24 A. About, you know, every -- everyone you
25 can think of.

1 Q. Yeah.

2 Q. (BY MS. BUESS) So when you sent it back,
3 was the intent to allow them to investigate it?

4 A. It was the intent.

5 Q. And prosecute?

6 A. (Indicates), get it --

7 Q. Get rid of it?

8 A. Yeah, get rid of it, and not shove it in
9 the face of the Attorney General of Texas. You know,
10 I mean, he -- I mean, for him to -- that was
11 unprecedented. He had to my knowledge --

12 Q. That had never happened before?

13 A. No, no.

14 Q. (BY MS. CAMERON) Do you ever know of
15 Attorney General Abbott doing something like that?

16 A. I would -- I wouldn't be in a position to
17 know that, but I -- to personally intervene on behalf
18 of some --

19 Q. Yeah.

20 A. -- a person is just -- was just bizarre,
21 and yet he -- because -- maybe had intervened -- he
22 had even -- backing up, I didn't mention this, but my
23 first year in office in '17, he -- General Paxton
24 actually tried to help us get our public integrity
25 thing back. You know, personally he did. He was --

1 he acted in a very cordial manner towards us and
2 cleared up that testimony in the Senate by, you know,
3 personally saying to his people, what's -- what are
4 you doing here? So, I mean, I didn't want to destroy
5 that, because --

6 Q. Sure.

7 A. -- there are many, many times that the
8 A.G. and the district attorney have to combine
9 forces, like on human trafficking.

10 Q. Sure.

11 A. You know, we had to -- his people come
12 and I put in a special prosecutor and they tried a
13 trafficking case, you know, in court, you know, with
14 our help. And the system is in collaboration. So,
15 you know, you got to think about all of that when
16 you're trying to deal with something that was very
17 unusual, and I was very appreciative that Don thought
18 of a way to deflect it where we didn't have to say,
19 this is -- this is --

20 Q. So again, just so I'm clear --

21 A. Yeah.

22 Q. -- it was being punted?

23 A. Punted is a perfect word.

24 Q. To delta --

25 A. If you want something done, hey, you can

1 do it yourself. We're not.

2 Q. Okay. So investigation and possible
3 prosecution as well?

4 A. Well, he couldn't have prosecuted it
5 without us.

6 Q. Us, yeah.

7 A. Which we knew.

8 Q. Okay.

9 A. So --

10 Q. What was the intent there, if -- if they
11 had generated something that was somewhat actionable,
12 what would have happened?

13 A. Well, we knew they wouldn't. No, I'm
14 serious.

15 Q. No, I hear you.

16 A. We knew it was going nowhere and it was
17 utterly -- I mean, it was to the point of absurdity.
18 I mean, the entire U.S. Attorney's Office. He may
19 have included DOJ, I don't know. It was the Rangers,
20 the marshal, U.S. Marshals. I mean, everyone had
21 conspired to do these terrible things, and I'm
22 going -- (indicates).

23 Q. Did you get any documents that were
24 presented to you all?

25 A. There may have been. I don't recall that

1 I remember. I do remember looking at the form he
2 filled out, but I can't remember now for another --
3 many things to references. So, you know, I mean, it
4 was truly a good -- great idea, let's just kick it
5 out and not be insulting about that and be very
6 respectful, but it was not going anywhere.

7 And honestly, it was a little bit
8 offensive to me in a way that it would be brought to
9 me in that manner, because there are ways to do this.
10 There are ways to bring us a case that you think is
11 truly a criminal case, and this was not the way --

12 Q. How would you expect it to be brought to
13 you?

14 A. By --

15 Q. Normal channels?

16 A. Yeah, through an investigation conducted
17 through their investigators and the appropriate
18 lawyer coming over, you know, and saying, "Here's
19 what we got, we think it merits" -- or even if they
20 start -- and that's what ultimately did happen was
21 they started -- he hired this guy and he came over
22 with some -- they -- the subpoenas, Grand Jury
23 subpoenas and that launched a whole fire storm, but
24 that's how you would expect it to be, not a hey
25 listen, "I have got a friend here and he's been

1 terribly wronged by the United States Government,

2 and, oh, by the way, the Texas Rangers, too."

3 Just -- that's crazy.

4 Q. (BY MR. MCANULTY) Was that the essence
5 of the complaint?

6 A. Yeah, that they had -- and I don't even
7 know, they ran -- as I remember, the FBI ran a
8 warrant on his office looking into something, and I
9 know there was something that involved the --

10 Oh, what is the division of the A.G.'s
11 Office that does the trusts and --

12 MS. CAMERON: Financial and --

13 MR. MCANULTY: Oh, charitable trusts.

14 A. -- charitable trusts, yeah, he -- there
15 was something to do with a charitable trust that
16 he --

17 Q. (BY MR. MCANULTY) Does the name Mitte
18 Foundation mean anything to you?

19 A. Yeah, that -- I recall that being
20 mentioned.

21 Q. (BY MS. BUESS) Do you recall if that was
22 mentioned during the first meeting that Mindy would
23 have --

24 A. I have no idea.

25 Q. -- told you about?

1 A. I have no idea.

2 MR. MCANULTY: Yeah, that would be a
3 question for Don Clemmer or --

4 MS. CAMERON: I think it was the second
5 investigation, some type of --

6 A. So that -- you know, but he was there --
7 there was complaints that they were investigating him
8 and they had done -- they had done these horrible
9 wrongs to him and, you know just -- just --

10 Q. Was there any speculation among you guys
11 about why Ken Paxton would have been involved in
12 that?

13 A. Well, not until later when the rest of it
14 broke, and then he knows everything from what you
15 see, pictures or --

16 Q. (BY MR. MCANULTY) What he's he got
17 over --

18 A. I mean, yeah, come on, we have all done
19 that and sat there and go, why in the world would he
20 do this, why on earth would he do it? And especially
21 when all of those boys walked out. Because, you
22 know, I knew -- I mean, I had had interactions with
23 them and, you know, these were good lawyers. I mean,
24 these are good people, and they were his hires. I
25 mean, it's not like it was some of the lifers down

1 there doing A.G.'s work since John Hill days, but I
2 mean, these are his guys, his people.

3 And then the fallout from all that was to
4 me devastating to that office, but that goes off in a
5 different direction. But they have done -- what he
6 has done to that office makes me sick.

7 Q. (BY MS. BUESS) So let's go back to
8 the --

9 A. Yeah, so then they did that.

10 Q. -- the second time.

11 A. And of course, Maxwell -- I recall
12 Maxwell did call Don I think and he goes, "Look, hey,
13 I know" --

14 Q. Yeah.

15 A. -- "just" --

16 Q. So there is a communication between the
17 two?

18 A. I believe there was, as I recall. And I
19 could be misremembering at this point, but -- because
20 there were a lot of conversations in our office going
21 on about, "This is" -- but then I thought we had
22 successfully punted it and on to the next crisis,
23 (claps,) until whoever he hired -- I'm trying to
24 remember.

25 I think maybe the first inkling I got of

1 it was Don maybe telling me -- I'm sorry, my memory
2 banks have been written over since then, but what
3 happened was we -- we got some sort of communication
4 in and either I got it directly or Don had it maybe,
5 or maybe just my Grand Jury lawyer got it, but
6 somebody in my office gets a communication saying
7 where these subpoenas that have been issued need to
8 be recalled or are totally unauthorized, the person
9 who issued them isn't an employee, invalidly acting
10 above the A.G.'s Office. And so, you know, red
11 alert, and we're like, well, that's a little odd.

12 Q. So what were --

13 A. I have never seen that before.

14 Q. What would the Grand Jury process have
15 been who --

16 A. Well, it was so freaking routine, you
17 know, here's the form.

18 Q. Fill it out and we'll get those for you?

19 A. Go -- go for it, you know. And you
20 know --

21 Q. (BY MS. CAMERON) Isn't there a lawyer
22 that was assigned maybe to push him through --

23 A. I think maybe Amy Cat --

24 Q. (BY MS. BUESS) Is that Amy Meredith or --

25 A. No, I don't know if Amy Meredith was

1 involved. She could have been. They had a Grand
2 Jury was A.B. Casner and I can't recall now, probably
3 Don will recall, but it came not from the top down,
4 it came through the -- you know, some assistant of
5 mine, some assistant, either Amy Meredith -- I don't
6 remember now, but someone who would have considered
7 it a very routine matter. Oh, here's how you issue a
8 Grand Jury, boom. Here's the form we use.

9 Q. (BY MS. CAMERON) And I think I might
10 know the answer to to this, but was a man or an
11 attorney by the name of Brandon Cammack ever a
12 special prosecutor through your office in order to do
13 any part of this investigation that we have been
14 talking about?

15 A. Not at all.

16 Q. And is there any chance he could have
17 been or would have been?

18 A. No.

19 Q. (BY MR. MCANULTY) Had you ever heard of
20 him up and to that point?

21 A. Never.

22 Q. He served some subpoenas, correct, that
23 was your understanding?

24 A. Yeah, I would have not been able to
25 recall his name, but now that you told me, reminded

1 me, yeah, as I -- that's the person who did the Grand
2 Jury subpoenas that were issued, and then -- I can't
3 remember how -- that now, but it was like, you know,
4 one of those 5:00 o'clock on a Friday is the way I
5 recall it kind of what? This is weird.

6 But, you know, we were like spectators at
7 that point. I mean, you know, it was like, oh, train
8 wreck happening.

9 Q. What -- well, you knew they -- you knew
10 they were going to -- I presume y'all -- you
11 understood they intended to do an investigation?

12 A. Shoot, no.

13 Q. You just referred it --

14 A. No, because I know how diffi -- I know
15 how the real lawyers re -- Dave Maxwell reacted to
16 it. I know we were all like, "Right, sure.
17 We'll" -- and I know from subsequent conversations
18 that all of the -- the reactions over there were the
19 same as ours, there -- this was ridiculous.

20 Q. (BY MS. CAMERON) Do you know the scope
21 of what was being asked for and who was being
22 subpoenaed?

23 A. I don't know.

24 Q. Okay.

25 A. I don't remember.

1 Q. (BY MS. BUESS) Would you ever known when
2 the subpoena request came in? I mean, that was just
3 part of the normal procedure, someone who's
4 identified as a special prosecutor by the A.G.'s
5 Office?

6 A. Yeah, you come in and -- yeah, or the
7 cop -- you know, cops are there all the time saying,
8 "I need to subpoena these records," and I think --

9 Q. (BY MR. MCANULTY) Yeah, he was
10 requesting a subpoena for records or for appearance?

11 A. They got authority to use -- to do it
12 under the law, and so, you know, we just -- things
13 that are very highly routinized and unquestioned as far
14 as I know.

15 Q. (BY MS. EPLEY) Would someone on your
16 staff have had to review the Grand Jury subpoenas in
17 order to give authority?

18 A. (Shakes head).

19 Q. No?

20 Q. (BY MR. MCANULTY) You mentioned David.

21 A. Maxwell?

22 Q. -- Maxwell. Did you have conversations
23 directly with him about his -- his -- what he thought
24 about having to do this investigation?

25 A. I -- I think I did. And that's hard -- I

1 hate to say that, but I really can't -- you know, he
2 might say, "No, I never actually talked to you,"
3 because there were so many of them talking to me at
4 the time. There was a -- when that broke, as far as
5 in the office, and they -- there -- there -- there
6 were a number of people who talked to me because they
7 felt very strongly at something wrong that's going on
8 and very wrong.

9 Q. Well, the reason I asked --

10 A. And I think David and I had a direct
11 conversation at that time.

12 Q. And you may have. I'm not for sure
13 myself, the -- and that's why I'm asking these
14 questions --

15 A. Sure.

16 Q. -- trying to figure it out with the
17 series of events.

18 But the thing I guess that I'm looking at
19 is you guys sort of punted it, okay, if you want to
20 do this, you have the authority, David is going to be
21 the guy over the investigations.

22 Do you -- do you recall any communication
23 with him about --

24 A. Not at that moment.

25 Q. No.

1 A. Don.

2 Q. Don would have, okay.

3 A. I -- you know, I fully expected it to
4 go --

5 Q. Go --

6 A. -- absolutely nowhere once real --

7 Q. Right.

8 A. -- the real lawyer and investigators in
9 that office took a look. And that's why I felt a
10 little insulted that it would be brought to me in
11 that manner. Because there's no way real -- I'm
12 sorry, I keep using the word "real lawyers," but to
13 me a real lawyer, real prosecutors, real
14 representatives of the State of Texas look at the
15 merits and do the right thing. And I did not think
16 that was happening here.

17 Q. (BY MS. CAMERON) Let me just throw this
18 out as devil's advocate: If there was any desire for
19 you not to accept it or some anticipation that coming
20 in this manner and presenting you with just this
21 checklist about these people, do you think there
22 could have been any expectation that you would not
23 take it and it would then come straight back to his
24 office?

25 Does that make sense? That he expected

1 you to reject it and his office, then, to get it, as
2 opposed to them starting the investigation?

3 A. Not really.

4 Q. It almost seems like it started at your
5 office and then, oh, now we have to investigate it.

6 A. Well, I did take offense at that, because
7 I knew we did not start it; that it was a personal
8 intervention by Mr. Paxton on the basis of a personal
9 relationship with my first assistant, and I felt that
10 that was inappropriate, period.

11 But he was the Attorney General of Texas,
12 and so I felt we had to act with some level of
13 decorum in the process, but I did not think it was
14 going anywhere, and I did think that Ken Paxton was
15 trying to get us to do something he knew we shouldn't
16 do or couldn't do. I really did feel that way --

17 Q. Okay.

18 A. -- looking at what was presented by Nate
19 Paul.

20 Q. (BY MS. BUESS) Do you recall --

21 A. You know, I don't have a -- I have a very
22 bad opinion of Nate Paul based upon a lot of
23 different things since that happened. It just so
24 happens that the judge that is trying to put him in
25 jail in sanctions is one of my best friends. And so

1 after the fact, I have learned a lot about Nate Paul,
2 and he's -- you know, all my hackles are raised about
3 it. But I just felt like we were -- that there was
4 an element of being used, and that was exacerbated
5 when General Paxton chose to say, "Oh, well, it was
6 referred to us by the District Attorney," and that
7 was not the case it all.

8 MS. CAMERON: Not the case.

9 Q. (BY MS. BUESS) When you had the
10 conversation with -- beginning with Mindy, when she
11 and Don Clemmer are relaying to you the luncheon --

12 A. Yeah.

13 Q. -- did Mindy seem to agree that this was
14 not --

15 A. Oh, absolutely.

16 Q. There was nothing there, so she wasn't
17 ever under --

18 A. No.

19 Q. She wasn't such good friends with the
20 Attorney General --

21 A. No.

22 Q. -- that she was overlooking the fact that
23 this was -- there was nothing here in this complaint?

24 A. Absolutely not. Our whole -- our whole
25 reaction was this is -- this is ridiculous and nutty,

1 and if it was just -- if this guy had come in not
2 with the Attorney General of Texas, it would have
3 been given very short shrift and, you know, one of
4 our standard rejection letters, but --

5 Q. Do you recall anything about a second
6 complaint coming in from Nate Paul kind of during
7 this process?

8 A. I be -- I can't -- that's why I'm saying
9 there was more than one as I recall it.

10 Q. And I'm going to show you an e-mail from
11 Don Clemmer.

12 A. Okay. That will help me.

13 Q. Yeah, it would help. It seems to be a
14 secondary to the first one.

15 A. Oh, yeah, it lists all of them.

16 Yeah, I don't recall seeing this
17 particular letter before, but --

18 Q. Would they have told you about a second
19 complaint coming in or would it have just been
20 handled?

21 A. Probably mentioned it, but we had already
22 met that point.

23 Q. It was done. As far as you were
24 concerned, it was gone?

25 A. Yeah.

1 Q. Okay.

2 A. I mean, it's sort of what -- I don't
3 know. I guess every elected prosecutor has probably
4 been there where you're like, I don't want to -- I
5 don't want to -- we're just not going this ever,
6 so --

7 Q. So when that communication comes to
8 you --

9 A. Which one?

10 Q. The communi -- kind of after the
11 subpoenas have been issued --

12 A. Oh, right.

13 Q. -- and you're being notified by the
14 senior staff members from the A.G.'s Office that
15 Brandon Cammack does not authority to act, he is not
16 a contractor, he is not a special prosecutor, do you
17 know what happened within your office at that point
18 once you realized that?

19 I'm sure that would have come to you
20 immediately, right? I mean, because that's -- that's
21 a serious allegation, that --

22 A. So I think Don talked to Missy Kerrie
23 (ph) at some point -- all right, bottom line --

24 Q. Yes.

25 A. -- we have absolutely no role of what to

1 play --

2 Q. Okay.

3 A. -- other than has a crime now been
4 committed that we do have some jurisdiction over.

5 So I think Don talked to Missy about this
6 whole contract issue and was given a -- some sort of
7 explanation of why the con -- it wasn't truly a
8 contract. It had not gone through the proper process
9 at the A.G.'s Office. And if you have worked in the
10 A.G.'s Office, there is a process for everything.
11 And so that's -- was as I recall the basis of their
12 position on that.

13 However -- let me remember how this
14 went -- when they walked out, it triggered for me the
15 feeling or the knowledge that I needed to sort of
16 self-report to the U.S. Attorney that we were
17 witnesses. And so I called to Mombash (ph) and he
18 said, "Look, my wife's working up there, I'm recused.
19 No, don't talk to me."

20 I said, "Roger that, understand."

21 So I called Ashley -- Ashley's last name
22 is escaping me at this moment -- Hoff, who was his
23 first assistant at the time. We had also developed a
24 very good relationship with that office, and we
25 bonded over the Austin bomber investigation.

1 And so I called Ashley and said, "You
2 need to -- I want you to know that we believe we
3 are -- we are witnesses to some aspect of this."

4 And I guess at that point I had an
5 awareness there was some complaint to the FBI. I
6 don't remember, but I -- maybe the assistants who
7 walked out reported it to the FBI. Is that what
8 happened? I don't recall. But I remember
9 immediately thinking, I need to let them know we are
10 witnesses, and we will -- we're perfectly -- we stand
11 ready to cooperate with whatever y'all are doing or
12 going to do.

13 And she thanked me, and it -- ultimately
14 an FBI -- some FBI agents did come, and they never
15 took a statement from me or anyone in the office at
16 that time that but -- but they met with me and Mindy
17 and Don --

18 Q. Okay.

19 A. -- and we told them everything we knew,
20 and then I had to deal with the media craziness.

21 Q. (BY MS. BUESS) I think maybe just a
22 portion of that you wrote.

23 A. Yeah, that's exactly how I felt.

24 Q. Yeah.

25 A. At that point I was no longer worried

1 about a working relationship with Mr. Paxton.

2 Q. (BY MS. CAMERON) And just so -- for the
3 record, what -- what are you identifying there as --

4 A. Well, what I had been told by his
5 assistant.

6 Q. Is that a letter you wrote to --

7 A. Yeah. Oh, yeah, write a letter.

8 Q. And who is that to?

9 A. To General Paxton himself.

10 Q. Is there a date on there?

11 A. Oh, is this out of a petition? I see the
12 paragraphs are numbered.

13 Q. It was added in a complaint. Or I think
14 this was actually put in the Office of the Attorney
15 General response to the whistleblower's complaint.

16 A. Oh.

17 Q. They added or embedded that in there, so
18 it may not have the date.

19 Q. (BY MS. BUESS) And it's probably not
20 complete either.

21 A. I didn't mince any words, did I?

22 Q. No.

23 A. It was a letter that I wrote --

24 MR. MCANULTY: Let me see this.

25 THE WITNESS: (Complies).

1 A. -- because I was responding to his
2 assertions in the media that we had -- we "had"
3 deemed the case a case that merited investigation and
4 referred it to him. And that was so far from the
5 truth that it -- I felt it needed a very strong
6 rebuttal.

7 I don't have access to any of those files
8 anymore, so the actual letter may not even --

9 Q. Well, whatever files that we need or if
10 you can tell us where they would be or what we should
11 obtain from your office, would you all have obtained
12 his original handwritten complaints --

13 A. Uh-huh.

14 Q. -- from Nate Paul?

15 A. Uh-huh, it should be there.

16 Q. Would that be in the public integrity
17 division?

18 A. Uh-huh, or whatever they call things.

19 Q. So Don would know perhaps?

20 A. Well, he won't -- he wouldn't -- he won't
21 know what Mr. Garza's calling it or -- but someone in
22 that office should be able to retrieve all of this.
23 This would have been sent probably as an attachment
24 to an e-mail, the County I.T. I don't think
25 anything's ever destroyed.

1 Q. All right.

2 A. Do you know what I mean? There is a
3 public record retention policy. So all of the -- all
4 of the correspondence back and forth should be there.

5 Q. Did he respond to that, the letter that
6 you wrote?

7 A. Huh-uh, I don't think so.

8 Q. Do you think you had any conversations
9 with him since then?

10 A. No, I have not.

11 Q. (BY MS. BUESS) Do you recall what
12 happened with the -- well, the subpoenas that were
13 generated, would there have been a backup or a
14 duplicate kept in the Grand Jury division?

15 Q. (BY MR. MCANULTY) In other words, would
16 there have been a return filed?

17 A. See, I think they were -- I think they
18 requested that they be recalled or what -- that's
19 what ignited my knowledge of what was going on with
20 within the A.G.'s Office was this oddball letter --

21 MS. BUESS: Request.

22 A. -- letter from -- was it -- who was the
23 first assistant that --

24 MS. BUESS: Mateer.

25 A. I think it was Mateer that wrote

1 something that said these are not authorized and
2 should have to be recalled. And we don't -- I don't
3 know how we got wind of it because I don't think it
4 came to us. I think it went to the Judge. I
5 don't -- Don would - Donald would probably have a
6 memory of all of that, because -- but you would --
7 you would think those records should be somewhere.
8 They are public records. I mean, it's not like they
9 can just take them and throw them away, so somewhere.

10 Q. (BY MS. EPLEY) Now, Ms. Moore, I know
11 that it wasn't a referral. Can you tell me a little
12 bit how a standard referral would go? Is it
13 formalized, is there a form? Is it --

14 A. Well, yeah. And that's what he did after
15 the lunch. It was kind of like, okay, well, all
16 right, well, here, here, fill this out. That's how
17 you -- that's how anything commences.

18 Our -- most of what we would take would
19 start with some sort of police agency, but we did
20 have a process in the public integrity area of, "Fill
21 this it and we will" --

22 Q. I do want you to keep going, but I meant
23 if you're referring a case to them, if you're saying,
24 will you guys step in on our behalf, would that
25 have --

1 A. Yeah, the way we would do that was --
2 well, like, it was a letter, yeah. I mean, but
3 generally we call ahead and say, "Hey, Lisa, here's
4 what we got. Is this something y'all could take on?"
5 And then --

6 Q. (BY MS. BUESS) When you said Lisa,
7 Lisa --

8 A. Tanner --

9 Q. -- Tanner?

10 A. Yeah, she --

11 Q. Yeah, uh-huh.

12 A. But that was all -- that would be
13 prosecutory assistance and very un -- I don't
14 recalling any other time calling the A.G. and saying,
15 "Hey, we have got this huge investigation, we need
16 y'all to take it on."

17 But that was, you know, the process with
18 a conflict or a perceived conflict with --

19 Q. (BY MS. EPLEY) And since you had heard
20 of Nate Paul --

21 A. I only remember doing it a couple of
22 times, two or three times.

23 Q. This is obvious, but since you had heard
24 Nate Paul, then we do know if you had a conflict with
25 Nate Paul, you would have been recused from

1 investigating?

2 A. Oh, no, no.

3 Q. (BY MS. BUESS) In the times you've
4 communicated with the A.G.'s Office, were those
5 concerning conflicts or were they concerning requests
6 for assistance and prosecution?

7 A. The ones I recalled were conflicts --

8 Q. Conflicts?

9 A. -- where we were saying, "Please take
10 this case."

11 Q. Okay.

12 A. One involved a case where a victim was
13 the child of the former assistant D.A. and the
14 accused was the son of a very well-known defense
15 lawyer and, you know, it just --

16 Q. Uh-huh.

17 A. -- too many relationships --

18 Q. Sure.

19 A. -- to --

20 Q. Wouldn't look good?

21 A. -- feel comfortable, yeah.

22 Q. Okay.

23 A. And then we had one other case, so -- I
24 think similar to that, but then, you know, otherwise
25 we actually recuse and go to the judge to appoint a

1 pro tem.

2 Q. And what would cause that?

3 A. Well, the one time I did it was because
4 the accused was -- had won the primary to be a
5 district judge, and I felt that it was -- it had to
6 be handled outside --

7 Q. Sure, outside of your office.

8 A. -- outside my office, so we recused it.

9 Q. Okay. And what's the difference between
10 that and handing something over to the A.G.'s Office?
11 What is the distinction?

12 A. Well, that -- you know, because the A.G.
13 has this prosecutorial assistants division and the
14 resources to take a case on. I -- it's just kind of
15 who will take it that day --

16 Q. Yeah.

17 A. -- really. There is no -- now, there is
18 a difference between a special prosecutor still
19 actually working for me --

20 Q. Uh-huh.

21 A. -- but I view either of those as being
22 very similar. And I think we did -- did formally
23 recuse on those cases, because -- sometimes it --
24 it's hard for me to remember now but --

25 Q. (BY MR. MCANULTY) This is a

1 hypothetical, but --

2 A. Yeah.

3 Q. -- if -- if you had decided because Ken
4 Paxton requested this and you felt even though you
5 shouldn't do it but you would -- but you agreed to do
6 it anyway, how would you have felt about telling felt
7 people to go investigate this to help Ken Paxton?

8 A. I would never --

9 Q. I know you wouldn't do it.

10 A. -- do that.

11 Q. Would it be a -- can you see an
12 illegality in it?

13 A. Yes.

14 Q. Okay. What is that?

15 A. Well, because we thought -- we were
16 very -- well, we -- I adopted the what -- the
17 policy -- I can't remember the exact wording of it,
18 but we studied -- we adopted policies in our office
19 and we based them on the American Bar Association
20 recommended policies, their model policies and
21 others, and one -- and it was a very strong -- it --
22 we discussed it many times in our office, that a
23 prosecutor should only pursue a case if there was
24 sufficient evidence to sustain a conviction beyond a
25 reasonable doubt and that the case had prosecutorial

1 merit, meaning it served the interest -- serves the
2 interests of justice.

3 So we analyzed our cases against that
4 standard day in and day out, and I would have
5 violated what I was holding my own prosecutors to
6 where I to say, well, in this case, I hope to do a
7 favor.

8 Q. Right.

9 A. We're going to jack up this guy just
10 because the Attorney General -- we are going to be
11 nice to this guy because the General Attorney General
12 asked us to.

13 Q. Asked you to.

14 A. We wouldn't -- just wouldn't do that. We
15 confronted many situations where, you know, you've
16 got a real victim but you don't have a case. It is,
17 unpleasant but it's what you take the oath to do.
18 Sometimes you get beat for doing it.

19 Q. Right.

20 A. But that's what -- you know, you got to
21 go home and look in the mirror, live with yourself,
22 you know.

23 Q. Right.

24 Q. (BY MS. BUESS) Did you have any
25 conversations with Mindy after all of this kind of

1 hit?

2 A. Oh, yeah.

3 Q. Yeah. Tell me about these conversations.

4 A. Well --

5 Q. Where was she in her relationship with
6 him at that point?

7 A. Horrified.

8 Q. Yeah.

9 A. Her -- the only -- I think their
10 relationship only -- when he got prosecuted by the
11 Special Prosecutors in Harris County on that
12 securities fraud case, I believe -- and I -- she
13 could tell you exactly, but I believe that their
14 relationship was founded solely upon he called to see
15 if she would represent him, and probably because he
16 knew her dad, but I'm only speculating there; and she
17 basically told him, "You need to hire someone in that
18 county. You know, you would be better off hiring
19 someone up there."

20 And he appreciated her advice. And
21 Mindy's a great person, and if you would get to know
22 her, she's just a very special person and very easy
23 to like, so -- and nothing more than that. I don't
24 think they socialized or anything like that, so --

25 We did go to lunch. I am just flashing

1 back on actually needing Paxton at lunch before any
2 of all this, and I mean, he's a likeable guy, you
3 know, if you talk to him. And he's a great guy. Got
4 no reason of the anything against him in an
5 interpersonal, but then something comes, you know,
6 floating to the ego like that and it's like, whoa,
7 this is --

8 But what happened was she -- we all
9 gave -- we all met with the FBI, and then after I got
10 beat, she's got -- looking for a job, and she had
11 pitched -- so part of her responsibility as first
12 assistant, she had taken on the Yoka Shaw (ph) case.

13 Q. Huh-uh, yes.

14 MS. BUESS: Yes.

15 A. And we had done an extensive amount of
16 work trying to get back into that case, to something
17 prosecutable, and it hinged on a deal. And so she
18 spent many, many, many hours, and we thought -- no,
19 we went to great lengths on that case. She became
20 very well educated about DNA investigations, and so
21 she had gone -- before all of this happened, she had
22 gone and pitched to the executive group the idea of
23 the A.G. having a cold case unit.

24 She really wanted to do it at DPS, but
25 they -- they kind of went, "We already knew this, go

1 away, you're bothering us." And I think (inaudible).
2 But we realized that what we then knew about cold
3 cases, and especially about DNA investigations, was
4 of great -- would be of great value to smaller
5 jurisdictions that didn't have those kinds of
6 resources. So she had pitched this idea that much in
7 the vein of prosecutorial assistance, you could do
8 investigative assistants and put together some real,
9 you know, solid expertise in the A.G.'s Office that
10 could then go out and help with the cold cases and in
11 the -- because she was really into it.

12 Well, we both looked at the bill and
13 said, "This is not going to happen now." Except when
14 I got beat, they hired Josh Reno and several of my
15 people and a new first assistant. I think somebody
16 approached her and said, "Hey, we love this idea."
17 And we were all like, "Really?"

18 I don't know. So I will just be honest
19 with you --

20 Q. Yeah.

21 A. -- I said, "Mindy, I think" -- you know,
22 I think that is a great job for you. I think it is a
23 real service to the State of Texas, a little bit
24 weird to be working for Ken Paxton given the
25 situation."

1 I told her, I said, "Do you know what I
2 think you should do is give a full, written statement
3 to the FBI, exactly what happened, and then if that
4 investigation goes anywhere, there could be no
5 question that anything you -- you know, you're
6 already on record. And you can tell them at the
7 A.G.'s Office you're doing this, you know, and they
8 would put it all out there on the table. And then,
9 you know, it is a little odd but they want you and
10 you're protected. I think, you know, there could be
11 no question that you're changing your story at all
12 because you now work for him. Go with God," you
13 know. And she's now in her job doing that.

14 Q. Is there a cold case division or is she
15 able to work those cases now?

16 A. Yeah, and it is under investigations. It
17 is not under prosecutorial assistance. She -- I
18 think there is a former police officer named -- APD
19 officer named Brent Dupré, took Maxwell's job, and
20 she had worked with him before. So she loves the
21 work. It is -- yeah, awesome. You know, it is
22 really awesome work.

23 And we -- we had -- we had a relationship
24 with Anne Marie Schubert, who was the DA out in
25 Sacramento who had the Golden State Killer case, and

1 she's become a big consultant on this genealogical
2 Database and how to pursue this DNA stuff. And I am
3 like, who wouldn't love doing it, you know. So that
4 worked out for her.

5 I don't think she had any interaction
6 with Ken Paxton, or that she's ever reported to me.

7 Q. (BY MR. MCANULTY) And she did do the
8 statement that you're --

9 A. Yes.

10 Q. (BY MS. BUESS) Did she type it -- type
11 it -- excuse me, type it up herself and just send it
12 to them or come and interview her, do you know?

13 A. She did it herself. She -- oh, no, she
14 did it herself. They never took written statements.
15 I don't know what the heck they're doing, so --

16 Q. I don't know that the FBI does a lot of
17 that. I think they take your oral statement and then
18 they --

19 A. Maybe.

20 Q. -- write up a 302 report.

21 A. Maybe they did that -- I mean, I'm sure
22 they wrote the report, but I never heard from them
23 again, and I don't believe she had. But that was my
24 advice to her. I know she did it and she's felt very
25 comfortable doing it.

1 MS. EPLEY: Do you know --

2 A. If this wasn't being recorded, I will
3 tell you a funny little anecdote when this is all
4 finished but to me this is how you can dance through
5 this awkwardness here.

6 Q. (BY MS. EPLEY) I think it is a great
7 idea. Do you know if she gave them a copy?

8 A. Uh-huh.

9 Q. She did?

10 A. Yeah.

11 Q. Meaning them the A.G.'s Office?

12 A. Yes.

13 Q. And you -- okay.

14 Q. (BY MS. CAMERON) Do you think she would
15 have any problem talking to us --

16 A. No.

17 Q. -- about all these issues?

18 A. Not at all.

19 Q. Would you have her cell phone number and
20 feel comfortable giving it to us?

21 MS. EPLEY: I know it.

22 MS. CAMERON: Oh, you have it, okay.

23 THE WITNESS: You know, she's --

24 Q. (BY MS. CAMERON) Because there are
25 several -- I can't remember I think Amy Meredith may

1 have gone over there also.

2 A. Yeah, Amy's there. I think Amy was
3 working in special crimes, so -- and she may have
4 facilitated something on that. I don't know on the
5 subpoena part. That might have been who it was. You
6 know, when you have a relationship, sometimes they
7 call and go, "Hey, I need to do this, go ahead and
8 get it done," and I thought it was Amy Casler (ph).

9 MS. EPLEY: I take it back, I do not have
10 it.

11 THE WITNESS: Well, I do, and I will
12 share it.

13 Q. (BY MS. CAMERON) Is there anyone else
14 say now over the OAG's Office that you think would be
15 cooperative and has personal knowledge or anybody
16 else that you think we should talk to besides Don
17 Clemmer, Mindy Montford and maybe Meredith?

18 A. Well, Don -- Don will probably remember
19 who actually helped us with the subpoena issuance --

20 MS. BUSS: Okay.

21 THE WITNESS: -- which I just don't
22 recall at this point, but I don't know there's been
23 kind a pullover there, so --

24 Q. (BY MS. CAMERON) Well, records, we will
25 try to get the records.

1 A. There are people who would know a lot
2 more about how to get the records. Missy's one of
3 them. She's gone now, but she would know. I talked
4 to her during the "Can't you do something" phase.
5 I'm trying to -- I don't know but all those guys --

6 Q. All right.

7 A. I'm sorry, I just don't recall anyone
8 right now.

9 Q. We are not a loss for witnesses.

10 A. You have got plenty, I think, for sure.
11 I did think highly of those people and felt horrible
12 when they felt they had to leave. I thought it
13 was --

14 Q. Did you have personal interaction you
15 said with David Maxwell, Mr. Penley?

16 A. I think I talked to Mark --

17 Q. Okay.

18 A. -- and then Mr. Fastener (ph). No, I
19 didn't -- I don't remember talking to him.

20 Q. Mr. Brickman?

21 A. No.

22 Q. Okay. So the main person you know or
23 dealt with over this would have been David Maxwell?

24 A. And I did talk to Jeff Mateer.

25 Q. And Jeff Mateer?

1 A. Yeah, and Mark Penley, I believe. And
2 then Missy and Lisa called a couple of times or --

3 Q. Do you -- did you get involved with the
4 flurry of, "We got to do a Motion to Quash, what's
5 out there, what Court do we go to and how do we do
6 this?"

7 A. No, I didn't. I just heard about it.
8 And we all were -- and seriously, we were like, what
9 in the world is going on in the A.G.'s Office?

10 Q. So nobody from your office had to meet
11 someone from the A.G.'s Office to quash --

12 A. They didn't, no.

13 Q. -- quash the subpoenas?

14 A. I think they went straight to the Judge
15 for it, and we just heard about it or found out about
16 it somehow. Oh, anyway, that's -- that's, you
17 know -- I thought it was a --

18 Q. (BY MS. BUESS) I'm coming at this a
19 little bit backwards, but I know you mentioned that
20 you had been County Attorney. Let's -- can we go
21 from law school forward and get kind of your
22 credentials so that we have them. I should have
23 asked you that first.

24 A. Okay. Well, I got out of law school in
25 December of '72 and was licensed in April '73, and at

1 that time I was working in the legislature, and I
2 worked the '74 Costa Shell Convention (ph); and then
3 in '75, I was working for a State Representative, and
4 I was a committee council. And then I met Ronnie
5 Earl and he -- because he was a member of the
6 legislature and we became friends.

7 Back then you were down in the basement
8 of the capitol and this rabbit run and everyone
9 shared these suites and we were all on top of each
10 other, and he was in the same suite and he hired me
11 to help him, you know, with a subcommittee, a
12 subcommittee council in the interim; and then he ran
13 for D.A. and I had always -- so I wanted to get out
14 of the capitol and into the courtroom. And I got
15 hired to -- by the county -- Travis County is the
16 (inaudible) public defender, and then when he got
17 elected and I started pounding on his door begging
18 him for a job, and that's when he -- and I got hired
19 in the D.A.'s office in July '76.

20 And then I ran for County Attorney in '80
21 and took office in '81. During that time I remarried
22 and didn't really work for a while. We had a
23 couple -- I had to -- my second and third children,
24 so let's see.

25 Q. (BY MR. MCANULTY) What was '81 did you

1 do --

2 A. I ran for -- County Attorney.

3 Q. County Attorney.

4 A. And then kind of a checkered career here
5 now that I think about it, but during that time I was
6 appointed to the Commissioners Court a couple of
7 times to fill out expired terms. And then my husband
8 had health issues, mental health issues, and so I had
9 to go back to work, and that's when I found the job
10 as assistant Attorney General in the little Medicaid
11 fraud division. I did that for nine and a half
12 years.

13 So that brings you up to -- I was in
14 retirement and ran for D.A.

15 Q. Thank you.

16 A. So you can kind of -- I haven't worked
17 for the city government, but -- or the federal
18 government, really, so that's what -- I know a lot
19 about -- a lot about a little, you know, or a little
20 about a lot.

21 Q. (BY MS. CAMERON) A lot about public
22 service.

23 A. A lot about public service.

24 Q. Definitely.

25 A. My dad was district attorney when I was a

1 kid, a little town.

2 Q. Oh, wow, what county?

3 A. McClennan, Waco. So I literally grew up
4 in a courthouse. You know, he would go down there on
5 Saturdays and we would go down, and I think about it
6 now, and we kids would climb all over that
7 courthouse, out on the window sills, you know, those
8 big, deep window sills --

9 Q. Yes.

10 MS. BUESS: Yes.

11 A. -- peek in and I watched court
12 proceedings, and I just wanted to be -- I wanted to
13 do that and I -- there were no women lawyers. I
14 never saw one. The only women I saw in a courtroom
15 were the clerk and the court reporter and -- but I
16 wanted to be a lawyer, and every one of those men
17 worked for dad in the D.A.'s Office were literally
18 doing defense work in the private practice, they all
19 encouraged me. And I think, you know, Waco in the
20 '50s, you know, it is not --

21 MS. BUESS: Yeah.

22 A. But they did. They were all, like,
23 "Yeah, you would be great," so I did.

24 Q. (BY MR. MCANULTY) It sounds like you
25 were -- you got a lot to be proud of.

1 MS. BUESS: Yeah.

2 A. Well, yeah, I did -- I did want to do
3 another term as D.A. I would have -- I really wanted
4 that -- we broke that office and that's why Clemmer,
5 came to work for me. He said, you know, he had to be
6 part of rebuilding that office after Rosemary's
7 problem. You know, it was so demoralized over there,
8 that it was fun to make -- make them -- gave them a
9 place to be proud of again.

10 Now they're all out -- now they're all
11 with the defense before, and the A.G.'s Office and
12 the neighboring counties have gotten a bunch of
13 really good reports to go to work for them.

14 Q. (BY MS. EPLEY) We know what that is
15 like.

16 MS. CAMERON: We do. We do.

17 A. You know I said what's funny about that
18 is I knew Jack Ogg because he was in the House with
19 dad, and my dad was a member of the House for six
20 years, and Jack was a member of the house, and then
21 they went to the Senate. And so I knew him, and I
22 didn't know Kim at all because she was younger, and I
23 called her up when I got elected -- well, I actually
24 called Jack to say, "Hey, your daughter just got
25 elected D.A., I just got elected D.A.," and she

1 called back. But I never really -- you know, I hired
2 Justin Wood. I guess you all know Justin?

3 MS. EPLEY: Yes.

4 MS. BUCESS: Yes.

5 A. Some of the -- he was a refugee.

6 MS. BUCESS: Uh-huh.

7 MS. CAMERON: I think Kim's son is at
8 U.T. Law School now.

9 THE WITNESS: Really?

10 MS. CAMERON: I believe. That's what I
11 heard.

12 THE WITNESS: Wow. That's a lot to --

13 MS. CAMERON: Yes, it is --

14 MS. BUCESS: Second gen.

15 THE WITNESS: Multiple generations.

16 MS. BUCESS: Uh-huh.

17 THE WITNESS: Well, anything else I can
18 help you ladies and gentlemen?

19 MS. BUCESS: No. We appreciate you coming
20 truly. Thank you.

21 MS. CAMERON: Oh, can we get the cell
22 anybody?

23 THE WITNESS: Let's turn our cells off.

24 MR. MCANULTY: Okay. I'm going to -- are
25 you going to turn it off?

1 MS. EPLEY: Yes, sir.

2 MR. MCANULTY: Okay.

3 (Tape ends)

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Confidential

1 STATE OF TEXAS

2 COUNTY OF HARRIS

3 REPORTER'S CERTIFICATE

4 AGC MEETING

5 April 5, 2023 Meeting

6 re: Ms. Margaret Moore

7 Transcribed June 22, 2023

8
9 I, Michelle Hartman, the undersigned
10 Certified Shorthand Reporter in and for the State of
11 Texas and Registered Professional Reporter, certify
12 that the facts stated in the foregoing pages are
13 transcribed to the best of my ability.

14 I further certify that I am neither
15 attorney or counsel for, related to, nor employed by
16 any parties to the action in which this testimony is
17 taken and, further, that I am not a relative or
18 employee of any counsel employed by the parties
19 hereto or financially interested in the action.

20 SUBSCRIBED AND SWORN TO under my hand and
21 seal of office on this 22 day of June, 2023.

22
23 

24 Michelle Hartman, CSR, RPR
25 Texas CSR 7093
Expiration: 12/31/23

EXHIBIT 016

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AGC MEETING

March 28, 2023 Meeting

re: Mr. Mark Penley

Transcribed June 25, 2023

AGC MEETING OF March 28, 2023 meeting re:
Mr. Mark Penley, transcribed by Michelle Hartman,
Certified Shorthand Reporter in and for the State of
Texas and Registered Professional Reporter, reported
by computerized stenotype machine from audio tape
recordings to the best of her ability.

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APPEARANCES

Ms. Erin Epley

Ms. Terese Buess

Mr. Brian Benken

Mr. Don Tittle, Mark Penley's counsel

MS. EPLEY: All right. Before we get too far, just for purposes of the recording, it's Tuesday, March 28th, 2023 at approximately 1:54 p.m. My name is Erin Epley. I'm an attorney working for the committee.

And I would like us to go around the room and introduce ourselves.

MR. BENKEN: I'm Brian Benken. I'm an attorney and a private investigator working for the committee.

THE WITNESS: And I'm Mark Penley. I work at the Dallas District Attorney's Office.

MR. TITTLE: And I'm Don Tittle, an attorney working in Dallas, and I'm Mark Penley's counsel.

MS. BUSS: I'm Terese Buess. I'm an attorney working under contract for the committee.

Q. (BY MS. EPLEY) I see there was some things here. I will go through them in a moment --

A. Sure.

1 Q. -- or look at them. In the end, we can
2 regroup.

3 A. And I also brought a copy of our civil
4 petition. You may already have that.

5 Q. We do, but thank you. We do.

6 I think I would like to begin just by
7 saying we're going to have you tell your story your
8 way. There will be some interruptions if we want to
9 clarify or find out additional information.

10 Tell us -- we know what you do now,
11 but tell us little about your legal career, what
12 brought you to the A.G.'s Office, and then move
13 forward to the pieces of 2019-2020 that are relevant
14 to this.

15 A. Okay. I will just go way back and
16 start. I went to college at the Air Force Academy.
17 I spent five years on active duty in the Air Force.
18 And I'm telling you that because, you know, all my
19 adult experience poured into this whole situation.

20 After five years active duty in the
21 Air Force, I went to law school at the University of
22 Texas. I was in civil practice after that for 19
23 years. I started out in Houston at Andrews & Kurth
24 doing civil litigation, stayed there four years, and
25 then my wife and I decided to move closer to home.

1 Our families were in North Texas, so I took a job in
2 Dallas at Strasburger & Price, did personal injury
3 defense litigation there until 2003, when I became a
4 federal prosecutor at the U.S. Attorney's Office in
5 Dallas in the Northern District of Texas.

6 I stayed there -- I had military
7 service credit when I joined the office, so I stayed
8 there 16 years as a criminal prosecutor, and then
9 retired from there in the fall of 2019 with 25 years
10 of federal service, and took a job at the Attorney
11 General's office here in Austin.

12 And I started on October 7th or
13 8th of 2019. I think it was -- my first day at
14 work was Tuesday, the 8th, if I recall. At the U.S.
15 Attorney's Office in Dallas, and that experience bore
16 very heavily on what happened here, I did criminal
17 prosecution the entire 16 years. I was in the
18 general crime section. We did counterfeiting and
19 other -- a variety of federal crimes, and then I
20 moved into the national security section and did
21 terrorism after two or three years, I think, all the
22 way until the end of my time in 2019.

23 And I spent a year of those 16 years
24 on detail in Washington D.C. at the main
25 Justice Department in the counterintelligence and

1 export control section. So I worked in a classified
2 environment and did national security cases and
3 worked in -- you know, on classified matters, and
4 that was a really great year, and then was back in
5 Dallas.

6 And in July of 2019, I got a call from
7 Jeff Mateer, who was the First Assistant Attorney
8 General at the time, and Jeff said they had an
9 opening for a deputy for criminal justice and that
10 Attorney General Paxton had asked him to call me.

11 So I had known Attorney General Paxton
12 when I was at Strasburger & Price. He -- he spent a
13 year or two there as an associate in the corporate
14 section I think around 1990, '91, somewhere in that
15 timeframe; and I was at Strasburger from '84 to
16 January of '03. So I knew him then a little bit, and
17 I would see him from time to time in Dallas during
18 the years. We had a mutual friend that had also
19 worked at Strasburger & Price with us. He kind of
20 kept me informed of General Paxton's activities.

21 And I had lunch with the two of them
22 in November of 2018, and perhaps that's why I came to
23 his mind when he had an opening for a deputy for
24 criminal justice. But, anyway, Jeff Mateer called me
25 and asked if I would be interested in interviewing

1 for the job, and we talked some, and I was
2 interested -- interested, and came down here and
3 interviewed and was offered a job. And so I started
4 in October once I could give the U.S. Attorney's
5 Office notice and wrap up a few things, and then
6 start working down here.

7 Q. Okay. So October of 2019?

8 A. October of 2019, and I believe it was
9 October the 8th.

10 Q. Thank you. And then once you had
11 gotten there, I mean, we can take you through your
12 career, but in terms of points salient to this, can
13 you help me understand when you started, if ever,
14 noticing things were -- were odd?

15 A. Yeah. The first time I noticed
16 anything was odd -- it was a great job and a great
17 group of people. I didn't have a whole lot of
18 contact with Attorney General Paxton. He was gone a
19 lot, he was traveling, he was out. So Jeff Mateer
20 was our boss, and I can't speak highly enough of him,
21 his personal character, his integrity, and his skill.
22 He was an outstanding public servant, and he ran the
23 office very, very well. He ran the day to day. He
24 ran the two staff meetings we had for the executive
25 staff every week on Tuesday morning and Thursday

1 morning.

2 Jeff was who I reported to. Jeff was
3 the one to give me guidance and assignments; and, of
4 course, the Attorney General could give me
5 directives, too, but my -- my common, daily
6 interactions were with Jeff Mateer, and I think very
7 highly of Jeff.

8 So, anyway, I got here, and the fall
9 went fine, and then in mid-December, I had an
10 arrangement worked out with the Attorney General and
11 with Jeff that I would work in Dallas in the Attorney
12 General's Office. The civil division had a small
13 office there, and I would work in Dallas either on a
14 Monday or a Friday.

15 My mother is in her 90s and she's --
16 she was in independent living then but needed looking
17 after and needed help, and I was the one that lived
18 closest. She lived in Dallas. So I looked after
19 her.

20 And then my father-in-law was in his
21 mid-90s then. So when they offered me the job, I
22 said, "Look, I can't really move to Austin. We have
23 parents to look after."

24 And they said, "That's okay, we can --
25 we can let you work a day a week in Dallas, and you

1 can be down here, you know, three or four days a
2 week." And so typically I was here four days a week.

3 But, anyway, in mid-December, Ken
4 Paxton, I think he called me and he said, "Can you
5 stay over past the weekend on Monday? I'm going to
6 be in Dallas on Monday and I want you to meet with me
7 about something."

8 And I said, "Sure."

9 And so he had me come meet him around
10 midday. He was at a Starbucks in the Highland Park
11 Village Shopping Center, and he said he was meeting
12 with some other folks. And when he finished talking
13 to them, he said, "Let's go out to the car in the
14 parking lot. We're going to do a phone call with
15 somebody." And I still didn't know what this was
16 about.

17 So we get on the phone and he's
18 saying, "This is a friend of mine, Nate Paul, and
19 he's had some issues with the FBI and I want you to
20 listen to his story and then let's talk about it."

21 And so I -- I thought, what is this,
22 this doesn't sound like what we normally work on.
23 And so immediately I felt very defensive internally,
24 and I was cautioning myself, you know, be very
25 careful here, you don't know what's going on. You're

1 not his lawyer. You cannot give legal advice. I
2 need to tell him that I can't be his lawyer and I
3 can't give him legal advice and that I represent the
4 State of Texas and not him. And so I did say all
5 those things.

6 But, anyway, Mr. Paxton placed the
7 call. This man Nate Paul gets on the phone. I have
8 never met him, never talked to him, don't know
9 anything about him at that point. I know a whole lot
10 more now.

11 Q. Uh-huh.

12 A. And he gets on the phone and proceeds
13 to narrate this story that he's been the subject of
14 federal search warrants on his home and office
15 locations, multiple office locations. And this was
16 back in August of that year, August of 2019. And now
17 I can tell you that those searches began on
18 August the 14th. I think there were two or three
19 that day. There was another one on a storage unit on
20 August the 16th, which was the Friday of that week
21 I believe.

22 And the search warrants were obtained
23 by an AUSA in the Austin office at the U.S.
24 Attorney's Office for the Western District, Alan
25 Buie. They were signed by Federal Magistrate Judge

1 Mark Lane.

2 And I knew of Mark Lane. I knew that

3 he had previously been the first assistant --

4 Q. I'm sorry, y'all (coughing). I'm happy
5 for you to continue.

6 Q. (BY MS. BUESS) Say that name one more
7 time.

8 A. Mark Lane, who is a Magistrate Judge
9 here in Austin, and I knew that he had previously
10 been the first assistant in the U.S. Attorney's
11 Office for the Western District of Texas.

12 Q. (BY MR. BENKEN) How do you spell the
13 AUSA's name?

14 A. L-A-N-E.

15 Q. No, no, the AUSA.

16 A. Oh, I'm sorry, Alan Buie. But we --
17 A-L-A-N and last name B-U-I-E.

18 Q. Okay.

19 A. And Alan was previously an
20 assistant U.S. attorney in the Dallas office. I knew
21 Alan. I didn't work closely with him there, but I
22 knew him, and he had a stellar reputation, both
23 personally and professionally.

24 Q. So you and Paxton are sitting inside a
25 vehicle?

1 A. We're in a vehicle. I want to say -- I
2 don't think it was my car. I think it was the car
3 that he was in, but he had me sit in the car. You
4 know, we're sitting in the two front seats, and
5 there's -- I guess it was his cell phone. I don't
6 know if it was a State phone or a personal phone, and
7 he's got Nate Paul on the speaker.

8 So Nate Paul narrates this story and
9 describes that, you know, "Hey, all of these, you
10 know, bad things happened, this federal search
11 warrant was executed, all these agents came to my
12 house, I was there, they wouldn't let me call my
13 lawyer right away, they wouldn't let me go to the
14 restroom right away. When I finally got to call my
15 lawyer, the agent wouldn't let me use my personal
16 phone, he made me use his cell phone instead."

17 Somebody put a yellow sticky note with
18 the words "Gordon Gecko" on a picture of -- of him or
19 his family that was on a bookshelf in his study,
20 and -- and he was complaining about that. And then
21 he said that the FBI agents cut the wires to his home
22 security system.

23 And I'm listening to all of this and
24 I'm thinking, I don't know if this is true, I don't
25 know if this is not true, I don't know what the other

1 side of this story is, but why is the Attorney
2 General having me listen to this? Where is the State
3 interest in this? This is -- this is not something
4 that our office should be involved in, based on what
5 I'm hearing.

6 And so that was -- that was the gist
7 of the conversation. And it probably lasted for
8 close to 30 minutes. And near the end of the
9 conversation, you know, I just -- I tried to listen.
10 I tried not to say very much; and at the end, I just
11 tried to stress to him, "Hey, you know, you need to
12 be talking to your personal counsel about this. Do
13 you have a lawyer?"

14 "Oh, yeah, I have got a lawyer."

15 "Well, you know, you need to be
16 talking to him about this and seeing what legally he
17 thinks he should do."

18 (Discussion off record)

19 A. And -- and then I stressed to him,
20 again, that I -- I work for the State of Texas, I
21 could only do legal representation for the State of
22 Texas, I couldn't represent him, I was not his
23 attorney, so anything I was saying to him was not
24 legal advice that he should rely upon in any way.

25 So, you know, I tried to be polite

1 about it, but I wanted to be very clear in case he
2 ever came back and said, "Well, Mark Penley told me
3 to do this;" that I was telling him, "You need to go
4 talk to your own lawyer about this."

5 So after the call --

6 Q. Were you also telling him at the time
7 that you didn't really think it was something that
8 y'all would get involved in?

9 A. Well, there was no request at that
10 point by the Attorney General for us to get involved.
11 So after the call concluded and the Attorney General
12 hung up, he said, "You know, he's a friend of mine,
13 this is terrible, it sounds like the FBI is doing
14 really bad things."

15 And I don't recall any request for
16 action on my part from the Attorney General at the
17 stage. And so that was -- to the best of my
18 recollection, that was Monday, December 16th of
19 2019. And somebody can check me on the calendar date
20 if you want to, but it was that -- it was -- it was
21 Christmas season. The shopping center was decorated
22 for Christmas, and it wasn't the week before
23 Christmas. And I believe it was -- it was that
24 Monday.

25 So, anyway, for months I didn't hear

1 any more about this. I think through the spring, I
2 heard some rumblings in the office that, you know,
3 people were having meetings, and maybe I heard
4 Nate Paul's name once or twice, but I very much tried
5 to stay in my lane. I was new. I was in my first
6 year working for the State. I was in my first year
7 at the A.G.'s Office. You know, Jeff had multiple
8 deputies that he supervised, and, you know, I didn't
9 ask them what they were working on or tried to stick
10 my nose in their business, and they weren't trying to
11 tell me how to do my job.

12 But the next big thing that I recall
13 is in early June, and it was right after June the
14 10th, so it was June 11th or 12th at either the
15 Tuesday or Thursday staff meeting -- we had those
16 every Tuesday and Thursday -- I don't remember if the
17 Attorney General was there, but I know Jeff Mateer
18 said, "We have gotten a referral from the Travis
19 County District Attorney's Office," and he had the
20 paperwork, and he said -- The Attorney General might
21 have been there and mentioned it and then he would
22 typically leave early, and then Jeff would talk to
23 each of us if he had individual things for us to work
24 on.

25 But I know Jeff handed that to me and

1 David Maxwell. And as, you know, David Maxwell was
2 our law enforcement director, a retired Texas Ranger
3 who supervised over 200 peace officers. And I have
4 high, high respect for David Maxwell. And I had
5 found him -- I had worked with him for almost nine
6 months by that point, and he is rock solid and has
7 excellent judgment.

8 And so, you know, having served almost
9 50 years as a peace officer, he had a real detector
10 when things were out of kilter. And so Jeff gave us
11 this referral. David picked it up first and kind of
12 scanned it and then, you know, kind of tossed it on
13 the table back toward me. And I picked it up, and I
14 said, "Oh, I have heard part of this story before."
15 And -- and it was the same situation that Nate Paul
16 had talked about back in December on that phone call,
17 so --

18 Q. Was there anything added to it or
19 different or did it seem to be mostly the same stuff?

20 A. Mostly the same stuff. There was
21 probably, you know, more detail in the writing.

22 Q. Right.

23 A. Anyway, the referral -- I think the
24 referral said the Travis County D.A.'s Office had a
25 conflict because there was a member of the Texas

1 Department of Public Safety on the task force that --
2 that was part of executing the search warrants.

3 So they said, "Since we handle matters
4 for The Rangers and DPS, we have got a conflict of
5 interest, and we're referring this to the Attorney
6 General's Office."

7 So I think Jeff said to me and David
8 Maxwell, you know, "This is something for y'all to
9 handle." So David and I talked about it afterwards,
10 and neither one of us thought there was any matter of
11 State interest whatsoever involved in that.

12 And as a former AUSA, I'm sitting
13 there looking at this thinking, why isn't his lawyer
14 involved in this, why -- if there -- if something
15 wrong occurred, why aren't they going back to
16 Judge Lane, why aren't they not filing a federal
17 civil lawsuit for a violation of civil rights or
18 something? I mean, there's all kinds of avenues and
19 statutes available in the federal courts to address
20 wrongdoing by law enforcement officials, and why are
21 they coming to the Texas Attorney General's Office
22 for redress?

23 So David and I talked about it, and
24 neither one of us was excited about the assignment at
25 all, and neither one of us really moved forward with

1 it. And so this was around June 11th or 12th, and
2 I would say sometime in late June or early July --
3 and I don't know the particular day -- but General
4 Paxton said something to me, he said "Hey, what's
5 going on with that referral from Travis County? Have
6 y'all met with those guys, have you talked to them,
7 what are you doing?"

8 And so, "Well, you know, we have been
9 busy, and we'll get on it."

10 And so I talked to David Maxwell and
11 said, you know, "We're going to have to schedule a
12 meeting."

13 And so David and I discussed it, and
14 we decided that he would conduct the first meeting by
15 himself, because he said that was kind of his normal
16 way of doing things. And they had a room where they
17 had a video system set up and he typically would meet
18 with people coming in to make complaints and he would
19 video it, it would be audio taped, and that would be
20 a record that the Attorney General's Office still
21 should have.

22 Q. (BY MS. BUESS) So you were never
23 directed to record that first meeting --

24 A. No.

25 Q. -- contrary to that, the response?

1 A. No, nobody -- I don't --

2 Q. Was it your idea or -- or Maxwell's?

3 A. Well, I don't -- I don't think we were
4 directed to. That's my best recollection, I don't
5 recall being directed to video record it.

6 Q. Uh-huh.

7 A. The way I recall it is David Maxwell
8 and I discussed it, and I was a little concerned
9 about recording it, and David said, "Well, this is
10 our standard protocol."

11 And I guess I was concerned about
12 recording it because at the federal level --

13 Q. On the federal side, you're not allowed
14 to do that?

15 A. Yeah, we didn't do that. And the FBI
16 didn't do that back at the time. So that was new for
17 me. But David said, "No, that's the way we do it."

18 And so I said, "Okay, let's go with
19 the way you do it."

20 And then my recollection is that
21 shortly after that meeting --

22 Q. (BY MR. BENKEN) Who was at that
23 meeting?

24 A. Just David Maxwell, Nate Paul, and
25 Michael Wynne. And Wynne is W-Y-N-N-E. And I

1 believe I have given you a copy of his business card
2 here --

3 Q. Yes, sir.

4 A. -- in these documents.

5 So David met with him 30 or 40
6 minutes, and then afterwards, at some point very soon
7 after, the Attorney General wanted me meet with him;
8 and I think that occurred -- so that first meeting
9 was in mid to late July, I don't have the exact date,
10 and then on July 23rd -- so the meeting was before
11 July 23rd.

12 On July 23rd, the Attorney General
13 wanted me to meet with him to review the video, and
14 he had gotten the video downloaded onto a thumb drive
15 or something and he put on a laptop in his office,
16 and he and I sat at his worktable for probably 30
17 minutes and watched most of the video. He got --

18 Q. (BY MS. BUESS) Which video was this?

19 A. This was a video of the first meeting.
20 And, again, I don't know the exact date. I'm
21 guessing it was the second week of July, roughly
22 mid-July of 2020.

23 And so the Attorney General and I
24 watched the meeting. I was surprised that they
25 didn't bring any documents. They talked about having

1 some copies of some of the search warrants, but they
2 didn't bring Director Maxwell any documents at all.

3 And so David Maxwell and I then spoke
4 after that meeting and said, "All right, let's have a
5 second meeting and I'll attend this one and I'm going
6 to call the attorney and ask them to bring documents,
7 because we need to see records."

8 Q. So tell me about that first meeting
9 that you watched the video of. Was there anything
10 about that that --

11 A. Well, what I can remember is that they
12 came in and they said, you know, "The search warrant,
13 it's wrong, wrong behavior occurred." And in
14 addition to complaining about, you know, "I couldn't
15 call my lawyer and somebody put a sticky note on a
16 photograph," and that kind of stuff, and then cutting
17 the wires -- and I don't honestly know if that's
18 allowed or not, I don't know if that's right or
19 wrong. I just never dealt with that when I was a
20 federal prosecutor. And, again, that's not for the
21 A.G.'s Office to be dealing with that. There's --
22 there are avenues and folks they can go talk to about
23 that.

24 But what surprised me was they started
25 talking, you know, just about, "Well, there's all

1 these things wrong with the search warrants, there's
2 inconsistent signatures, and the dates don't line
3 up," and this, that, and the other. And what I
4 thought to myself was, well, then, I need to see all
5 your paperwork. You've obviously got some documents,
6 and why don't we have those documents? (Because
7 you're asking us to do things, but we -- we work on
8 evidence, so where's the evidence?)

9 Q. Right.

10 A. So after I met with the
11 Attorney General, and I don't -- I don't recall him
12 giving us any directives or giving me any directives
13 after that July 3rd meeting in his office, and that
14 probably lasted 30 minutes.

15 Q. (BY MR. BENKEN) Stop for just a
16 second.

17 So after you and Paxton watch the
18 video, is there a conversation again, maybe like,
19 "Hey, why -- you know, this isn't really something we
20 should do" or --

21 A. What I recall is he was critical of
22 David Maxwell, because he thought David Maxwell was
23 being too negative toward their claims --

24 Q. Okay.

25 A. -- and, you know, that he wasn't just

1 accepting what they said at face value.

2 Q. (BY MS. BUESS) Did you think he was
3 critical? I mean, was he rude to them or --

4 A. Oh, no, no. No, David was very
5 professional.

6 Q. Okay.

7 A. But, you know, I mean --

8 Q. (BY MR. BENKEN) He wasn't agreeing
9 with what they were saying?

10 A. Yes, he just wasn't agreeing with what
11 he was saying.

12 And over the course of time,
13 General Paxton, I realized, was negative toward
14 David Maxwell, and -- and what I now believe is he
15 just wanted people he could push around. You can't
16 push David Maxwell around. And so, you know, he
17 wanted somebody he could control, and he wanted
18 people to do what he said and believe what he wanted
19 them to believe. And, you know, David Maxwell is not
20 that kind of person, and he shouldn't be.

21 So after that short conversation with
22 the Attorney General where we watched the video of
23 the first meeting, I called Michael Wynne, Nate
24 Paul's attorney, and said, you know, "We need to have
25 a second meeting." And I believe that was on

1 July 28th, and I said I called him. It's possible he
2 called me. But we had a phone conversation on
3 July 28th, I know that we did. And we scheduled a
4 meeting for the following week on August the 5th,
5 2020, again, back at the -- Bill Clement's office
6 building, and we were going to meet in the same room
7 with the video system and the audio recording system
8 where Director Maxwell did the first meeting.

9 So we met on August the 5th, and it
10 was the four of us: Me, David Maxwell, Nate Paul,
11 Michael Wynne. This time they brought a thumb drive
12 with some documents. We did not look at the thumb
13 drive during the meeting, but they went into more
14 detail about the search warrants, and what they said
15 was, you know, "There are things that we think are
16 inconsistent about the search warrants, but here's
17 why we really believe this."

18 And I remember Michael Wynne saying to
19 me as Nate Paul started to lay out his theory, which
20 involved the metadata, he thought there were problems
21 with the metadata --

22 Q. So can I pause this?

23 What I wanted to clarify: This first
24 meeting that you have in maybe the second week of
25 July, it's amorphous issues with the federal search

1 warrant and investigation, but nothing that anyone
2 triggers on is actionable, they don't understand
3 enough to pursue you; is that fair?

4 A. That's -- that's my takeaway. That's
5 my recollection.

6 Q. And having viewed the video and then
7 in -- July 23rd, you have your first interview that
8 you're part of in regards to this meeting,
9 discussion, and, again, there's nothing really
10 tangible, so this metadata situation has not been
11 presented yet; is that fair?

12 A. That's fair.

13 Q. Okay.

14 A. That's my recollection. My -- my
15 recollection is that the metadata issue really got
16 addressed at the second meeting.

17 Q. Okay.

18 A. Now, it may have been mentioned at the
19 first meeting. I don't want to tell you for sure
20 that it wasn't mentioned, but they really honed in on
21 it the second meeting and spent a lot of time talking
22 about it.

23 And so Michael Wynne said, "I know" --
24 words to this effect, "I know this is going to sound
25 crazy, but, you know, Mr. Paul has really studied

1 this," and -- and you know, "I was skeptical of this
2 at first, but now I really believe it and so we're
3 going to lay this out for you." You know, that was
4 kind of the introduction to this metadata subject.

5 Q. Okay.

6 A. So I recall a lot of discussion at the
7 second meeting about metadata.

8 Q. I don't know that this is relevant, but
9 just out of curiosity, for the investigators or
10 lawyers who are in the room, when they say there's a
11 federal search warrant that was tampered with by
12 either the FBI or U.S. Attorney post being signed by
13 a judge --

14 A. Uh-huh.

15 Q. -- what's the sense of -- what's the
16 sense of that at the time --

17 A. My -- my --

18 Q. -- and is that being relayed to
19 General Paxton?

20 A. I don't know if -- if I did that on
21 July 23rd, but after the second meeting, I'm
22 confident I did.

23 Q. Okay.

24 A. And, in fact, I jotted down a note,
25 because I looked at the statute, but 18 United States

1 Code Section 1519 is a 20-year felony for alteration
2 of records in a federal investigation. So if it were
3 true that any federal agent or prosecutor changed
4 what was on a search warrant after a Judge signed it,
5 they would be ruining their career and getting
6 themselves lined up for a prison term.

7 And Alan Buie worked in the Dallas
8 office while I was there, I didn't know him well, but
9 he had a stellar reputation. He worked in the
10 white-collar fraud section. He was our lead
11 securities fraud prosecutor, and he was very highly
12 respected in that office. And then he moved to the
13 Western District --

14 Q. Uh-huh.

15 A. -- to work in Austin.

16 So I have never discussed this case
17 with Alan Buie, either back then or since, but I know
18 Alan Buie to be a highly experienced and skilled and
19 ethical prosecutor. So for me to believe that Alan
20 Buie would alter a federal search warrant after a
21 Judge had signed it, somebody's going to have to show
22 me some evidence. I'm not going to take your word
23 for it. You're going to have to show me proof that
24 Alan Buie would do such a thing.

25 And I would feel that way about any

1 prosecutor, state or federal, because they shouldn't
2 be in those jobs if they would be willing to do that.

3 Are there bad apples out there? Of
4 course there are. They're in every walk of life.
5 But my job as a prosecutor is to act on evidence, not
6 because somebody wants to tell me a complaint
7 without -- without something to back it up.

8 So the idea -- the whole story struck
9 me from the very beginning -- again, with my
10 background being a federal prosecutor for 16 years
11 and I handled dozens and dozens and dozens of search
12 warrants and took FBI agents up to see the Magistrate
13 all the time and raise their right hand and swear
14 that everything in that affidavit is true, and I --
15 you know, I would work with the agents and be sure
16 that we had probable cause and an affidavit before we
17 went to see the Judge.

18 And there was a time or two where a
19 Judge would say, "You don't have enough in there, you
20 know, go back and do some more work." You know,
21 maybe that happened once or twice in my career, but
22 we all know you've got to have evidence, you've got
23 to be able to set it out, and the agent's got to
24 swear to it.

25 But what they were saying was we

1 believe that the AUSA got these search warrants
2 signed, and they -- they specifically told me this,
3 "We think they came here looking for drugs and other
4 contraband and they weren't finding it after the
5 first hour or two and we think Alan Buie changed
6 Attachment B, which describes what you're allowed to
7 search and seize," and that's stapled on as the last
8 page of the search warrant, "and we think he switched
9 it to white-collar language," you know, computers,
10 documents, papers, book, calendars, et cetera,
11 et cetera, "and got rid of all the drug language."
12 So they claimed that that was -- that
13 there was this big conspiracy between the AUSA and
14 all these FBI agents and all these task force
15 officers, you know. So we have -- we have got -- I
16 know there was at least one task force officer from
17 the State Securities Board. There was another name
18 I've heard that supposedly was with DPS, I never met
19 or talked with any of these people, and there were a
20 number of FBI agents involved. So all these people
21 are going to join a conspiracy with a highly
22 respected federal prosecutor to alter a search
23 warrant?

24 And then I said to Michael Wynne
25 during this second meeting, "Well, if y'all believed

1 all this, why aren't you going back to see Magistrate
2 Judge Lane and request a hearing and lay all this
3 theory out for him? Why are you coming to the A.G.'s
4 Office?"

5 "Oh, we've already had a hearing."

6 And my jaw dropped. "You've had a
7 hearing. Well, you didn't tell me about that. Let
8 me hear about that. When was this hearing?"

9 Well, the hearing was in February of
10 2020. We're in early August. We're August the
11 5th. That was six months before, and they never
12 mentioned that before.

13 And then I said, "Well, tell me about
14 the hearing. What happened? What did the Federal
15 Judge say when you went back to the Magistrate that
16 issued these and told him, 'we think Alan Buie
17 altered the orders, the search warrants that you
18 issued'? You know, did he put him in jail? What
19 happened?"

20 He said, "Well, you know, we had a
21 hearing and we kind of got off track on some other
22 issues and the Judge, you know, kind of blasted me
23 about something and said, 'The hearing's over.' And
24 said, 'Come back this afternoon at, you know,
25 4:00 o'clock, you'll get a few more documents.'"

1 And so I came back that afternoon and
2 the clerk handed me an envelope and said, "Here's --
3 here's a few more documents."

4 "Well, can I see the documents you
5 got? What did he order produced to you?"

6 And -- and that becomes a running
7 battle for the rest of this thing all the way to
8 September 30th. So, really, that comes back up in
9 August and September, late August and September.

10 So, anyway, the metadata theory was,
11 "Look, if you study the metadata, you'll see that the
12 search warrants were signed by Judge Lane and dated
13 on August the 12th, but they weren't served until
14 August 14th."

15 Well, that's normal, because the FBI,
16 once they get the search warrant, they have their
17 planning meeting and discuss their security plan and
18 how they're going to execute the warrants, and then
19 they go out and serve the warrants and do the search.
20 So there was nothing, you know, subpar -- subpar
21 about that at all.

22 And I said, "Well, what's wrong with
23 the metadata?"

24 "Well, we think Alan Buie altered the
25 warrants on August the 14th."

1 And then they explained this theory
2 that he wasn't finding drugs, so he altered it to
3 white-collar language. And I thought that just
4 sounded absolutely crazy.

5 Q. (BY MR. BENKEN) Well, it is crazy,
6 you'd have to change the entire affidavit.

7 MS. EPLEY: It assumes it's proven all
8 the evidence is gone.

9 Q. (BY MR. BENKEN) Well, no, but --

10 MS. EPLEY: Even if it were --
11 (talkover).

12 Q. (BY MR. BENKEN) You can't do a white
13 collar probable cause talking about banks and then
14 all of a sudden attach, we're looking for drugs. I
15 mean, that -- the whole thing would have had --

16 A. And the minute the Federal Judge would
17 hear that, the first 30 seconds of a hearing he'd
18 say, you know, "Mr. AUSA, what did you do? You're
19 about to go to jail. You better call a lawyer right
20 now."

21 Q. (BY MS. EPLEY) With every case you've
22 ever worked on?

23 A. Yeah, yeah, yeah. And as soon as I
24 call the U.S. Attorney, you're going to be fired and
25 out on the street, and your whole life is in ruins,

1 so --

2 Q. (BY MR. TITTLE) Wouldn't he have had
3 the -- Wouldn't he have had the seal, the warrant
4 right in front of him, the Judge, he could just look
5 at it and go, "Well, sorry, it -- it" --

6 A. Absolutely.

7 Q. -- "it's not been changed"?

8 Q. (BY MS. EPLEY) Well, I think it gets
9 filed in ECF --

10 A. No.

11 Q. Well, okay, sorry.

12 A. Yeah. And so -- so for -- for those
13 that may watch the video that don't know, if a person
14 hasn't been indicted yet and search warrants are
15 issued, they're executed, the target of the search
16 gets a copy of only certain parts of the warrant, and
17 then when -- the agents, they make an inventory of
18 what they seize and take away and they sign that and
19 they -- they staple the inventory to a copy of the
20 search warrant and -- and leave it at the site or
21 send it to their counsel, which is required under
22 Federal Rule of Criminal Procedure 41, which also
23 became an issue with the Attorney General.

24 And so, I mean, once he told me there
25 had been a hearing, I thought, why is there any

1 unresolved issue about this? Why is -- why is there
2 still a problem here? What are you not telling me?
3 What are you not showing me? This doesn't make any
4 sense to me at all.

5 Q. (BY MR. BENKEN) Did he say any hint as
6 to what these documents were that the Judge gave back
7 to him?

8 A. He said they were -- they were more
9 copies of the warrants. And I never could get all
10 the documents from him, I never did, and that was a
11 huge issue to me all the way to the end of September
12 until we went to the FBI.

13 And so the problem I had in being a
14 Deputy Attorney General at the State level and the
15 Attorney General wants me to investigate federal
16 search warrants and the service of those search
17 warrants is, number one, those search warrants are
18 under seal.

19 Nate Paul has still not been indicted
20 to this day, so those search warrants should still be
21 under seal. I don't have access to them. David
22 Maxwell didn't have access to them. The
23 Attorney General's Office doesn't have access to
24 that. They are under seal by order of a Federal
25 Judge, and the U.S. Attorney's Office is not going to

1 give me a copy.

2 I mean, you know, I knew people in
3 that office. I could call them up and say, "Hey,
4 could I see a copy of search warrants that are under
5 seal?"

6 And they would hang up on me and say,
7 "You know, don't ever call again."

8 A. And I wouldn't blame them because I
9 would do the same thing. "Hey, they're under seal,
10 don't you understand that? I can't show them to
11 anybody. This case is still under investigation."

12 So that was one of the things I
13 consistently told the Attorney General from that
14 point forward once I understood what they were
15 driving at is, "There's really no way for me to
16 investigate this. I can't go to the source."

17 Which my counsel just pointed out, the
18 Judge could go to the source, he could go call down
19 to the clerk's office and say, "Bring me up those
20 original warrants I signed, let me look at the
21 original. Mr. Michael Wynne, give me copies of what
22 was left with your client and let me compare the two,
23 and if there's a change, then somebody's in trouble.
24 If there's no change, there's nothing to discuss
25 here."

1 But I couldn't do that, a Federal
2 Judge could.

3 And, also, in that second meeting,
4 David Maxwell said to Michael Wynne, "Look, why don't
5 you go to the Department of Justice Inspector
6 General's Office, they can investigate a Federal
7 Judge, an FBI agent, a federal prosecutor. They
8 would have access to all the information. They could
9 go to the clerk's office and get the warrants that
10 are under seal."

11 "Well, I don't want to do that. I
12 went to law school" -- this is Michael Wynne
13 speaking. He said, "I went to law school with Alan
14 Buie and I have been the subject of an IG
15 investigation before, and it was very stressful, and
16 I wouldn't want to do that to him."

17 And I thought to myself, you don't
18 want to stress him out with an IG investigation, but
19 you want me to make him the subject of a state
20 criminal investigation, what's the difference here?
21 That -- that made no sense to me either. And so --
22 so we had that meeting --

23 Q. (BY MR. BENKEN) Did y'all -- y'all did
24 not record the second meeting?

25 A. We did.

1 Q. Oh, okay.

2 A. We did.

3 Q. So it's recorded as well?

4 Q. (BY MS. EPLEY) And when we say "second
5 meeting," we mean your second meeting but the third
6 in the line --

7 Q. (BY MR. BENKEN) No, this second --
8 second meeting.

9 A. My first --

10 Q. -- his first.

11 A. -- and David Maxwell's second. So it
12 was the second meeting between Maxwell, Nate Paul,
13 and Michael Wynne. I was the only new party.

14 Q. Right.

15 A. And that --

16 Q. But that was recorded also?

17 A. That was recorded. And, again, it
18 still should be there. And perhaps other law
19 enforcement agencies have a copy of it, I don't know.

20 Q. (BY MS. EPLEY) Uh-huh.

21 A. Anyway, that was August the 5th.

22 So sometime after that -- let me just
23 check my notes. The next day, so David Maxwell and I
24 talked after that meeting adjourned, and I said
25 "Look, I'm no computer expert, we need to meet with

1 your computer forensics people, and the law
2 enforcement division has some computer experts
3 because they prosecute and investigate child
4 pornography cases, so they -- they know how all the
5 computer forensics work."

6 And when I was a federal prosecutor,
7 we had folks at the FBI that did that. They
8 understood all that. I don't claim to be an expert
9 on it, but I said, "I -- lets you and I go meet with
10 your computer forensics people and ask them about
11 this. Take the thumb drive, give it to them, have
12 them look at these warrants, have them look at the
13 metadata, and let's see what their opinions are."

14 So we met with them the next day,
15 August the 6th of 2020. And I don't have their names
16 in front of me but David Maxwell knows who they are,
17 and I can get the names if you need them.

18 And I wrote -- I wrote this quote
19 down. Part of what they said to me was, "Metadata,
20 by itself, is -- is not conclusive of any wrongdoing
21 with a document." They said, "Metadata doesn't tell
22 you the document was altered, it just tells you the
23 file was opened. That's all it tells you."

24 Q. Right.

25 A. "So it's just giving you the latest

1 date the file was opened. So the fact that you've
2 got a different date, August 12th to August 14th,
3 doesn't mean the search was altered on August 14th,
4 it means it was opened on August 14th."

5 Q. (BY MR. BENKEN) Right.

6 A. And then I asked some questions and
7 they explained to me, "There are ways that you can
8 change the metadata that are totally innocent,
9 innocuous ways. You can convert a Word document to
10 PDF format, that will change the metadata."

11 Q. (BY MS. EPLEY) Uh-huh.

12 A. "You can redact some language from a
13 document, that will change the metadata. You can
14 encrypt language or encrypt the document, that will
15 change the metadata."

16 I looked at the documents that Michael
17 Wynne had given me the day before. All three of
18 those things had happened with those search warrants,
19 and here's what I can tell you, and if you go to the
20 Attorney General's Office and serve a subpoena, those
21 records should still be there, because Michael Wynne
22 and Nate Paul gave us documents on August the 5th
23 that were copies of e-mails between AUSA Allen Buie
24 and Nate Paul's criminal defense attorneys on the
25 date of this search, August the 14th.

1 And Nate -- Nate Paul was not
2 represented by Michael Wynne at the time of these
3 searches. I think Mr. Wynne began his representation
4 in January of 2020, because he told me they met at a
5 Christmas party in 2019.

6 So, anyway, one of the law firms that
7 represented Mr. Paul in August of 2019 was Meadows,
8 Collier & Owens, and that's a white-collar defense
9 firm in Dallas. They're a very well-respected firm,
10 and they had an active criminal defense practice at
11 the federal courthouse in Dallas. So I knew the
12 name, and I saw one of their attorney's e-mail
13 addresses on this e-mail chain from Allen Buie, and
14 the e-mail -- the e-mail interchange, it was obvious
15 Alan was e-mailing the search warrants to defense
16 counsel for Nate Paul.

17 And, number one, he was sending them
18 in PDF format. You could see that on the e-mail
19 chain. Number two, he was telling the defense
20 attorney that the -- the e-mail was encrypted and he
21 was telling him how to un-encrypt it. And number
22 three, the copies -- the paper copies of the search
23 warrants that we printed off the thumb drive had a
24 line or two redacted from some of the language in the
25 search warrant. And that's typical because if, you

1 know, you got another subject of an investigation,
2 you can redact that part and then give the rest of it
3 to the other subject. And so there was a short
4 redaction, like a sentence or two.

5 So we're three for three on innocent
6 ways that metadata could be changed. In my mind, the
7 scales of justice were dead even. There was not even
8 a one-percent tip toward any evidence of criminal
9 behavior by any of the federal agents or the federal
10 prosecutor. I had no evidence of any wrongdoing,
11 none, no evidence of any crime. And that stayed
12 consistent in my mind throughout this whole
13 situation.

14 And as the Attorney General's conduct
15 ramped up to become more and more unreasonable and
16 illogical and crazy, all I can think about in my mind
17 is, he's pressuring me but I don't have one iota of
18 evidence of any wrongdoing by the people that
19 Nate Paul is claiming did something wrong. It is
20 totally improper for this office, for me, for
21 David Maxwell or for anybody I would delegate it to
22 for us to be doing a criminal investigation on these
23 people.

24 I wasn't protecting Alan Buie because
25 I knew Alan Buie, I was protecting him because there

1 was no evidence he did do anything wrong. And I
2 tried to tell that to first assistant Brent Webster
3 on the day he called me in for my firing interview,
4 and he didn't care. He was totally uninterested in
5 that.

6 And that's one of the things that --
7 that I really don't understand about what's going on
8 in the A.G.'s Office. Eight people went to the FBI,
9 including me and told them that there was criminal
10 behavior going on on the part of the Attorney
11 General. He got rid of all of us within -- all eight
12 of us were gone in different ways within 45 days. He
13 hired a whole new executive crew, sealed off access
14 to the executive floor.

15 And none of the new people seemed
16 bothered by this. I don't understand that. These
17 allegations are out there. How can this be?

18 And nobody so far from the outside,
19 other than y'all -- and I thank you for listening and
20 letting me explain this and walk through this. It's
21 a complicated story, but if you understand what was
22 going on, this was outrageous conduct by an
23 Attorney General that's supposed to be the chief law
24 enforcement officer for the State of Texas, not the
25 chief lawbreaking officer.

1 And you don't go after people with a
2 criminal investigation, potentially ruin their
3 reputation, ruin their career, ruin their life, cost
4 them their job, cost them untold stress if you don't
5 have one bit of evidence that they have broken a law.
6 I didn't have a bit of evidence anybody had
7 jay-walked, so I'm not going to open a criminal
8 investigation on somebody.

9 So that -- after that second meeting
10 on August 5th, and then the following day, the
11 meeting on August 6th with the law enforcement
12 division's computer forensic's experts, I went back
13 and told the Attorney General sometime between August
14 6th and August the 12th, maybe a day or two later,
15 he -- the Attorney General was in the office and I
16 ran into him in the coffee room, and I said, "Hey, we
17 have looked at the evidence, and there's no evidence
18 of any wrongdoing. I recommend we close this
19 investigation."

20 And, you know, I was concerned that he
21 might be upset about that, but he wasn't, he was just
22 perfectly fine. And he said, "Okay, that's fine."
23 All I ask you to do is meet with them and tell them."

24 And I said "Okay. Glad to do that. I
25 will set up a meeting."

1 So I called Michael Wynne, we set up
2 another meeting for August the 12th of 2020, and it
3 was going to be back in the law enforcement division
4 in the Clement's Building. And then either one day
5 or two days before August 12th, I saw the
6 Attorney General again, and I said, "Oh, we have
7 scheduled that meeting. We're going to meet with
8 Mr. Paul and Mr. Wynne."

9 And he said, "When are you meeting?"

10 And I told him. And he said, "Great.
11 I would like to attend."

12 And I said "Okay. Fine." You know --

13 Q. (BY MR. BENKEN) This is a meeting to
14 tell them that you're just --

15 A. That I'm done.

16 Q. You're done.

17 A. That Director Maxwell and I -- or I had
18 recommended that the investigation be closed and that
19 we're not going to take it any further; that we have
20 looked at it, but were not going to take any action.

21 And up to that moment, every bit of
22 feedback I was getting from the Attorney General is
23 that he was not upset, he would accept our conclusion
24 and my recommendation, which was to close the
25 investigation. So to accommodate the

1 Attorney General, when I found out he wanted to
2 attend, we had set up, you know, the third meeting
3 for the law enforcement division area in the
4 Clement's Building, which is catty-cornered from the
5 Price Daniel Building, and to accommodate him and
6 make it easy for him, I moved the meeting to the
7 executive conference room on the eighth floor of the
8 Attorney General's executive floor in the Price
9 Daniel Building, and I notified his -- his secretary
10 or his coordinator.

11 And so on August the 12th, General
12 Paxton attended; Director Maxwell was there; I was
13 there; the -- either two or three of the computer
14 forensic staff from the law enforcement division were
15 present; the Attorney General's young assistant, who
16 was kind of his -- you know, he was just his -- his
17 personal executive, Drew Wicker, was present in the
18 room; Nate Paul was there; and Michael Wynne was
19 there, Mr. Paul's attorney.

20 So the Attorney General sat at the
21 head of the table, where he always sits, and I sat
22 where you sit just off to his left shoulder. And so
23 I took the floor and said, you know, "Mr. Wynne,
24 Mr. Paul, thank you for being here. I just want to
25 advise you that I recommend that we close this

1 investigation. You know, we just don't have any
2 evidence of criminal behavior" or words to that
3 effect.

4 Well, they got unhappy immediately,
5 and then the Attorney General started firing
6 questions at me, and he acted shocked, he acted
7 surprised that I was saying that the investigation
8 should not go forward, which totally stunned me
9 because I had had two conversations with him between
10 August the 6th and August the 12th and told him I was
11 going to recommend that the investigation not go any
12 further; that we had had enough meetings, we have
13 analyzed evidence, and there was no basis for
14 believing any criminal conduct had occurred.

15 And so we got into a lot of back and
16 forth. Nate Paul got more and more upset. He
17 demanded -- he acted like he owned the room. He
18 acted like he owned the building. He acted like he
19 was the Attorney General and not Ken Paxton, and he
20 demanded of the Attorney General that somebody go
21 bring him a laptop computer.

22 So the Attorney General asked his
23 assistant, Drew Wicker, to go get a laptop. And Drew
24 brought it in and they hooked it up. And Nate Paul
25 said, you know, "Just pull up some document, some

1 memo that you've got on your hard drive or
2 something."

3 And so Drew pulled up some little,
4 innocuous, you know, non-privilege document, and Nate
5 Paul takes the laptop and he starts claiming that
6 he's now going to prove his metadata theory. And,
7 you know, I don't know what he did on the keyboard, I
8 wasn't watching it. And he said, "See, that shows
9 I'm right."

10 Well, all I knew was I trust the law
11 enforcement division, IT professionals that do cases
12 for the State of Texas all the time --

13 Q. (BY MS. BUSS) Uh-huh.

14 A. -- and they had told me that metadata
15 is not proof of any wrongdoing, it's inconclusive.
16 So, therefore, it's no evidence of a crime.

17 And so Nate Paul, his demonstration
18 did not change my opinion, did not change my
19 recommendation, didn't change Director Maxwell's
20 opinion or recommendation.

21 So the Attorney General -- this --
22 this went on for 15 or 20 or 25 minutes, and the
23 Attorney General said, "Hey, I have got to leave."
24 So he left the room.

25 Nate Paul got -- got more and more

1 angry. He and Director Maxwell started having a
2 conversation, and I don't remember specifically what
3 was said. I think one of the things that was brought
4 up -- and I think this is very significant for what
5 happens after -- either a couple of days before that
6 meeting, I had found out that Nate Paul had leaked to
7 the Southeast Texas Business Journal the fact that,
8 supposedly, the Attorney General's Office was
9 conducting an investigation.

10 I think I have given you a copy of the
11 printout of that article in those papers, Ms. Epley.

12 And here's why that was important to
13 me. When we're --

14 Q. (BY MR. BENKEN) And this was a couple
15 days before the final --

16 A. I think the byline on the article was
17 August the 5th.

18 Q. Okay.

19 A. And so the reason I was -- that was
20 significant to me was if you're coming to me as a
21 prosecutor asking me to investigate something, you
22 shouldn't be going to the press. If we're doing an
23 investigation, we've got to do a confidential
24 investigation, we don't investigate in the media.

25 Q. (BY MS. BUESS) Right.

1 A. And so the fact that he was going to
2 the media caused me to believe that he was trying to
3 manipulate the Attorney General's Office and
4 manipulate General Paxton and manipulate me by
5 putting it out in the public that we were looking
6 into this situation.

7 And so I recall Director Maxwell
8 saying to Mr. Paul, you know, "Hey, you went to the
9 media with this."

10 And, you know, Nate Paul came back
11 with some comment like, "I can talk to anybody I want
12 to," which made me think, well, I knew you weren't
13 being cooperative before, but that shows me your
14 attitude is that you're never going to be
15 cooperative. You know, you want to run the whole
16 show and tell everybody how to do their job.

17 You know, the Attorney General's
18 Office belongs to the people of Texas. We are there
19 to serve the people in accordance with the law.
20 We're not there to do the individual bidding of
21 somebody for their personal gain or because they're
22 in trouble and they want to mount a counterattack on
23 the FBI.

24 And that's one of the themes I want to
25 stress to anyone who's watching this video, from the

1 moment I first heard this story, one of the first
2 thoughts I had was, this guy's under investigation by
3 the U.S. Attorney's Office and the FBI. He is coming
4 to the Attorney General's Office for us to mount a
5 counterattack and try to protect him and run off the
6 federal investigation or block it somehow.

7 That's called obstruction of justice,
8 and that's a federal felony under 18 USC 1513; and,
9 number two, it's wrong, and that's not what the
10 A.G.'s Office exists to do. We're not here to fight
11 with the FBI if they're just doing their job.

12 And, you know, I haven't investigated
13 Nate Paul, but if -- if a Federal Magistrate says the
14 FBI has a right to conduct a federal search warrant
15 on Nate Paul's residence and business property, it's
16 not my job to interfere. That's not what the people
17 of Texas are paying me to do, that's not what the
18 Attorney General of Texas should be doing, unless
19 there's clear proof that there's some state crime and
20 we're in our lane doing with what the laws of Texas
21 tell us to do.

22 And that never occurred. There was
23 never any evidence that it was proper for us to
24 interfere in this federal investigation, ever.

25 Q. (BY MR. BENKEN) Was this third meeting

1 recorded?

2 A. The third meeting was not, because it
3 was in the attorney's --

4 Q. Because it was the AG's --

5 A. It was in the A.G.'s conference room on
6 the eighth floor.

7 Q. I didn't think so.

8 A. And so -- so that meeting was on August
9 the 12th. The Attorney General leaves. Nate Paul
10 got really mad.

11 And one other thing that really sticks
12 in my mind about the end of that meeting, I just --
13 you know, people were starting to argue, and I just
14 said, "I think it's time to say the meeting's over.
15 Thank you for being here."

16 Q. (BY MS. EPLEY) Uh-huh.

17 A. Nate Paul was angry, and he sort of
18 gave me this look like, you don't understand who I
19 am, you don't understand who the real boss is here,
20 like, you don't understand what -- who you're messing
21 with; and he just acted like we were supposed to do
22 whatever he wanted done, regardless of the lack of
23 evidence.

24 So they left. And then I don't
25 remember the exact time I next spoke to the

1 Attorney General. I know that either that day or the
2 next day, I briefed Jeff Mateer on what had happened
3 at the meeting, and I only found out later about
4 there were all sorts of other things going on with
5 other deputies that involved Nate Paul's legal
6 situations where the Attorney General was trying to
7 pressure other deputies to do things in their areas
8 of responsibilities for the personal and legal
9 benefit of Nate Paul.

10 But, anyway, I kept Jeff in the loop
11 on what Director Maxwell and I were doing all through
12 this time period after the first meeting that
13 David Maxwell had, the second meeting that I attended
14 on August the 5th, and then the third meeting on
15 August the 12th.

16 Q. Uh-huh.

17 A. So I talked to Jeff. After that
18 meeting, I recall that I sat down and I looked at the
19 documents that I had, and what I wanted to see -- you
20 know, I said earlier, I couldn't go get all the
21 search warrants before and after from the
22 U.S. Attorney's Office, I couldn't go get them from
23 the Federal Court, because they're under seal, had no
24 way to compel their production, but I thought, well,
25 let me re-examine what they have given me and see if

1 they have given me everything.

2 Because, you know, they gave us some
3 things on that thumb drive on August the 5th, and
4 then he's telling me he had gotten some additional
5 documents or some documents in February. And I was
6 trying to find a book end. I was trying to find, do
7 I have one that's -- that's issued without a return
8 on it, and then do I have a return or I can maybe
9 figure out that I have got two bookends and I can
10 compare them.

11 Because, again, as Don said a while
12 ago, if you can go get the original and then compare
13 it to what was actually served on the defendant, do
14 they match, are there any changes, are there any
15 alterations? Then maybe there would be proof of
16 wrongdoing.

17 And so I looked at -- at a couple of
18 the documents and realized, I think I've got one
19 matching set. I don't see any changes. If I've got
20 one matching set, where are the other bookends,
21 where's the other side of the bookends on the other
22 search warrants? And, again, there were four I
23 believe that were served. There were two business
24 locations, I think one was his business office, one
25 is where his server was located, one was at his home,

1 and a fourth one was served on August -- so those
2 three were on the August the 14th.

3 On the 16th, he had a self-storage
4 warehouse in Austin at a place called Contigo, was
5 the name of the company, and he spent a lot of time
6 telling me that he was suing Contigo because they let
7 the agents in to get these stored records and they
8 weren't supposed to do that and he had
9 HIPAA-protected information in there and they're in a
10 lawsuit. He talked all about that. And I thought,
11 well, that's none of our business, that doesn't
12 involve the State of Texas.

13 Anyway, that one was served on Friday,
14 August the 16th. So there were four search warrants.
15 So I realized, wait a minute, I have got two that I
16 think match, where are the other three bookends?
17 Why -- why don't I have those?

18 Q. Uh-huh.

19 A. So I started calling Michael Wynne, and
20 I never could get him, but I would leave a voicemail.
21 And I called him several times the second half of
22 August, and on September 3rd, I left another
23 voicemail for him and didn't get a call back.

24 On that same date, Ryan Vasser told me
25 that the Attorney General was trying to get a

1 contract approved for hiring an outside counsel to
2 conduct a criminal investigation into this matter.
3 So that told me a couple things: Number one, that
4 the Attorney General was trying to bypass me; and,
5 number two, that he was trying to get a contract
6 approved.

7 And I don't know if all State agencies
8 use the same system, but at the Attorney General's
9 Office, there was something called an Executive
10 Approval Memorandum and it was in software. You
11 would get an e-mail, there would be a document
12 attached, and maybe it would be, you know, a request
13 for spending money, or in this case it was a request
14 to approve a contract for an outside lawyer to come
15 in and do some work. And on the computer screen,
16 there would be a box you click on that would say
17 "approve," and there was another box to "decline."

18 Well, I didn't get those real often
19 but everyone I had ever gotten I had approved, I had
20 never declined.

21 Q. (BY MS. BUESS) What's the system
22 called again?

23 A. It's called EAM, Executive Approval
24 Memorandum. And it would -- it was a software
25 program that operated it. And so, you know, you

1 could click on the attachment and read the whole
2 contract.

3 So this came to me on September the
4 4th, and I don't have access to my records now,
5 obviously, but September 4th was either my last day
6 in the office before I took a vacation. I took my
7 summer vacation in early September, or I was already
8 on vacation and I just noticed the e-mail on my
9 office cell phone, I don't remember which. But,
10 anyway, that was a Friday, September the 4th, and I
11 was going to be gone through the following Friday,
12 September the 11th; and whenever I noticed it, I know
13 I saw it on the 4th, I thought, well, I will deal
14 with that when I get back.

15 And, you know, I was going to go talk
16 to Jeff Mateer about it, because I still firmly
17 believe that this investigation, this inquiry, should
18 go no further, and there was absolutely no basis to
19 hire an outside lawyer to do what -- what I saw no
20 ethical or legal basis to continue doing.

21 So that was September the 4th. And
22 Ryan Vasser had told me that the Attorney General was
23 seeking this contract.

24 So I leave town, and we're on vacation
25 to Colorado. It snows that night up in the

1 mountains, and it's Tuesday, September the 8th, and
2 there's a low cloud ceiling and cell phone reception
3 is terrible.

4 And that's relevant because somehow
5 later that morning, I don't know if the phone rang or
6 I saw that I had a voicemail and I couldn't access it
7 in the cabin that we were staying in, and I had to go
8 down the mountain a little bit until I could get the
9 message, and it was a message from the
10 Attorney General, and he said, "I need you to call
11 your executive assistant." And her name was Grace
12 Moody, who was a very, very excellent public
13 employee. And he said, "Ask her to get your file on
14 the Nate Paul matter and bring it to my office."

15 And so I think I was able to call him
16 back and let him know or leave him a voicemail, I
17 don't remember which, that I had gotten his message
18 and I would talk to Grace. And I found out when I
19 got back Grace had done that. I spoke with Grace and
20 told her where the file was on my desk, and she got
21 it and took it to General Paxton.

22 I didn't know why he wanted it. I
23 just thought he wanted to read it for himself. So,
24 you know, I had already figured out he still hadn't
25 let this drop because now he was going through Ryan

1 Vasser trying to get a contract to hire outside
2 counsel.

3 So I came back to town the following
4 weekend, that would have been the 12th or 13th, and
5 on the afternoon of the 13th, I either got a
6 message or a phone call from Jeff Mateer's executive
7 assistant, her name was Brittany Hornsey, and she
8 said, "When are you planning to be back in the
9 office"? Meaning are you working in Dallas on Monday
10 or will you be in Austin on Monday?

11 And I was planning to work in Dallas
12 on Monday. And she said, "Jeff needs you to be here
13 for a meeting tomorrow."

14 And so I got up early Monday morning
15 and left home at 5:00 o'clock and drove to Austin and
16 met with Jeff. And Blake Brickman was in that
17 meeting and I believe Ryan Bangert was also in that
18 meeting, and Jeff told me that while I was gone that
19 the Attorney General had interviewed two people to
20 possibly be hired as outside counsel to continue the
21 inquiry into the -- the Nate Paul matters, and one of
22 those names was Joe Brown.

23 And I recognize that name because he
24 is a former, longtime district attorney in Sherman,
25 who was appointed as the U.S. Attorney for the

1 Eastern District of Texas, and I think he served from
2 maybe 2018 through 2020. Maybe he was in the office
3 for a year and half as U.S. Attorney. And so I knew
4 the name. I don't know him personally, never spoken
5 with him, but I knew who the U.S. Attorney was in the
6 Eastern District because they bordered Dallas.

7 And -- and then the other name was a
8 lawyer I did not know. He was in Denver. His name
9 was Cliff Stricklin.

10 Q. (BY MS. EPLEY) Uh-huh.

11 A. S-T-R-I-C-K-L-I-N is -- I believe is
12 the proper spelling.

13 So, you know, Jeff and I had this
14 conversation before, and I said, you know, "We don't
15 need an outside counselor. There's no basis to go
16 forward with this."

17 But he told me that the
18 Attorney General was insisting; that while I was
19 gone -- so I realized that's why he wanted my file,
20 he wanted to either give them copies of materials or
21 discuss materials with them. I don't know exactly
22 what happened. And so I knew that on the 14th.

23 I went back and I called Michael Wynne
24 again that same day, the 14th, and I got him on the
25 phone, which was rare, and I asked again, I said,

1 "Michael, you know, I figured out you haven't given
2 me all the documents. I really want to see all the
3 documents. I'm willing to reconsider this if I can
4 see all the evidence, but I have never been able to
5 see all of the evidence."

6 He said he was on his way to Austin
7 from Houston. He was going to be meeting with Nate
8 Paul later that day and he would call me back by the
9 end of the day. Well, he never called me back, and
10 he never produced any more documents to me.

11 On September the 16th, I had a meeting
12 with Attorney General Paxton and I met with him to
13 give him an update, and what I was hoping to do was
14 help him to understand that I was still not getting
15 all of the evidence from Mr. Paul and Mr. Wynne; that
16 I was willing to look at the evidence if they would
17 give me all the documents, I was willing to reassess
18 if there was a basis to do so.

19 And, you know, I just explained to him
20 it's -- "I figured out they have not given me all the
21 evidence, and I have asked for it. In fact, I talked
22 to Michael Wynne just the other day."

23 He said, "Write down all the documents
24 that you want," which I did, and he said, "And give
25 me Michael Wynne's phone number," which I did. I

1 wrote it on a piece of paper, both the document
2 description and the phone number. I handed it to
3 him. That was probably a ten-minute meeting in his
4 office.

5 Q. Let me pause you for a second.

6 MR. BENKEN: This is on the 16th?

7 Q. (BY MS. EPLEY) Yeah, what's the date
8 of that?

9 A. September 16th, 2020.

10 Q. And it's in-person that the General
11 asks for the documents you want and Michael Wynne's
12 contact information?

13 A. Yes, that was a personal meeting
14 face-to-face in his office on the eighth floor. And
15 I wrote down the description of all the documents I
16 wanted, and I gave him Michael Wynne's phone number.

17 Q. Okay.

18 A. And that was a short meeting, probably
19 14 minutes, and he either had a phone call that broke
20 up the meeting or he had an interview scheduled or
21 something because he said, "Hey, I have got to run."

22 But I recall, as I stood up and I was
23 walking toward the door, I said to him -- you know,
24 sometimes I called him by his first name. I mean, we
25 worked together 30-something years ago. And I said,

1 "Ken, we don't need an outside counsel. If they will
2 give me the evidence, if there's a basis to proceed,
3 you know, I'm open to doing that if that's the right
4 thing to, but you don't need an outside counsel."

5 And he goes, "Well, I have got to go.
6 I have to go. You know, I have got to take this
7 call" or something. So I left his office, and that
8 was on the 16th.

9 The next time I remember speaking to
10 him about this matter was, you know, the final week
11 when everything really came to a head.

12 Q. Uh-huh.

13 A. So on September the 24th, that was a
14 Thursday, and I was at my desk in Austin, the phone
15 rang, and it was the Attorney General. He said he
16 was at the White House. He had just come out of a
17 meeting in the Oval Office, and he said "I need you
18 to approve that contract for Brandon Cammack."

19 Q. (BY MS. BUESS) Which date is this?
20 I'm sorry.

21 A. This is September 24th, and that's a
22 Thursday. And the days of the week will become
23 important here as I go forward.

24 So that -- on Thursday he calls me. I
25 just remember him saying "I just came out of a

1 meeting in the Oval Office, but I really need you to
2 approve that EAM, that Executive Approval Memo, to
3 hire Brandon Cammack as outside counsel."

4 And this -- this is when the
5 Attorney General and I really reached an impasse.
6 And I said, you know, "Ken, with respect, I can't do
7 that, and I won't do that." I said. "There's no
8 basis to do a criminal investigation on anybody based
9 on the evidence we have. They won't give me all the
10 documents. I don't have any evidence of criminal
11 wrongdoing, and we don't need to hire an outside
12 counsel."

13 Q. (BY MR. BENKEN) So obviously that memo
14 had been going through. It started before that
15 date --

16 A. Right.

17 Q. -- but you still had not officially
18 said that y'all weren't going to --

19 A. I had not touched it. I had not -- I
20 had not said accept or decline.

21 Q. No, no. I'm talking about in the 9/16
22 meeting, you're still telling Paxton, "Hey, you know,
23 we really don't have anything here," but there hasn't
24 been that final-final, "We're not doing this"?

25 A. Right. So on the -- the meeting on the

1 12th in the executive conference room when I told
2 Nate Paul and his counsel, "We are going to close the
3 investigation," and the Attorney General shocked me
4 by pushing back on me --

5 Q. Right.

6 A. -- I had then gone back to him
7 subsequently and said, "Look, I re-looked at the
8 documents, I have got one possible matching pair, but
9 why don't I have all of the documents?"

10 I have realized I don't have anything.
11 They have more.

12 Q. Okay.

13 A. And, again, I had looked at the e-mail
14 chain between Alan Buie and those defense lawyers
15 that occurred on August the 14, 2019, and he had also
16 e-mailed another outside defense counsel that
17 Nate Paul had at the time. There was an Austin
18 attorney, as well as the attorney in Dallas, and Alan
19 Buie was sending documents to both of them.

20 And I thought, why don't I have a
21 complete set? And they evidently have a complete
22 set, and they're not giving it to me.

23 And so I believe it was on the
24 September 16th meeting -- let me add one more fact.
25 And I think I have got my date right on this.

1 At that meeting or another one in
2 September, the Attorney General said to me, "The
3 reason they won't give you the documents is they
4 don't trust you and they don't trust David Maxwell."
5 Because we're not believing them and weren't going
6 along with their metadata theory.

7 And so he said, you know, "Tell me the
8 documents you want and I will ask them."

9 So thank you for that reminder,
10 because that's an important fact that on the -- that
11 Paxton told me.

12 So I'm -- you know, I have continued
13 to call when -- in September, and I made several
14 calls before I finally got him. So between
15 August 12th and September 14th, I made several
16 calls to Michael Wynne and left voicemails, and
17 finally I reached him on the 14th, and then, you
18 know, he promises he's going to get back with me. He
19 doesn't. I meet with Paxton two days later and
20 then --

21 Oh, here's one other thing that came
22 up in their internal investigation report that they
23 wrote about me. They claim -- and Brent Webster
24 brought this up in my firing interrogation on
25 November the 2nd of 2020. They are claiming that Ken

1 Paxton told me not to do anything else on the whole
2 Nate Paul situation on the 16th. That's not what
3 was said.

4 Q. (BY MS. EPLEY) Uh-huh.

5 A. What I understood him to say was, "Do
6 not call Michael Wynne anymore and ask for
7 documents." That was the only thing we were
8 discussing.

9 Q. (BY MS. BUESS) On what date?

10 A. That was September the 16th of 2020.

11 So, again, the context of the
12 conversation --

13 Q. (BY MR. BENKEN) And this is because
14 Paxton said to give him the list --

15 A. Right.

16 Q. -- and he was going to take care of
17 it --

18 A. Exactly.

19 Q. -- in that conversation?

20 A. And he said, you know, "You write it
21 down for me." I did.

22 Q. And "I will call"?

23 A. "I will call, you don't do anything
24 further on that."

25 Q. Okay.

1 A. And my understanding was, don't --
2 don't bother Michael Wynne anymore. Let the
3 Attorney General handle it. That's fine. And I did,
4 I obeyed those instructions, I didn't call
5 Michael Wynne anymore, and he never called me back.

6 So as far as I can recall, the last
7 time I spoke with Michael Wynne was September 14th
8 of 2020; and, you know, I never talked to Nate Paul
9 again after that August 12th meeting.

10 And so on the 24th, he calls me from
11 the White House. Again he's asking me to approve the
12 Executive Approval Memo; and I said, you know, "No,
13 sir, I can't. With respect, I won't, and here's
14 why."

15 And what I told him was basically
16 this, I said, "There's no evidence of any wrongdoing
17 by these -- you know, by the Federal Magistrate
18 Judge, by the federal prosecutor, by the federal
19 agent, by the State agents."

20 And also something I haven't
21 expressed, the idea that I'm going to go investigate
22 a Federal Judge with no evidence of wrongdoing, and
23 one of the things that I stressed to both Ken Paxton
24 and Jeff Mateer -- and Jeff understood it and the
25 Attorney General seemed not to get it -- is we have

1 lawyers in our civil and appellate divisions that
2 practice in the federal courts in Austin and all over
3 the state of Texas all the time.

4 Q. (BY MS. BUESS) Uh-huh.

5 A. You don't go investigate a Federal
6 Judge with no evidence. That would hurt the people
7 of Texas. That would hurt the office of the
8 Attorney General's ability to litigate in those
9 courts.

10 There are two federal district judges
11 in Austin, as y'all probably know, and there are two
12 magistrate judges in Austin, and that's all that are
13 here, and there are the circuit judges here; but the
14 courts that our civil lawyers practice in and our
15 appellate lawyers is those four judges. That's a
16 small community.

17 And I know from working in the federal
18 courthouse in Dallas, you know, that I have high
19 respect for federal judges. I'm not just going to go
20 off on a lark and open a, you know, criminal
21 proceeding or investigation of a Federal Judge for no
22 good reason. That's wrong, and that would hurt the
23 Office, and it's just wrong on multiple, multiple,
24 multiple levels.

25 And so of everything he wanted done,

1 the idea that he wanted our office to investigate
2 Judge Lane with no evidence whatsoever, someone who
3 had a distinguished career at the U.S. Attorney's
4 Office and worked at the County Attorney's Office
5 before that, that's -- that is ridiculous; and I
6 can't believe an Attorney General can't understand
7 that, but he never did.

8 And then to add -- to make it even
9 worse -- and I'm going to jump ahead a week -- when
10 everything hit the fan and we went and reported the
11 FBI on September 30th, we found out either that day
12 or the next day that the Attorney General had
13 engineered a second referral from Travis County, and
14 that referral involved another Federal Judge, who's a
15 federal bankruptcy judge; and I recall his last name
16 being Davis, but we were never shown that second
17 referral --

18 Q. Uh-huh.

19 A. -- while I was on duty there. I
20 learned about that either right before I was
21 suspended or -- or during the time I was on
22 suspension.

23 So what -- again, what I'd like y'all
24 to know and what I'd like the members of the
25 legislator to know, is the Attorney General, with no

1 evidence, with absolutely no evidence and with every
2 indication that Nate Paul was trying to manipulate
3 the power and authority and resources and personnel
4 of the Office of the Attorney General, which is a
5 very large and very powerful and very important State
6 agency that has millions of dollars invested in it in
7 the State budget, to benefit one man and to go after
8 two Federal Judges that he was mad at, based on no
9 evidence of any crimes by those two Federal Judges;
10 and I thought to myself, Ken Paxton, you are crazy,
11 if this came out in public, you would look
12 horrible --

13 Q. Uh-huh.

14 A. -- that you're doing this.

15 But -- but he engineered those
16 referrals and wanted those judges investigated, and
17 was unhappy with me and David Maxwell that we
18 wouldn't do it.

19 Q. (BY MR. BENKEN) Uh-huh. Right.

20 A. So that was the 24th I told hold him
21 that I wouldn't do it, and he said "Well, I have to
22 go. I have got to go do an interview, and we will
23 just have to disagree on this."

24 And I was hoping that that was going
25 to be the end of it. Well, it wasn't. The next day

1 I got a phone call --

2 Q. (BY MS. EPLEY) Can we pause? I got
3 somewhere -- I was listening, but I got cut off in my
4 notes.

5 So on the 16th, Ken Paxton doesn't
6 tell you not to work on it, he says he wants a list
7 of the items that you need and that he's going to
8 pursue it; and then I know 9/24, you tell -- well,
9 let me do this differently.

10 9/16 -- I'm off on my timings.

11 So can you give me dates from 9/16
12 when you -- when you say, "I would like" -- he says
13 he would like the list from you?

14 A. Right. So from 9/16, we jump forward
15 to 9/24.

16 Q. Yes.

17 A. I don't -- I don't know of any
18 intervening conversations I had with him between
19 those two dates.

20 Q. Okay.

21 A. If they occurred, I -- I don't recall
22 them today.

23 Q. And the 24th is then when you say
24 you are not going to work on it anymore?

25 MR. BENKEN: He gets the call from

1 Paxton in the White House.

2 A. I said -- got the call.

3 Q. (BY MS. EPLEY) From the White House?

4 A. -- from the White House where he asked
5 me to approve the Executive Approval Memo on the
6 office e-mail and -- and approve the outside counsel
7 contract -- contract for Brandon Cammack.

8 Q. Yes.

9 And I think you mentioned this
10 earlier, Brian, that that memo had been sitting in
11 the office e-mail system, and it worked its way up
12 the line, up the chain.

13 Q. (BY MR. BENKEN) Our understanding is
14 it was at your level?

15 A. It was to me, and it had been sitting
16 there since September 4th.

17 Q. Right.

18 A. And now it's 20 days later, and I still
19 hadn't approved it, and I'm not going to.

20 Q. Right.

21 A. And so I was just going to let it sit,
22 because I didn't realize I had the option to decline.
23 And only -- Lacey Maes (ph), who was head of
24 administration, told me on either September 30th or
25 October 1st, "If you're not going to accept it, you

1 have to decline it, and there's a button to decline
2 and you have to state your reasons."

3 And I don't know if you've seen that,
4 but I typed -- I declined it. I typed it very
5 quickly. They made it -- they tried to make an issue
6 of that in their internal investigation report, and
7 said, "Well, you know, he didn't -- he didn't decline
8 it until October 30th" or something.

9 Well, I didn't know I was supposed to
10 decline it in the system on the software until Lacey
11 told me.

12 Q. (BY MS. EPLEY) Uh-huh.

13 A. So as soon as she told me, I went to my
14 office and declined it and typed in that, you know,
15 ethically and legally, I couldn't approve this, and
16 it wasn't right for me to do the investigation. If
17 it's not right for me as the senior prosecutor, it's
18 not right for me to delegate that to anybody else,
19 including outside counsel.

20 Q. And you understood the contract
21 couldn't move out -- move forward without you; is
22 that fair?

23 A. That was my understanding. And, also,
24 I had talked with Jeff Mateer about it and told him
25 I wasn't going to approve it.

1 And he -- he understood that, and he
2 supported me, and he said, "I'm not going to approve
3 it, either."

4 So I had Jeff's backing. I had -- and
5 all through this, I was keeping Jeff apprised. I
6 mean, if -- you know, if Ken Paxton called me or if I
7 heard something, you know, I would talk with Jeff
8 maybe every other day. You know, I would see him in
9 the office, but he was very busy, and unless I needed
10 an appointment with him, I wouldn't just walk in very
11 often and bother him because he had meeting after
12 meeting after meeting; but if something significant
13 occurred on this, I kept him apprised.

14 And by then, I was aware that things
15 were happening with some of the other deputies in
16 their areas. My next-door neighbor was
17 Darren McCarty, who was the deputy for civil
18 litigation; and Darren is an excellent lawyer, just
19 an outstanding public servant, and he supervised 600
20 civil attorneys. I think I had 60 criminal lawyers,
21 more or less, but he had 600. He had a huge job, and
22 a very, very bright guy.

23 And, anyway, I started hearing that
24 the Attorney General was trying to pressure him on
25 the Mitte Foundation case and that that involved Nate

1 Paul; but again, I only learned a lot of this in
2 September, especially that last week of September.
3 So we --

4 Q. Sorry to interrupt.

5 Do you recall who in specific might
6 have told you that McCarty was getting pressured?

7 A. Maybe Jeff. Maybe Blake Brickman. I'm
8 not positive. I might have been in a meeting
9 where -- you know, I was in a meeting in Jeff's
10 office on September 14th, right when I came back
11 from vacation, and Ryan Bangert and Blake Brickman
12 and Jeff Mateer and I were in a meeting, and they
13 were telling me about Paxton and interviewing Joe
14 Brown and Cliff Stricklan while I was gone, and --
15 and I may have heard some things about the Mitte
16 Foundation in that.

17 So I started hearing things. I still
18 didn't have a clear picture on a lot of these other
19 side issues, not like I do now, not -- not after
20 everything came together. And so that was the
21 24th. He's asked me to approve the Executive
22 Approval Memo. I've declined. I tried to be as
23 respectful as I could be, but in no uncertain terms I
24 said, "I will not do that".

25 And then on September 25th, he

1 called me and was working in Dallas that day, and he
2 said, "I would like to meet with you tomorrow."
3 And I said, "Okay." And that was the
4 only time he had ever called me and asked me to meet
5 him on a Saturday.

6 Q. Uh-huh.

7 A. And I said, "Sure." And I said, "Can I
8 assume it's about what we discussed yesterday?"

9 And he said, "Yes."

10 And I said, "Okay." I said, you know,
11 "Where do you want to meet and what time do you want
12 to meet?"

13 And I had something to do in Denton,
14 you know, kind of mid-day, and I said, "I can meet
15 you before that. We can meet for breakfast somewhere
16 or for coffee and then I can go to my event or I can
17 meet you in the afternoon."

18 He said, "Let's meet in the
19 afternoon." Let's -- he said, "I will text you.
20 I'll pick out a coffee shop or something in McKinney.
21 Why don't you drive over to McKinney?" Which is just
22 28 miles away, and so I did. And so --

23 MR. TITTLE: Can we take a very short
24 break?

25 THE WITNESS: Yes.

1 MR. TITTLE: And just take a break
2 because this next part is --

3 MS. BUESS: Really big.

4 MR. TITTLE: -- really significant.

5 MS. BUESS: Now would be a good time.

6 (Recess taken)

7 THE WITNESS: So before we took our
8 break, I think I had finished discussing what
9 happened on September the 24th.

10 Q. (BY MS. EPLEY) Yes.

11 A. And if you would like me to proceed.

12 So on the 25th, I got a call from
13 the Attorney General, who was working in Dallas. He
14 asked me to meet him in McKinney.

15 So now fast forward to Saturday,
16 September the 25th, 2020, he asked --

17 Q. (BY MR. BENKEN) The 26th? Saturday,
18 the 26th?

19 A. Yes. Sat -- I'm sorry, Saturday's the
20 26th. Yeah, so the Friday was the 25th.

21 So Saturday, the 26th, I met with
22 Attorney General Paxton and McKinney at just a strip
23 shopping center. We sat at a metal table outside of
24 a Dunkin Donuts on the sidewalk. It was a nice day.
25 And I showed up at 2:00 o'clock, as scheduled, and he

1 showed up at 2:20, and we met up until 4:15.

2 And I woke up at 5:00 o'clock that
3 morning. I'm a -- I'm a Christian, and I believe God
4 woke me up and what I felt an urgent need to do was
5 sit down and think about what I was going to say to
6 the Attorney General. I knew what he was going to
7 talk about. I was still loyal to the
8 Attorney General. I was trying to serve him
9 faithfully.

10 I -- I didn't realize the situation
11 was beyond redemption and that he was beyond
12 listening and he didn't want to be kept out of
13 trouble. I was trying to do the right thing by the
14 office, by the State of Texas, and by him. You know,
15 I knew him. I regarded him as, you know, someone I
16 had known for a long time. He was a casual friend.
17 I thought we shared the same values. I thought we
18 had the same beliefs about public service, but, you
19 know, my realization soon changed on that as more
20 facts came to light.

21 And so I got up and I sat at the
22 kitchen table and I wrote out several pages of bullet
23 points that I wanted to cover with him that day in
24 the meeting. And I was trying to outline for him all
25 the danger signs of the path that he was going down,

1 and I wanted to say, "Don't do this. Stop. You
2 don't need outside counsel. You shouldn't continue
3 down the lines towards a criminal investigation of
4 these federal authorities that are just doing their
5 job. They do the same thing all over America every
6 single day. AUSAs, federal magistrates, FBI agents
7 are doing search warrant after search warrant after
8 search warrant, and I see no evidence of anything
9 different than business as usual. And even though
10 you know Nate Paul" --

11 I think by then I had heard that
12 Nate Paul had donated to his campaign and, you know,
13 it wasn't unusual for the Attorney General to get
14 phone calls from people asking him questions, asking
15 us to take a look -- a second look at matters, and as
16 long as it's within the boundaries of the law,
17 that -- that's -- you know, I came to learn that's
18 just how things work; but as long as you are not
19 breaking the law to take a second look at something,
20 that's just being courteous to somebody; that's not
21 doing something improper with the authority that the
22 people of Texas have given us.

23 So I wrote out probably three or four
24 pages of bullet points and -- and I -- but I didn't
25 want to take those notes with me to the meeting

1 because I didn't want him to feel like I was
2 interrogating him or cross-examining him or working
3 off a script, but I just studied those and tried to
4 get those in my mind so I could get out in our
5 conversation things that I thought were very
6 important. And really, I was trying to make an
7 appeal to him, you know, "I'm trying to be your
8 friend, I'm trying to be loyal to you, I'm trying to
9 keep you out of trouble."

10 And so in that meeting he came in, and
11 he was still pressing me to approve the outside
12 contract for Brandon Cammack. And I said -- I said,
13 "Ken, you don't need outside counsel." I said
14 there -- "Number one, there's no evidence to believe
15 that a crime has occurred." I said, "Why are you
16 doing this? Is Nate Paul pressuring you?"

17 And, frankly, I wondered if -- if
18 Ken Paxton had gotten himself in a -- in a situation
19 where he owed Nate Paul something. I -- you know,
20 a --

21 Q. (BY MR. BENKEN) Being
22 blackmailed or something?

23 A. Was he being blackmailed, had he
24 borrowed money, had -- had he had Nate Paul do him
25 some kind of favor?

1 And, you know, David Maxwell and I had
2 discussed, you know, "Are we in a situation here
3 where -- do we have bribery, do we have some sort of
4 coercion of a public servant, what is going on?"

5 Because we couldn't understand why the
6 Attorney General kept pushing, pushing, pushing to do
7 all of these things for Nate Paul.

8 And so that was the tenor of my
9 presentation to him. And I said, "Look, it's a red
10 flag that Nate Paul and his lawyer won't give me all
11 the documents that I'm asking for. They've revealed
12 to me that they have more documents."

13 As a prosecutor, if you want me to
14 look at something and you tell me that you have
15 evidence and you will not show it to me, I've got a
16 problem with that. What are you hiding from me? You
17 are trying to manipulate me.

18 And I said, "Ken, I think he's trying
19 to manipulate this office for his own personal
20 benefit. He's trying to use us to run a
21 counterattack against the FBI."

22 I said, "Number two, another red flag,
23 he leaked to the media." You know, you don't go to
24 law enforcement and say, "I need you to look into
25 something," and then run to the media. Why are you

1 doing that? Again, you're trying to increase
2 pressure, and that's part of his manipulation.

3 And I said, you know, "Number three,
4 there's no proof of any of this." I said, "This all
5 looks like normal, federal law enforcement business
6 to me. So there's no basis for the
7 Attorney General's Office to be doing this."

8 And then I said, "Ken, you're going to
9 get yourself in trouble, and I wish you'd listen to
10 me." I said, "You could be charged with bribery."
11 Because David Maxwell and I had talked about that,
12 and I had looked at some of the statutes.

13 And I said -- you know, I said, "Some
14 of your political opponents could find out about this
15 and -- you know, and go find a -- you know, a law
16 enforcement agency or prosecutor somewhere that for
17 political motive might come after you and make a case
18 of it." I said, "You shouldn't be anywhere close to
19 this situation. Leave this alone. This isn't right.
20 We shouldn't be doing this, and you shouldn't want to
21 do this."

22 And he would wouldn't listen to me,
23 and he got really frustrated, and at one point he
24 just leaned back in his chair and threw his arms and
25 legs out and said, "So you won't help me? You won't

1 not help me approve that contract so I can pay

2 Brandon Cammack's bill?"

3 And then he revealed to me that

4 Cammack had already been working for two weeks. And

5 I thought, how can that be? Because I hadn't

6 approved the contract and Jeff Mateer hasn't approved

7 the contract? So how can he be working?

8 So that was new information to me on

9 Saturday, the 26th, that he already had Cammack

10 working. And I told him, "No, I won't approve the

11 contract, and I have already told you why, and I will

12 tell you again," and I said, "It's not ethical. It's

13 not right. If it's not right and legal for me to do

14 it, then it's not right for me to delegate it

15 somebody else."

16 And to me, that's just a principle of

17 leadership, and that's why in my background with the

18 things that I have been through, that's how I looked

19 at the situation. All of that was brought to bear.

20 All my training, all my experience in the Air Force,

21 and as a prosecutor and as a lawyer, you develop

22 instincts, you develop antenna, and everything in me

23 was screaming, this is wrong, this should not be

24 done, and can't be done, and I won't be part of it.

25 And that's the way David Maxwell felt,

1 and that's the way all eight of us felt when we went
2 to the FBI.

3 So that was on Saturday. At the end
4 of the meeting --

5 Q. (BY MS. BUESS) Did he ever give you
6 any explanation about Nate Paul, why he was doing all
7 this for him?

8 A. He never did. Well, he did kind of,
9 but not one that I accepted.

10 What he said to me was -- I said "Ken,
11 you don't take any interest in the other criminal
12 cases we have in the office. We have dozens of other
13 criminal matters, but you don't ever ask about those.
14 Why do you only ask about Nate Paul?"

15 And he said, "Well, I don't know about
16 the other cases, but I know about this case, and you
17 don't understand how I feel having been the subject
18 of an unjust prosecution," referring to the State
19 securities fraud case that is still pending after
20 seven and a half long years, which is outrageous to
21 me that our system can't get a case to court before
22 people are going to forget everything.

23 And I don't know any of the facts of
24 that case and I don't know who's right and who's
25 wrong, but it's just outrageous as a citizen that we

1 have got cases sitting in the courts for seven and a
2 half years.

3 And I tried a case last year that had
4 been pending in the Dallas D.A.'s Office for seven
5 and a half years, and for various reasons, Covid and
6 other things, it had never come to trial, and it's a
7 train wreck to try a case after that long, because
8 people's memories fade. They just do. That's human
9 nature.

10 But, anyway, he said, "You don't
11 understand how I feel. I have been the victim of an
12 unjust prosecution. I know Nate Paul. I don't think
13 this is right, and so I'm taking an interest in this
14 case because I know about it."

15 And, again, I raised the fact that
16 we've (sic) -- never asked me about any of our other
17 criminal matters, and we have lots of them. We had,
18 you know, 60 criminal lawyers more or less. We had
19 attorneys handling criminal appeals. We had
20 attorneys doing capital murder trials all over the
21 state of Texas. He never asked about those, ever,
22 ever, ever. Never asked me to come in his office and
23 review the facts or to look at a file or to hear
24 what's going on, or let's call -- let's call
25 somebody's lawyer together, never. In the whole time

1 I was there, which was right at a year, he never
2 asked about any other criminal matter other than the
3 Nate Paul case.

4 I take that back. There was one
5 situation where somebody approached him from the
6 panhandle. They had an unsolved murder in Canadian,
7 and they just -- they submitted a notebook and asked
8 that our office look at it. And Director Maxwell and
9 I had meetings about that and he had some of his
10 people look into the case. But, you know, that was
11 an unsolved murder. There was nothing wrong with
12 that. That's the only other time he asked me, you
13 know, any questions in detail about a criminal case.

14 And then I think we had one case come
15 in from San Antonio where a little boy had drowned at
16 a swimming school and this Bexar County D.A. had
17 declined to prosecute the swimming pool owner, and,
18 you know, the parents or their attorney had contacted
19 the A.G. and asked -- asked us to look at that, and
20 we did do that.

21 So other than those two cases, let me
22 amend my prior answer. But I mean, that was one or
23 two conversations and that was the end of it, but --
24 but this matter went on for months.

25 Q. Did you ever have any conversations

1 with him about his choice of outside counsel?

2 A. No. Because I didn't find out until
3 Saturday, the 26th, that he had actually hired him.

4 Q. I know, but -- okay. All right.

5 A. And so he told me that he was actually
6 hired, and I just said -- I told him on that
7 Saturday, I said, "I won't supervise him." I said,
8 "I don't know him. I don't know his qualifications.
9 I understand he's a five-year lawyer. I don't know
10 what he's going to do. I don't -- I don't think he's
11 got any federal experience. You have got, you know,
12 a Federal Judge involved in this. I have no idea
13 what he's going to do. I'm not going to supervise
14 him."

15 And the Attorney General said to me,
16 "Don't worry about it, I will supervise him myself."

17 Q. Uh-huh.

18 A. And Ken Paxton has no experience as a
19 prosecutor.

20 Q. (BY MR. TITTLE) Just to clarify, you
21 did know at that point that Cammack was a five-year
22 lawyer? Because you were saying earlier you didn't
23 think he had any experience. I just want to make
24 sure you're --

25 A. I think -- I think by this date I did,

1 and I think I had learned that between the 14th and
2 the 26th. Maybe Jeff Mateer told me that or one of
3 the other dep --

4 Q. (BY MR. BENKEN) I think you had
5 conversations with Ryan Vasser, maybe, too, about --

6 A. Yeah, Ryan -- Ryan and I had talked
7 about the contract issue pending. And so somewhere
8 in there -- I think Don is right -- I knew that
9 Cammack was a five-year lawyer and didn't have any
10 prosecutorial experience.

11 Q. (BY MS. EPLEY) Uh-huh.

12 A. And so when he said to me -- when
13 Ken Paxton said to me, "Don't worry about, I'll
14 supervise him," I thought, you know, you don't have
15 any criminal law experience, you have never been a
16 prosecutor, how are you going to do that?

17 Q. Right.

18 A. And so I did -- I did say, "I don't
19 know what he's -- what his experience and
20 qualifications are, so I'm not going to delegate that
21 to him," and, you know, pass the buck.

22 Because I felt like if I'm the deputy
23 and I'm supposed to be responsible for the criminal
24 justice area, if I'm not going to do it, I'm not
25 going to pass that down to somebody else and then

1 wash my hands of it. That's not right. That's
2 wrong.

3 Q. Uh-huh.

4 A. So and that was -- I'm just trying to
5 see if I can refresh my recollection about anything
6 else that we discussed at that meeting.

7 Again, for the first time that day on
8 the 25th, I learned he had already hired Cammack.
9 He hadn't told me that. I don't believe he told Jeff
10 Matter that. David Maxwell didn't know that. And
11 then, you know, I told him several times that I
12 didn't trust Nate Paul and I didn't trust his
13 attorney because I didn't feel like they were being
14 forthcoming with us. They weren't giving us all the
15 information, the leak to the media. I just felt
16 like, you know, why are you coming to us? You just
17 want to use us, you're not here for justice.

18 So another point that he brought up on
19 the 16th of September and again on the 26th and
20 even in a prior meeting, Nate Paul had complained,
21 maybe in that very first phone call back in December,
22 he said that the agents didn't leave a copy of the --
23 of the federal search warrants at his residence and
24 at his office.

25 Q. Okay.

1 A. Well, that is not a crime in state law.
2 It's not a crime in federal law. It's a procedural
3 requirement under Federal Rule of Criminal Procedure
4 41, and that's an issue that you would raise with the
5 Magistrate Judge that issued the search warrant; and
6 if the Magistrate Judge doesn't give you the ruling
7 that you want, you've got the right to appeal to the
8 Federal District Judge, but that's not a matter that
9 the Attorney General of Texas should be concerned
10 about.

11 But when I would say, "There's no
12 evidence of any wrongdoing," somehow he seized on
13 that search warrant issue.

14 Q. Uh-huh.

15 A. He just wrapped his mind around that
16 and couldn't let it go.

17 And he would always say back to me,
18 "Well, you said there's no evidence of any
19 wrongdoing, but they didn't leave a copy of the
20 search warrant."

21 And I said, "Well, number one, they
22 have given me the e-mail exchange between the AUSA
23 and the defense counsel where he was sending it to
24 him by e-mail at 5:00 o'clock in the afternoon; and
25 for all I know, they did leave a copy somewhere in

1 the house. Maybe Mr. Paul didn't see it or maybe the
2 agents messed up and didn't do it; but, again, that's
3 not our department, that's something that you would
4 take back to the federal court."

5 Q. Sure.

6 A. And to him that was a huge deal, and he
7 just -- I tried to explain over and over and over,
8 but he could never get it that that was not a big
9 deal for our office. There was no basis for us to
10 get involved in this situation.

11 So that was the meeting on Saturday,
12 the 26th. At the end of the meeting, I said to him
13 that -- I said, "I recommend that you don't have
14 Brandon Cammack do any more work. You tell him to
15 stop work. You tell Nate Paul and his lawyer to
16 produce the documents I have repeatedly asked for and
17 let you and Jeff Mateer and I sit down and talk. If
18 there's -- if we get all the documents and we see
19 something wrong, we can talk about whether, you know,
20 could we call the U.S. Attorney's Office and say,
21 'Would you voluntarily do this.' We're not going to
22 serve a subpoena, but would -- you know, this issue's
23 been raised, would you satisfy our curiosity, would
24 you -- you know, would somebody over there look at
25 the -- at your own documents and tell us, 'hey, don't

1 worry, there's nothing wrong here'."

2 Or I could even call the Federal
3 Magistrate and say, "Judge, could I -- could I be
4 heard? This complaint has been made. Could you --
5 could you go look at the records and tell us that
6 there's nothing wrong here?"

7 And I said, "We could do that. We
8 might make -- we might ruffle feathers at the U.S.
9 Attorney's Office. We might ruffle feathers at the
10 federal courthouse, and there could be risk to the
11 State's legal business in front of the four federal
12 judges in Austin, but that is a possibility. That's
13 something we could talk about. If we did it in a
14 proper and lawful way, that's something we could do.
15 Maybe the price is a price you don't want to pay
16 because there would be blowback on the Office, but
17 it's something we could sit down talk about, but
18 don't have Brandon Cammack out, you know, doing work
19 you have already hired him and nobody's supervising
20 him, and who knows what he's doing."

21 And we soon found out what he was
22 doing.

23 So at the end of the day, you know, I
24 had hoped he was going to consider what I was
25 recommending. He didn't tell me he wouldn't, and,

1 you know, the meeting sort of ended, and I could tell
2 he wasn't happy.

3 So then on Tuesday morning -- and so
4 that was Saturday, the 26th. Monday would have been
5 the 28th. My recollection is it was Tuesday, the
6 29th, I was in Austin in my office and Lacey Maes
7 came by my office and said, "Jeff Mateer wants to
8 have a meeting of all of us in his office at
9 3:00 o'clock."

10 And I believe that's when I learned --
11 I know it was that day, and I think it was at
12 3:00 o'clock that I learned Lacey had gotten a call
13 from a banker in Round Rock. I believe the name of
14 the bank was Independent Bank, and the banker knew
15 Lacey, so he called her, because he said, "I have got
16 a subpoena served by the Attorney General's Office
17 served by, quote, 'Special Prosecutor Brandon
18 Cammack'."

19 And they were asking for all kinds of
20 civil documents, not criminal documents related to
21 these federal search warrants that we have been
22 hearing about for two months, but this was about
23 civil loan documents and business documents that
24 related to a lawsuit that Nate Paul had against
25 Independent Bank in Round Rock.

1 And I don't know any other way to say
2 it, but my head exploded, because that is using
3 criminal process to gain civil discovery, which is a
4 huge, huge violation. That is a no-go zone. You
5 don't do that and you do not allow yourself to become
6 a party to that.

7 And yet here was this young, five-year
8 lawyer with no prosecutorial experience, and to add
9 gasoline to the fire, when he served the subpoena on
10 Independent Bank, he was accompanied by Michael
11 Wynne, Nate Paul's personal attorney, and this was a
12 bank that was opposite Nate Paul in a civil lawsuit.

13 And by this time I had heard that
14 Mr. Paul was involved in lots of litigation and lots
15 of different business deals. So, you know, I didn't
16 know, you know, who all was involved in all of his
17 pending litigation, but I did hear that.

18 And so my recollection is that a copy
19 of the search warrant that the bank had received had
20 been e-mailed to Lacy, and I believe I saw it for the
21 first time that afternoon at that 3:00 o'clock
22 meeting. And I looked at the list of documents
23 requested, not one category of documents had anything
24 to do with what Nate Paul had been talking to -- to
25 me or Director Maxwell about. It was all loan

1 documents and stuff that you would see in a
2 commercial litigation matter. It's --

3 Q. (BY MR. BENKEN) You think Lacey got
4 that message the same day that Jeff called the
5 meeting?

6 A. Yes, she said she did.

7 Q. Okay.

8 A. She had gotten the call that morning or
9 that afternoon and Jeff said -- so we talked earlier
10 about when I started learning about all the other
11 matters that other deputies were involved in, and I
12 know for sure that day I started hearing more about
13 it because Jeff called a meeting.

14 And so all eight of us were in there,
15 and, you know, we didn't involve deputies that were
16 not involved with all of these different Nate Paul
17 matters. So our, you know, chief appellate attorney,
18 he was never involved in this. And nobody was trying
19 to exclude anybody, it's just that their departments
20 weren't involved.

21 We had a deputy over the child support
22 division, and she was never involved, because, again,
23 the Nate Paul issues didn't touch on those
24 departments. So if anybody ever wonders, well,
25 why -- why only UA and not all 12 or 13 people at the

1 deputy level? It's because the Nate Paul matters
2 only extended that far.

3 Q. (BY MS. EPLEY) Sure.

4 A. And so we met. We were all extremely
5 concerned that this whole situation had reached a new
6 level of seriousness. This is -- now this thing is
7 getting out of control. And we met. We talked. I
8 started hearing about the details of what had been
9 going on in this civil litigation area with Darren
10 and his team about the Nate Paul matter and the
11 Mitte Foundation lawsuit, the charity.

12 And then I started hearing that Blake
13 Brickman had been involved in meetings with the
14 Attorney General, where the Attorney General had been
15 addressing Nate Paul subjects with Blake.

16 And then, you know, I knew Ryan Vasser
17 had been involved with the contract, but I don't
18 think I learned -- I know I learned that week about
19 other matters that -- where the Attorney General had
20 tried to pressure Ryan Vasser about getting the file
21 that the Texas State Securities Board had under open
22 records request by Nate Paul and his attorney because
23 he was trying to get the search warrant. He was
24 trying to go around the seal of the federal
25 courthouse, and Mr. Paul was trying to get it through

1 an Open Records Act Request doing an in-run.

2 And then he tried again months later,
3 I understood, to get the DPS file, because they were
4 involved on the task force and they had a full copy
5 of the search warrant.

6 And then I heard this story that the
7 Attorney General told Ryan Vasser he didn't want to
8 cooperate with the FBI and he wanted the un-redacted
9 FBI brief produced to Nate Paul.

10 And then I heard about -- you know,
11 this whole thing about an AG opinion being issued
12 that foreclosure sales could be stopped in order to
13 protect Nate Paul from losing property the following
14 Monday or Tuesday at a posted foreclosure sale.

15 So I had not known -- if I had heard
16 any rumblings about those things, I never asked
17 questions, I didn't know details, and I started
18 hearing details all that week. So that's on Tuesday.

19 So we met probably, I don't know, a
20 couple of hours. And we come to work the next
21 morning and then we find out that my Associate Deputy
22 Attorney General -- I had two, and one was Lisa
23 Tanner, who's an outstanding public servant, the
24 other was Angela Goodwin, another outstanding public
25 servant -- both of them had been run off from the

1 Office by the current regime. And it is a shame,
2 because they are excellent attorneys, people of
3 integrity, people of great skill and talent, and they
4 rendered wonderful service to the Office.

5 And after we were all run off, they
6 ran them off, because they probably thought they
7 were -- you know, since they worked with me, they --
8 they weren't going to trust them. And they demoted
9 Lisa Tanner, who was one of the most respected
10 capital murder prosecutors in the state of Texas.

11 Q. (BY MS. BUESS) I have had cases with
12 her, I know she's good.

13 A. She's really, really good. And they
14 demoted her two levels for no reason, and she
15 retired, and the people of Texas lost an excellent
16 public servant and attorney because of pettiness by
17 the current regime. And -- and Angela has -- has
18 left the State employment and, you know, just because
19 she was mistreated.

20 But anyway, on the morning of -- and I
21 would like to check my phone and see if this is
22 Wednesday morning, and I believe that's the 30th.
23 Let me check the calendar here. Give me just one
24 second. I just want to try to be right with my
25 dates.

1 All right. So it looks like the 28th
2 was a Monday. So it was the morning of the 30th,
3 we got word that a second subpoena had been served,
4 and that subpoena had been served on Amplify Bank in
5 Austin, and the attorney representing Amplify was
6 Steve Lemmon. Steve had contacted Lisa Tanner, and
7 Lisa knew nothing about this. I -- I had
8 intentionally shielded my associate Deputy Attorney
9 General from this whole Nate Paul situation, because
10 I didn't want them getting in trouble with the
11 Attorney General. So the only person I had ever
12 talked to about this was David Maxwell and Jeff
13 Mateer.

14 So Lisa gets this phone call. She
15 sent me an e-mail and said, "Hey, I just got this
16 message from an attorney representing a bank. They
17 have been served with a subpoena by our office. It's
18 a criminal subpoena. Do you know what's going on?"

19 And so I called Lisa, and I said,
20 "Hey, who called you? Give me his name and phone
21 number. I will handle it. Don't worry about it."
22 And again, I was just trying to protect her.

23 And so I called Steve Lemmon, and he's
24 somebody that you might want to speak to. And
25 Steve's an Austin attorney. And anyway, I called

1 him, "I found out about this subpoena being served,
2 would you please e-mail that to me." He did right
3 away. And it was very similar to the subpoena that
4 we had seen from the previous day.

5 Q. Uh-huh.

6 A. And here's a fact I didn't mention
7 before: The subpoena stated that it was issued by
8 "Brandon Cammack, Special Prosecutor to the
9 Attorney General's Office."

10 Well, the contract that I never would
11 approve for Brandon Cammack -- and I had read the
12 contract -- Attachment A says, "You're being hired as
13 an outside lawyer to investigate but you're not
14 authorized to prosecute." He wasn't a prosecutor of
15 anything. He wasn't a special prosecutor, and nobody
16 was supervising it.

17 Because obviously the Attorney General
18 wasn't, because he should have known that you don't
19 go out and do discovery, do civil discovery with a
20 criminal subpoena for the benefit of Nate Paul.
21 What's the public service in that? How does that
22 benefit the people of Texas?

23 That's allowing Nate Paul to use the
24 Attorney General's Office, that cost the taxpayers
25 millions and millions of dollars a year as a free law

1 firm for his own personal financial gain. And that's
2 not what the A.G.'s Office is supposed to be about.

3 Q. (BY MR. BENKEN) That reminds me of
4 something, back when you were talking to Paxton about
5 the contract with Cammack that he notified you that,
6 "Well, he's already been working for a couple of
7 weeks" and clearly, you hadn't ever signed it, so we
8 know there was a copy of the draft that was signed by
9 Paxton.

10 Did he indicate to you that he, in
11 fact, signed the contract himself and maybe when he
12 did?

13 A. No, that -- that came up later in the
14 week, but he didn't tell me that on Saturday, the
15 26th. He didn't tell me, "I've signed a contract
16 with Cammack."

17 Q. Okay. He just said, "Cammack was
18 working"?

19 A. He said, "Cammack's already been
20 working for two weeks."

21 Q. (BY MS. EPLEY) Well, in fact, he was
22 trying to pressure you to still sign the contract --

23 MR. BENKEN: Right.

24 Q. (BY MS. EPLEY) -- suggesting we're
25 going to use the normal --

1 Q. (BY MR. BENKEN) We're still going to
2 use --

3 A. Exactly.

4 Q. Okay.

5 A. Exactly. And yeah, that contract
6 should still be there. If -- if you have got
7 subpoena power, it should still be in the A.G. system
8 somewhere. And -- and there was a contract number on
9 it. And it was probably eight to ten pages long --

10 Q. Uh-huh.

11 A. -- with standard language and then two
12 to three pages of attachments.

13 So it's Attachment A that specifically
14 says, you're not to prosecute that's not what you
15 are hired or authorized to do.

16 So he's getting these subpoenas from
17 the Travis County D.A. And so Jeff Mateer, we have
18 another meeting on Thursday morning after we find out
19 about the Amplified Bank subpoena, and Jeff says to
20 me that he wants me to contact Don Clemmer at the
21 Travis County D.A.'s Office. Don was a former deputy
22 Attorney General in the office, and he was -- I think
23 had retired from the OAG and was working for
24 Travis County as one of their division chiefs.

25 He said, "Contact Don and see if you

1 can get him to e-mail you copies of those Grand Jury
2 subpoenas." And I did, and -- and spoke to Don and
3 he e-mailed those over to me.

4 So I printed those off, showed them to
5 Jeff. We met as a group. We looked at those. We
6 were just absolutely appalled and apoplectic at what
7 was going on and --

8 Q. Do you remember how many there were?

9 A. Well, I think between 20 and 25
10 subpoenas. So they were for banks that were involved
11 in civil litigation with Nate Paul, and they were
12 also subpoenas that were directed toward FBI agents,
13 state task force agents -- state task force agents,
14 the AUSA, and I can't specifically recall if there
15 was one for Judge Lane; could have been, could not
16 have been.

17 But I was absolutely outraged.
18 Because they were going after personal phone records
19 of these agents. Personal phone records. What's the
20 purpose in that? That's to harass, that's to
21 intimidate, and who knows what else.

22 And so our group discussed it,
23 Jeff Mateer looked at it. And -- and we all as a
24 group came together and said, "This has to stop. We
25 have to go report this to somebody, and we've to go

1 to the FBI."

2 So we made phone calls, and we -- we
3 got an appointment set up to go meet with the FBI
4 that afternoon here in Austin at 1:00 or 1:30; and as
5 a group, we drove out there. And we all sat around a
6 conference table, two FBI agents were there, and we
7 spent several hours.

8 And I learned more because we went --
9 went around the table in turn. Each person told
10 their own story from start to finish while the agents
11 listened, so -- and I was one of the last to go. So
12 I heard all of these other details that I had only
13 heard portions of before, and that -- that day I
14 started hearing everything, which only added to my
15 belief that we had no other choice to do what we were
16 going.

17 So that was September the 30th.

18 On October 1st, we were in the office.
19 We gave notice to Greg Simpson, who was the HR
20 director at the OAG --

21 Q. (BY MR. BENKEN) Wait. Back up,
22 please. When did you get Clemmer to e-mail the
23 subpoenas?

24 A. I think he sent them to me on the
25 morning of the 30th.

1 Q. (BY MS. BUESS) What did -- what did
2 you tell Clemmer when you -- you called him?

3 A. "It's come to our attention that
4 Brandon Cammack, who is a young lawyer, who we don't
5 believe has been hired by this Office, has managed to
6 get Grand Jury subpoenas from the Travis County Grand
7 Jury. You know, do you know anything about it? Can
8 you tell me anything?"

9 And he -- he sent me some e-mails,
10 which, you know, with a subpoena I would be glad to
11 produce. But he sent me an e-mail chain between
12 himself and Brandon Cammack, who said he had been
13 hired, he was a special prosecutor, he needed -- how
14 could he get Grand Jury subpoenas.

15 And Don Clemmer thought that he was
16 properly deputized to do that, so he just got him in
17 touch with the people that coordinated with the Grand
18 Jury, and they were doing it by e-mail, and -- and he
19 got subpoenas.

20 Q. (BY MS. EPLEY) I think I know the
21 answer, but does anything about those e-mail
22 exchanges indicate that Brandon Cammack is working at
23 the direction of the Texas District Attorney's
24 Office -- or, I'm sorry, the Travis County --

25 A. No, no.

1 Q. -- or that they're giving him lists --

2 A. No.

3 Q. -- or information with which to choose
4 him to subpoena?

5 A. In fact -- thank you for raising that
6 point, Erin. In fact, Don Clemmer said, you know,
7 "We were disqualified or recused from this
8 investigation because we had a conflict of interest,
9 so we didn't hire him, we didn't retain him."

10 Q. So he specifically excluded the option
11 for Brandon Cammack to have been an employee in any
12 way?

13 A. Absolutely, absolutely. And the D.A.'s
14 Office, and I know this from subsequent conversations
15 with District Attorney Margaret Moore, I found out
16 either on Saturday the 26th or this week of the 28th
17 that Ken Paxton took Nate Paul to the Travis County
18 D.A.'s Office in either late May or early June of
19 2020. So that -- that June 10th referral to our
20 office from the Travis County D.A. was no surprise to
21 Ken Paxton, because he had gone over there and -- and
22 had the first meeting. He had called over there and
23 asked to bring in somebody to meet with them, and
24 that was Nate Paul.

25 Q. Uh-huh.

1 A. Now, how many other citizens of Texas
2 has he accompanied to the D.A.'s Office to request
3 that they listen to his complaints? Has he ever done
4 that for anybody else, ever? And I suspect the
5 answer is no. And why, why in this case and no
6 other? Do any other of our 28 million citizens get
7 that kind of personal service? And that's -- that's
8 relevant to me.

9 Q. (BY MR. BENKEN) So let me make sure
10 I'm clear. So on the 30th, that's when you get the
11 subpoena from Amplified in Austin. You talk to
12 Steve Lemmon.

13 A. Uh-huh.

14 Q. You get a copy of this subpoena.
15 That's the same day that you called Don?

16 A. That's my recollection; that I first
17 spoke to Don on the morning of the 30th --

18 Q. Okay.

19 A. -- and that he -- he e-mailed me the
20 Grand Jury subpoenas. I printed them out --

21 Q. Got you --

22 A. -- and showed them to everybody, and we
23 decided that we have to go to the FBI.

24 Q. Okay.

25 A. So we made -- we made a phone call to

1 the AUSA, who contacted the FBI, and we were told to
2 be out there at 1:00 o'clock and they will be
3 expecting you.

4 Q. So you meet on that same day?

5 A. So we met that same day, and we spent
6 the afternoon out there and we told our story.

7 And I want to say this, and I want
8 to -- you know, if members of The House or The Senate
9 watch this video, we didn't do this for personal
10 gain. If somebody thinks that we did this for a
11 personal agenda or personal motive, we absolutely did
12 not. We knew what we were doing was -- was high
13 risk. We knew we could get in trouble with the
14 Attorney General, but somebody had to take a stand,
15 somebody had to stop them, and we were the only ones
16 that could do it. Because we were the ones that
17 knew, we were the ones that were there, we were the
18 ones that had been pressured, we were the ones that
19 talked to him. Nobody else knew. He didn't go out
20 and advertise this anywhere else.

21 So unless you worked on the eighth
22 floor of the Attorney General's Office, you wouldn't
23 know about any of this. And we went to the FBI
24 because it was the only way we could stop it.

25 And I have said this over and over to

1 people, we know what we saw, we know what we heard,
2 we know what we experienced, but it's like an
3 iceberg, you see the top ten percent, but there's a
4 whole bunch below waterline. And we all, to a man or
5 woman, want somebody with a lot more power than we
6 ever had to come in and look at the other 90 percent
7 that's below the waterline, because there's something
8 really wrong, and wrong-doing occurred.

9 And the people that are running the
10 agency now act like they don't care about any of
11 this, and good people have been abused, and I'm
12 talking about outside the eight of us.

13 And the other set of whistleblowers,
14 you couldn't find better public servants than the
15 other seven people. And a lot of other good people
16 are working in hard circumstances because of the kind
17 of leadership they've got. And Texas ought to be
18 able to have better government than that at a -- at a
19 very large and very important state agency.

20 But we didn't go out there with a
21 personal agenda. We went out there because it had to
22 be stopped. Because what we all felt like, and I
23 really felt this, is Ken Paxton has turned the
24 steering wheel of this agency over to Nate Paul, and
25 he's letting Nate Paul use the power and the

1 resources and the legal authority of this agency for
2 his own personal benefit in his civil lawsuits and to
3 try to keep himself out of criminal trouble with the
4 federal authorities.

5 And that's what was going on. That's
6 how I saw it, and I believe the other seven did as
7 well, based on what I heard them tell the FBI. So
8 that's what happened on the 30th.

9 And then on the 1st --

10 Q. (BY MR. BENKEN) You also apparently
11 wrote a letter to Ken --

12 A. Yes.

13 Q. -- on the 30th?

14 A. I did. I did.

15 Q. Was there any response from him from
16 that letter?

17 A. Not -- not back to me. I think Ryan
18 Vasser had some conversations with him that week and
19 maybe that day, maybe the following day. Sometime
20 that week I recall hearing Ryan Vasser say Brandon
21 Cammack told him he had signed a contract with the
22 Attorney General's signature on it, a contract I
23 never approved, a contract that Mateer ever approved.

24 And I heard later from Missy Cary that
25 that Executive Approval Memorandum system had been

1 set up to protect the Attorney General; that all the
2 people in the various areas, you know, that the
3 finance people would look at it, the people in
4 Ryan Vasser's area that looked at the legal authority
5 would look at it, if it came to my area for a
6 criminal justice matter, I would look at it from that
7 perspective, and then it would go to Jeff Mateer as a
8 first assistant. So that when everybody signed off
9 and presented it to him, you know, all his team had
10 looked at it from their own --

11 Q. Right.

12 A. -- particular area of expertise.

13 But he just -- he just went and did
14 this on his own. He wanted this and he ignored
15 protocol, he ignored procedure. And there was a big
16 debate about, you know, could he do this or could he
17 not do that. And that's -- you know, I never
18 researched that, so I can't give a legal opinion on
19 that.

20 Q. Okay.

21 A. But I know that the office protocol was
22 not followed by him.

23 Q. Sure.

24 A. And, again, what sense does it make
25 that the Attorney General of Texas would interview a

1 former U.S. attorney, who is a former district
2 attorney of many years' service in Grayson County,
3 and instead of hiring someone with that kind of
4 experience, he'd hire a five-year lawyer with no
5 prosecutorial experience, no federal experience to go
6 investigate all of these matters, including two
7 federal judges?

8 Q. Uh-huh.

9 A. So we have worked in the office on the
10 1st, and Jeff Mateer told us all to go work from home
11 on Friday. We were escorted out of the building at
12 Jeff's request. He wanted us to have security
13 because he was concerned, you know, that Nate Paul or
14 someone might, you know, try to confront us.

15 Because of what happened on the
16 morning of the 1st of October is we gave written
17 notice under the Whistleblower Statute to Greg
18 Simpson, the HR director of the Office of the
19 Attorney General, that -- that we had made a report
20 pursuant to the Whistleblower Act to a competent law
21 enforcement authority with jurisdiction over the
22 matter; and it was our understanding from reading the
23 statute that that was a requirement that we give
24 notice so that we would come under the protection of
25 the Whistleblower Act, because we did fear

1 retaliation by the Attorney General.

2 And we gave that notice. And then
3 Jeff Mateer sent a text message to the
4 Attorney General. The Attorney General had been in
5 Cleveland that week at one of the Presidential
6 debates that occurred up in Cleveland.

7 Q. Uh-huh.

8 A. -- I believe on Tuesday night, and then
9 there was, I believe, a Republican Attorney General's
10 meeting of some sort that he stayed and attended on
11 Wednesday.

12 He flew back either late Wednesday
13 night or early Thursday morning. I think it was late
14 Wednesday night, and Jeff knew that. And we wanted
15 to meet with him, because we wanted to confront him
16 with what he had done and what -- what he had allowed
17 Brandon Cammack to do, serving these ridiculous
18 subpoenas on banks that had no involvement in a
19 criminal matter but, instead, were for the benefits
20 of civil lawsuits filed by Nate Paul.

21 And we knew that the Attorney General
22 was scheduled to have lunch somewhere either on or
23 near the University of Texas campus right down the
24 street.

25 Q. Uh-huh.

1 A. And Jeff texted him, and he waited
2 several hours, as I recall, and texted back, "Oh,
3 Jeff, as you know, I'm out of the office today, but
4 I'm always glad to talk to my staff; and just, you
5 know, too bad it's not a convenient day for me and we
6 will talk later."

7 We wanted to confront him with what he
8 had done and tell him to stop and tell him that, you
9 know, we reported him to law enforcement. And so --

10 Q. (BY MR. BENKEN) Did the text message
11 actually tell Paxton it had been reported or --

12 A. Yes, we told him we made a
13 whistleblower report.

14 Q. So then when there was that
15 conversation, he already knew the report had been
16 made, so --

17 A. Yeah.

18 Q. -- he's just not agreeing to meet?

19 A. Yes, he was dodging us. He was dodging
20 us. He was being seditious. He was making excuses.
21 "You know, I'm out of the office today."

22 Well, you are out of the office about,
23 I don't know, half a mile away and you could be back
24 here by 3:00 o'clock for a meeting, as we requested,
25 but he didn't want to meet. And so, you know --

1 Q. (BY MS. EPLEY) Right.

2 A. -- we had no further meetings with him
3 about the Nate Paul matter.

4 And then I worked at home because Jeff
5 told us to work from home, and I drove to Dallas the
6 morning of the 2nd, that was Friday, and at
7 5:00 o'clock in the afternoon, I tried to get on my
8 computer and check my e-mail again, and I couldn't
9 get on. And right about that time I got a text
10 message from Greg, Greg Simpson, the HR director,
11 that said words to the effect of "At the direction of
12 the Attorney General, who you are placed on
13 administrative leave. You're to have, you know, no
14 contact with the staff. You're not allowed on
15 Attorney General's office property."

16 And so I stayed on administrative
17 leave. I was not given a reason. I was not told
18 why. The Attorney General's never talked to me about
19 why.

20 I heard that Jeff Mateer -- I think I
21 called Jeff that afternoon and Jeff told me that he
22 had resigned, and he was very upset. And then I
23 called my deputies -- my two associate deputies, and
24 I also called another division chief and told him
25 that I had been placed on administrative leave. I

1 didn't know who they were to look to for guidance and
2 direction but it couldn't be me. I could have no
3 further contact until the situation got cleared up.

4 And then I heard the following week
5 that Brent Webster had been hired as the new first
6 assistant. Didn't hear anything from him. I think I
7 sent -- either called or texted (coughs) excuse me,
8 several days later I contacted Mr. Simpson in the HR
9 office and said, "I would like to know the reasons
10 why I'm on administrative leave. You know, I would
11 like to know a stated reason."

12 And he said, "I will have to talk to
13 the new first assistant, Brent Webster, in order to
14 see if I can give you one." And I never heard back.

15 And then on two weeks in, two weeks
16 after the 2nd, I got another e-mail or text message
17 saying my administrative leave had been extended for
18 two more weeks; and then the last week of October, I
19 was told to go turn in my laptop in the Dallas
20 office, which -- and I had a State cell phone. I was
21 told to turn both of those in. I went to the civil
22 division office in Dallas and turned both those in,
23 and the office managers signed a receipt. And then I
24 was directed --

25 Q. (BY MR. BENKEN) What date was that?

1 A. I have got a receipt somewhere.

2 Q. We got have --

3 A. It was the last week of October,
4 shortly before the weekend, probably on Thursday or
5 Friday.

6 Q. (BY MS. EPLEY) Uh-huh.

7 A. And then I was -- either on that Friday
8 or the Monday at the end of October, I was told to
9 come into the office on Tuesday, November 2nd.

10 And I remember because it was election
11 day, and I was told to be at the office for a meeting
12 with Brent Webster. And that's the first time I met
13 him. I never worked under him for a minute.

14 So the other point that I would make
15 about any criticism he has in my performance, I have
16 never worked with the man, I have never worked -- he
17 has never supervised me for one minute, so --

18 And then Brent Webster, on behalf of
19 the agency, comes in at 4:30 and fires me. And I
20 know it's in the petition, but again, I will say this
21 for the benefit of the representatives, they treated
22 all of us in a pathetic way. I mean, they had armed
23 guards escort us everywhere in the building: To the
24 water fountain, to the break room, you know, standing
25 in the conference room, standing outside the door of

1 the conference room.

2 I asked if I could have one of the
3 other whistleblowers that was still working there sit
4 in on the meeting as a witness so I could have a
5 witness.

6 Brent Webster had a witness. He had
7 Erin Rietz in there taking notes on a computer, which
8 I have never seen. I have no idea what he wrote. I
9 have no idea if it's accurate. But anyway, Brent
10 Webster told me that would not be allowed.

11 So I sat in there for the whole day.
12 You know, I was given a 45-minute lunch break, but
13 sat in there from 9:00 in the morning until 4:45 in
14 the afternoon, and he fired me at 4:45.

15 So, anyway, we -- we filed our
16 lawsuit, our civil suit, as you probably know, on
17 November 12th. And, again, I just -- I just want
18 to say this to y'all, and I want to say it to anybody
19 who watches the videotape that has power: We just
20 want the truth to come out. We want people in
21 government and we want the citizens to know what
22 happened. We know we made serious allegations, and,
23 you know, it's not our choice that we haven't had our
24 day in court. We would like -- we would love the
25 opportunity to subpoena witnesses, have them sworn

1 and put under oath, put on a witness stand, and have
2 our lawyers be able to ask them questions and
3 challenge their version of events.

4 In February, two, years ago, and I
5 believe it was February the 10th, there was a
6 Senate Finance Committee hearing, and you asked
7 earlier if Don Clemmer ever said to me, "They hired
8 Brandon Cammack. He said they didn't." But I heard
9 Brent Webster state in a Senate Finance Committee
10 Hearing that, "Oh, we have looked into that, and
11 Travis County actually hired him."

12 That's not what Ken Paxton ever said
13 to me. In fact, you know, he said, "Oh, he's already
14 been working, and I need you to approve the contract,
15 so I can get him paid."

16 Why would Ken Paxton need to get him
17 paid if he was working for the Travis County D.A.'s
18 Office? That makes no sense. And I believe Brent
19 Webster knew that when he said it to the Senate
20 Finance Committee.

21 So without -- without putting people
22 under oath and getting this in a court or getting
23 people under oath in front of a House or a
24 Senate Investigative Committee Hearing, the truth's
25 not going to come out. And that's what we want, we

1 want the truth to come out. We didn't do this for
2 personal gain. You know, we have made damage
3 allegations because we've suffered damages.

4 I can't tell you how many sleepless
5 nights I've had. I know the other guys have. Our
6 lives have been impacted. It's been a long two and a
7 half years. You know, I have taken a big pay cut.
8 I'm working at the D.A.'s Office. I'm grateful to
9 Judge John Creuzot, the Dallas D.A., for giving me a
10 job.

11 You know, when you get fired from a
12 State agency, it's not easy to find another job,
13 especially when people are smearing your name and
14 calling you a rogue employee and making up fake
15 reasons for firing you. That's not a
16 career-enhancing move.

17 So we have suffered damages, and I'm
18 speaking for all of us. And, you know, there are
19 four whistleblowers who aren't in the civil lawsuit,
20 and they were great public servants, too.

21 You know. Lacey Maes left the State
22 to get another job, and she was excellent at her job.
23 You know, Ryan Bangert, excellent lawyer, very
24 outstanding lawyer. So was Darren McCarty. They
25 wanted him to leave the Google lawsuit, and they

1 treated him terribly.

2 You know, Jeff Mateer, you could not
3 have a better person in the office of first assistant
4 than Jeff Mateer. He is a high integrity, smart,
5 skilled, successful attorney. Everybody that knows
6 you will tell him the same thing.

7 Q. With the exception of Lacey, did the
8 others not participate because they resigned?

9 A. You know, I don't want to speak for
10 them. My understanding is they all had their own
11 reasons and they were valid reasons. And, you know,
12 I can tell you from personal experience, getting
13 involved in a lawsuit against the State of Texas is
14 not fun, is not easy; and I mean, I don't -- I
15 don't -- I'm not -- I have the highest respect for
16 them. Everybody had to make their own decision.

17 Q. Sure.

18 A. And there's a cost of doing it, and
19 there's a cost of not doing it potentially. And I
20 know you're not here to advocate for us or against us
21 on the whistleblower case, but I just wanted to say
22 that for the record.

23 Q. (BY MS. BUESS) Yes, sir.

24 A. And I'm happy to answer any other
25 questions that I can.

1 Q. Who's Johnny Sutton?

2 A. He's a lawyer in Austin. He's a
3 criminal defense attorney, a former U.S. Attorney.

4 Q. And what was his involvement with any
5 of this, do you know?

6 A. I do. I would rather not say.

7 Q. Okay.

8 A. But it's not nothing improper
9 whatsoever. He's totally professional and totally
10 appropriate.

11 MS. BUESS: That's all I have.

12 Q. (BY MS. EPLEY) Okay. Is there
13 anything -- your notes are exceptional. And your
14 mind and ability to chronologically lay out the story
15 was very clear. So I expect the answer's no, but is
16 there anything that you feel like is relevant or is
17 important, so the policies, procedures or anything
18 that occurred in regards to the Attorney General that
19 we have not asked you about?

20 A. Well, I'm sure I have left out a detail
21 or two here and there, and I don't -- I wish I could
22 remember the exact date of the first meeting that
23 David Maxwell had with Nate Paul and Michael Wynne.
24 I'm sure we could go back and figure that out.

25 Q. (BY MR. BENKEN) Right. We can get

1 that, definitely.

2 A. I was going to say, the tapes should be
3 there. I know that when we left the office, they
4 existed, and they should be there. And, you know, I
5 had a file -- oh, I started to say this earlier.

6 I take notes on a legal pad. You
7 know, I'm not in the iPad age. So in my office, I
8 had a stack of legal pads that I had filled up, but I
9 kept those, and if something came up, I would go back
10 and refer to my notes.

11 When I left the office, you know, and
12 was placed on suspension, I have never been back in
13 that office since October 1st, 2020. When I was
14 called in for my firing interview by Brent Webster, I
15 asked him if I could go in my office just to get my
16 personal property. I wasn't going to take agency
17 property. And, you know, so I don't know what's in
18 there. He would not allow me to go back to the
19 office to get my personal papers and things. They
20 boxed them up.

21 They called me a couple of weeks
22 later, and I had to drive back down here and get
23 them, and whatever they gave me, they gave me; but I
24 know they didn't give me those notepads, and they
25 should still be in storage somewhere. There may be

1 notes of meetings I had, there may not be; but there
2 may be still be some meetings, some notes on notepads
3 that were taken of my office. I assume they were
4 boxed up and stuck on a shelf in a closet or basement
5 somewhere, but those may exist.

6 And the reason I bring that up is in
7 their internal whitewash investigation that they did,
8 they had a photocopy of one of my notes --

9 Q. (BY MS. BUESS) One of your notes.

10 A. -- that says "K.P. just wants the
11 truth" or words to the effect.

12 Well, yeah, he said that. I was
13 taking him down verbatim. And you know what, we gave
14 him the truth, and he didn't want to hear it.

15 So that's my rejoinder to that
16 statement in the report. That report is misleading,
17 the cherrypicked things, they've left key things out,
18 they have left key events out.

19 To my recollection, they don't say a
20 word about my meeting with Paxton on Saturday, the
21 26th of September 2020, that went on for, you know,
22 approximately two hours when I laid out all the
23 reasons it was wrong from him to be doing this
24 inquiry about Nate Paul, and to continue it, and told
25 him he was going to get himself in trouble, and he

1 would not listen.

2 MS. EPLEY: Okay. Anybody else?

3 MR. BENKEN: No.

4 THE WITNESS: Thank you.

5 MR. BENKEN: Thank you.

6 (Tape ends)

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Confidential

1 STATE OF TEXAS
2 COUNTY OF HARRIS

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AGC MEETING
March 28, 2023 Meeting
re: Mr. Mark Penley
Transcribed June 25, 2023

9 I, Michelle Hartman, the undersigned
10 Certified Shorthand Reporter in and for the State of
11 Texas and Registered Professional Reporter, certify
12 that the facts stated in the foregoing pages are
13 transcribed to the best of my ability.

14 I further certify that I am neither
15 attorney or counsel for, related to, nor employed by
16 any parties to the action in which this testimony is
17 taken and, further, that I am not a relative or
18 employee of any counsel employed by the parties
19 hereto or financially interested in the action.

20 SUBSCRIBED AND SWORN TO under my hand and
21 seal of office on this 25 day of June, 2023.

22 
23

24 Michelle Hartman, CSR, RPR
25 Texas CSR 7093
Expiration: 12/31/23

Exhibit 17

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EXHIBIT 018

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AGC MEETING

March 27, 2023 Meeting

re: Mr. Ryan Vasser

Transcribed June 23, 2023

AGC MEETING re: Mr. Ryan Vasser, transcribed by Michelle Hartman, Certified Shorthand Reporter in and for the State of Texas and Registered Professional Reporter, reported by computerized stenotype machine from audio tape recordings to the best of her ability.

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APPEARANCES

Ms. Erin Epley

Ms. Terese Buess

Mr. Brian Benken

Mr. Joe Knight, counsel for Vasser

Mr. Ryan Vasser

MS. EPLEY: It is Monday, March 27th, 2023 at about 1:26 p.m.

If we could just go around the room and everybody introduce themselves. I'll start.

Erin Epley, I'm an attorney working with the committee.

MS. BUESS: Terese Buess, an attorney also working with the committee.

MR. BENKEN: I'm Brian Benken. I'm an attorney and investigator working with the committee.

THE WITNESS: Ryan Vasser.

MR. KNIGHT: And I'm Joe Knight. I represent Mr. Vasser. And I just want to say as we're beginning this that we are here at the request of your committee and in reliance on the legislative privilege that this will be cloaked in and in the confidentiality of these proceedings, and we will answer your questions to the best we can.

Q. (BY MS. EPLEY) Okay. Mr. Vasser, we

1 already know, but if you'll tell us little bit about
2 your background and how you came to work at the AG's
3 Office.

4 A. So I grow up in West Texas in
5 Big Spring near Midland, Odessa.

6 Q. I'm from Midland.

7 A. Midland was our -- our big town that we
8 would go to. I attended Texas Tech undergrad. I got
9 a BBA in accounting, and worked in Dallas for about a
10 year in finance and decided I wanted to go to law
11 school. So I applied to work at Jones Day just as a
12 litigation assistant, pulled my first all-nighter and
13 still stuck out, and got into South Texas's Spring
14 Program.

15 So I graduated from South Texas, went
16 to work for Ben Justice Willet at the Texas Supreme
17 Court; stayed for three years as a permanent law
18 clerk, and was recruited to the AG's Office in July
19 of 2015. I started at the office, I believe it was
20 an AAG 3, which was just a combination of the three
21 years of work at the Supreme Court. I had no
22 supervisory responsibility as an AAG 3. I was in the
23 general counsel division, so we were in charge of
24 representing the agency and providing legal advice to
25 all of the divisions and executive staff.

1 The division chief at the time was
2 Amanda Crawford. About a year -- I think about a
3 year later, I was promoted to deputy general counsel
4 when Ms. Crawford was promoted to deputy attorney
5 general for administration. Then the division was
6 overseen by John Ellis as the chief, and then I was
7 the deputy chief.

8 About another year later, I was
9 promoted to be general counsel and chief of the
10 general counsel division when Mr. Ellis was promoted
11 to a member of the executive staff; and then probably
12 a year and a half somewhere after that, I was
13 promoted to deputy AG for legal counsel --

14 Q. Okay.

15 A. -- when the person holding that spot
16 was -- was promoted.

17 Q. And what year does that get us to,
18 roughly?

19 A. 2020. So I started in 2015 as a line
20 level lawyer. About five years later, I was promoted
21 to deputy AG for legal counsel.

22 Q. Okay. Tell us -- tell us the beginning
23 of these events for you. I want you to kind of take
24 us through it chronologically. We have all read the
25 pleadings. We understand the allegations. We would

1 like to hear from you, in its totality, if you can,
2 and we will proffer the questions.

3 A. Sure. All right. So my first
4 involvement, which I didn't recognize at the time, I
5 was chief of the general counsel division. Ryan
6 Bangert was deputy AG for legal counsel, so the
7 position that I would ultimately be promoted to.

8 My division was one division that Ryan
9 oversaw, and he approached me in the fall of 2018
10 with a question about the State Securities Board. It
11 involved an open records request, and the basis of
12 his question was if the State Securities Board
13 received a request to public information and they
14 were fighting that request, making an argument that
15 maybe they were part of a joint task force or a law
16 enforcement privilege, is there anything that
17 the State Securities Board that somebody could argue
18 that they exceeded their statutory authority such
19 that they couldn't claim a law enforcement privilege
20 or an investigative privilege.

21 I told him I did not see how that was
22 possible, just based on the plain language of the
23 law, and he agreed, and I didn't hear anything else
24 about it.

25 Q. (BY MR. BENKEN) When was that?

1 A. I'm sorry?

2 Q. When was this again?

3 A. The fall of 2019, which, as we will
4 later find out, corresponds with the Nate Paul FBI
5 raid in August of 2019 and his subsequent request to
6 the States Securities Board for the investigative
7 file, so -- but at the time that I was approached
8 with the question, there was no name attached to it.
9 It was more of a statutory implication question about
10 the State Securities Board's legal authority in the
11 context of an open records question. So that was
12 fall of 2019.

13 Covid hit March of 2020. I was
14 promoted to deputy AG for legal counsel at the same
15 time, probably first or second week of March. The
16 last week of March, as I recall, the first assistant
17 at the time, Jeff Mateer, had flagged for me that
18 Attorney General Paxton may be coming to me to ask
19 about an open records question, which is not outside
20 the norm. You know, he might hear from constituents,
21 he might read something in the news and see the
22 office is reviewing something, so he may come to
23 us and get -- come to us and ask for a little more
24 information.

25 So I told First Assistant Mateer that

1 I would be happy to talk to the Attorney General.
2 When we had our conversation, it was about the -- it
3 was about a second request to the State Securities
4 Board, I believe, and DPS or maybe -- no, just to
5 clarify, the first request was the State Securities
6 Board, the second request was the Department of
7 Public Safety.

8 Q. (BY MS. EPLEY) Say that again. I'm
9 familiar, but I was behind you on the notes.

10 The first one was what?

11 A. State Securities Board.

12 Q. Okay.

13 Q. (BY MR. BENKEN) That was the one where
14 you didn't make the connection?

15 A. That was the fall of 2019.

16 Q. (BY MS. EPLEY) Uh-huh.

17 A. The second request was the
18 Department of Public Safety. So this was the first
19 time that I read or heard the name Nate Paul --

20 Q. Uh-huh.

21 A. -- and connected the dots between the
22 fall of 2019 request and Ryan Bangert's question to
23 me, and the Attorney General's request and question
24 on -- on the DPS one. And --

25 Q. Can I pause?

1 A. Yes.

2 Q. What made you connect the two? They
3 could just be two separate requests?

4 A. I believe I asked Ryan Bangert if there
5 was a connection with the issue that he had raised
6 last fall.

7 Q. Okay.

8 A. Because the background in the open
9 records request involved the State Securities Board,
10 involved the FBI, DPS, and Nate Paul.

11 Q. Okay. So when you said "when that
12 meeting happened," you don't mean the request by
13 Mateer, you mean the actual meeting with the Attorney
14 General?

15 A. Correct.

16 Q. Okay. And I want to, I guess, focus
17 there and then move forward again.

18 A. Sure.

19 Q. What happens in that meeting?

20 A. He -- so when I -- when I met with him,
21 he asked if I could get a copy of the file. So when
22 an agency -- and forgive me if I'm getting too far
23 into the weeds. When an agency -- when a State
24 agency receives a request for public information,
25 they have ten days to produce -- produce that

1 information. If they want to withhold any
2 information, either as required by law or under a
3 discretionary authority where they can claim to
4 withhold, they have to request a ruling from the AG's
5 Office.

6 Once they do, they have to send a
7 request briefing and then a complete copy of the
8 file. They have to provide the same information to
9 the requestor, but that information can be redacted.
10 So if they're making legal arguments that tends to
11 identify the context -- or content of the
12 information, they can redact those arguments.

13 The same for the file, if they're
14 making arguments to redact information in the file,
15 they can redact that information, but they still have
16 to provide a copy to the requester and the full
17 extent of the information to the AG's office.

18 So he asked if I could get a copy of
19 the file; that he was interested in it and believed
20 that this individual, Mr. Paul, was being railroaded,
21 basically, by the feds and by DPS. I told him I
22 would get a copy of the file and review it, and then
23 we could follow up at a -- at a subsequent meeting.

24 Q. Was that standard, had he ever made
25 such a request before?

1 A. Not to me.

2 Q. Does that mean you have knowledge he
3 had to someone else?

4 A. No.

5 Q. Okay.

6 A. No, I am not aware that he has ever
7 asked or been involved in a typical open records
8 request -- request, of which the agency handles
9 50,000 each year.

10 Q. Did you get any information as to why
11 he was aware of it? If it didn't come up to him, why
12 he was able to bring it down to you?

13 A. In subsequent meetings, he had said
14 that he had spoken directly with Nate Paul.

15 Q. Okay. Thank you. I want to get back
16 to chronological, but I appreciate it.

17 Okay. So he requests for you to get
18 the file. Anything I need to know about that before
19 you were able to get it?

20 A. No. So in my role as deputy AG for
21 legal counsel, open records was one of the divisions
22 that I oversaw. So I coordinated with the division
23 chief at the time, Justin Gordon, for him to deliver
24 the file to me so that I could review it and have
25 this -- the follow-up conversation with --

1 Q. (BY MS. BUESS) Who is Justin?

2 A. Justin Gordon is chief of the open
3 records division at the time. He's still employed by
4 the agency, but I'm not sure if his title has
5 changed.

6 Q. (BY MR. BENKEN) Specifically, which
7 file are we talking about here?

8 A. This is the DPS file.

9 Q. The DPS file, okay.

10 Prior to you -- or when you were being
11 asked to produce this and everything, was there any
12 e-mails that corresponded to this that you're aware
13 of?

14 A. I don't recall.

15 Q. Okay.

16 A. There are -- there are e-mails between
17 myself and Justin Gordon.

18 Q. Okay. But not with --

19 A. I -- I don't recall if there are any
20 e-mails between the Attorney General and me.

21 Q. Would those e-mails reference, though,
22 who's making the specific request, do you think?

23 A. Possibly. Ordinarily if I was calling
24 about a file -- they're all assigned by numbers, so
25 they're all, you know, 2023- some sequential

1 number -- I would just put that in the e-mail and
2 say, "Hey, I would like to look at this file
3 number..."

4 It's possible I could have mentioned,
5 "General Paxton wants us to take a closer look at
6 this." Justin and I were in a meeting together with
7 General Paxton. It might have been the subsequent
8 meeting that I mentioned that we have not gotten to
9 yet. So there may be calendar appointments involving
10 the meeting and who attended.

11 Q. (BY MS. EPLEY) Okay. Anything
12 noteworthy about tone or expectation in that first
13 meeting? Did it seem normal?

14 A. It was mainly just, "Can we look at
15 this file?" And I just said I would get it and we
16 could follow up and find a time to talk. So it
17 wasn't -- there wasn't any indication that there was
18 a specific outcome that was intended or anything like
19 that.

20 Q. Okay. And what happens next?

21 A. So I got the file probably within 24 to
22 48 hours, reviewed it, followed up with likely the
23 Attorney General's scheduler, just given that he's
24 frequently out of the office, so finding a time when
25 he's in the office and free.

1 I told him that I had the file, and I
2 believe it was the same meeting that Justin Gordon
3 was -- was in. We discussed that it was essentially
4 a run-one-of-the-mill law enforcement investigation,
5 you know, ongoing matter, not subject to disclosure,
6 and General Paxton at this point indicated that he
7 had spoken to Mr. Paul, he believed that he was being
8 railroaded, just like General Paxton was being
9 railroaded on the State securities fraud felony
10 charges. He did not trust DPS or the feds. He did
11 not want to use his office to help DPS or the feds in
12 any way.

13 During this first meeting, Justin and
14 I both just reiterated that this isn't unique. I
15 mean, this happens in every ongoing investigative
16 general request for public information. If we -- if
17 we took a different approach, this would undo -- I
18 mean, it would create a cascade of run-of-the-mill
19 law enforcement issues, not only externally but for
20 own peace officers at the time --

21 Q. Uh-huh.

22 A. -- because the AG's office has ongoing
23 investigative matters, whether it's original
24 jurisdiction or referred matters from the local
25 prosecuting attorneys.

1 So it was -- that second meeting was
2 basically an impasse where we made our case, he made
3 his case; and it was either in the second meeting or
4 the subsequent meeting where he asked me to provide
5 the copy of the file to him. And it was in my office
6 at that time, so his -- his aid, Drew -- and I'm
7 blanking on his last name -- his aid at the time,
8 Drew, came to my office and got the file and took it
9 back to General Paxton.

10 Q. (BY MS. BUESS) So you turned it over
11 to him, to Drew?

12 A. Yes, ma'am.

13 Q. (BY MS. EPLEY) I -- I think my notes
14 are off. So the first meeting I think I'm clear on.

15 The second one where you had gotten
16 the file, that's just you and the Attorney General --

17 A. So the first --

18 Q. -- or Josh --

19 A. -- first meeting, General Paxton said,
20 "Can you get the file?"

21 I said, "Yes, I will get it."

22 The second meeting we had the file,
23 discussed it in his office, myself and Justin Gordon.

24 Q. But that is not the one you handed
25 over?

1 A. Well, we basically reached an impasse
2 in the conversation. I don't believe I left the file
3 in his office at the second meeting.

4 Q. Uh-huh.

5 A. But at -- at some point, either after
6 the second meeting or in a third meeting, he asked me
7 to look -- to leave the file with him.

8 Q. Okay. I'm pretty sure I'm the one
9 who's created the confusion, so I'm going to own
10 that, but here's where I'm lost: How can you not be
11 sure you left it in his office and also remember Drew
12 grabbing it?

13 A. So Drew, Drew delivered it back to me,
14 which is -- which is why I believe I delivered it to
15 him --

16 Q. Uh-huh.

17 A. -- to take to General Paxton.

18 Q. I see.

19 A. Drew was basically just running it back
20 and forth.

21 Q. Okay. Sorry about that.

22 A. No problem.

23 Q. (BY MS. BUESS) So now I'm confused.
24 I'm sorry.

25 So the first time, you -- you've got

1 possession of the file and he's asked you for it?

2 A. Correct.

3 Q. So you gave it to Drew to give to him
4 or you think you may have handed it to him?

5 A. No. When I had the file and after the
6 first and second meeting --

7 Q. Uh-huh.

8 A. -- I believe I gave it to Drew, under
9 the Attorney General's direction that I give him --
10 give him a copy, give General Paxton a copy, and then
11 Drew retrieved it.

12 Q. Drew brought it back to you?

13 A. Correct.

14 Q. After --

15 A. Which is --

16 Q. How long -- how long a timeframe was
17 that?

18 A. It was approximately a week to ten
19 days. So going back a little bit to the procedural
20 part, when the AG's Office gets a request for a
21 ruling from an agency, under statute, the AG has 45
22 days to issue that ruling. If within 45 business
23 days -- if within 45 business days the AG can't reach
24 a decision, it can request a ten-day extension. So,
25 theoretically, we had at the time up to 55 days to

1 reach a ruling.

2 So all of these are time sensitive.

3 Q. Yeah.

4 A. -- and you're dealing with 50,000 a
5 year, so it's not --

6 Q. Yeah.

7 A. So all of the -- all of these requests
8 have strict timelines. They're strictly monitored so
9 that we don't get underwater basically.

10 So by the time that I had requested
11 the file, the -- the original request, that was
12 probably a week, and then General Paxton requested
13 the file, which he had for seven to ten days. So
14 we're --

15 Q. (BY MR. BENKEN) The time is --

16 A. -- we're taking up time.

17 Justin Gordon followed up with me
18 within that seven to ten-day window and asked if
19 General Paxton was done with it. I told him that I
20 would check with Drew. I checked with Drew, and Drew
21 said that he was done, and then that's when Drew
22 brought it back to me.

23 Q. (BY MS. EPLEY) Okay. And that folder
24 comprised redacted and un-redacted copies --

25 A. It was all --

1 Q. -- or just the complete file?

2 A. It was all un-redacted. I don't
3 believe -- the only reason we would have had any
4 redacted information is if we just got a copy of what
5 was provided to the requestor. Everything else would
6 have been un-redacted.

7 Q. Okay. After Drew returns the folder to
8 you, when, if ever, do you get more information about
9 what should happen with the file or how you should
10 proceed in regards to the disclosures?

11 A. I think this is the third meeting, and
12 basically our position have been, we can't take a
13 different approach. There's no basis under which to
14 do that.

15 Q. (BY MR. BENKEN) Who's in the third
16 meeting?

17 A. I believe so.

18 Q. No. Who was in the third meeting?

19 A. Oh. I think it was Justin Gordon. It
20 might have also been Ryan Bangert. But basically the
21 takeaway was, we're not -- one alternative is to not
22 take a position.

23 Q. (BY MS. EPLEY) Sorry let me pause --

24 A. Yes.

25 Q. -- you there, only because I have to

1 ask the obvious questions.

2 In addition to you, Justin, and
3 Ryan Bangert, was anyone in authority in the room?

4 A. General -- General Paxton.

5 Q. Thank you.

6 A. I'm sorry.

7 Q. That's okay.

8 A. All of these -- these -- the series of
9 these three events -- or three meetings that I can
10 recall all occurred in General Paxton's office.

11 Q. Thank you. Okay. Keep going. I broke
12 your rhythm.

13 A. No, it's fine. The takeaway was we
14 can't reach an opposite conclusion. There is an
15 extremely rare precedent for not taking a position at
16 all, which is similar to not -- not issuing a ruling
17 if something is pending in litigation. We -- the
18 agency does that routinely where if an issue is -- is
19 being decided by a Court, it will refrain from --
20 from issuing its own advisory ruling or something
21 similar, but to do it in the opens record context --
22 context is rare because it doesn't often happen.

23 I think based -- just in my
24 experience, there was maybe been one other situation
25 that it ever happened, and it's basically a

1 conclusion that we looked at the file, we can't make
2 a determination one way or the other whether the
3 information should be disclosed.

4 Q. (BY MS. BUESS) Can you -- I hate to
5 stop you, but can you tell me what that one other
6 determination was, do you recall?

7 A. I don't recall, no, ma'am.

8 Q. Is it similar in any way to this?
9 Obviously it's not.

10 A. No.

11 Q. It probably wasn't a law enforcement
12 exception?

13 A. I -- well, those -- yeah, I would think
14 those are pretty black-and-white.

15 Q. Yeah, yeah.

16 A. But I think it was years ago, the best
17 I can recall. Maybe the '80s. Maybe.

18 Q. (BY MR. KNIGHT) So it wasn't one you
19 were personally involved with --

20 A. No, sir.

21 Q. -- one you knew of as a prior --

22 A. That's right.

23 Q. (BY MS. BUESS) And certainly not one
24 that this Attorney General was involved with?

25 A. No, no. I think this is all precedent

1 within the open records context of the agency, so --

2 Q. (BY MS. EPLEY) So if there's 50,000 a
3 year and you've been there for five years and you've
4 never seen one, there hasn't been one since the
5 '80s? It's been a minute?

6 A. Right.

7 Q. Okay.

8 A. So that was the -- the instruction that
9 we received was, we're not going to take a position,
10 which if the requester does not like, they can always
11 challenge --

12 Q. (BY MR. BENKEN) That instruction came
13 from?

14 A. General Paxton.

15 Q. Paxton, okay, we're going to take a no
16 position on this?

17 A. Correct.

18 Q. (BY MR. BENKEN) And then what's the
19 next indication?

20 A. Procedurally, so the agent -- the OAG's
21 determination of an open records ruling is -- is more
22 administrative. If we say something had to be
23 disclosed, the agency or the requester, depending on
24 which side they were on, they could appeal that
25 determination to a district court. So,

1 theoretically, if we didn't take a position, whoever
2 was trying to obtain that information could have
3 filed a declaratory judgment action in Travis County
4 to get a determination from a Court.

5 Q. (BY MS. EPLEY) Okay. So if the AG had
6 made a decision, it can be appealed to a district
7 court; the AG making no decision, they could still
8 use the Court to enforce a decision; is that what
9 you're saying?

10 A. I think that's the theory is if there's
11 any decision by the AG's office, it can be challenged
12 in litigation.

13 Q. Uh-huh.

14 A. And I think if I were trying to apply
15 this rare situation to the current text of the law, I
16 would say that an absence of a decision is still a
17 decision. You, OAG, decided you couldn't reach a
18 conclusion, that is still a conclusion, we're going
19 to challenge that determination.

20 Q. (BY MR. BENKEN) Right, because the
21 requester's not going to be getting the records --

22 A. Correct.

23 Q. -- that they requested?

24 A. They want the records, they're going to
25 potentially appeal that, at least you would think. I

1 don't know if that happened in this case. I could
2 speculate.

3 Q. (BY MS. BUESS) What's your
4 speculation?

5 MS. EPLEY: I almost want to do it.

6 Q. (BY MS. BUESS) Yeah, go ahead.

7 A. Well, I would speculate that if nobody
8 challenged that decision, they already had the
9 information.

10 Q. (BY MR. BENKEN) Okay. That's good.

11 MS. BUESS: Yeah.

12 Q. (BY MR. BENKEN) Fair indication.

13 A. And if it was not important to reach a
14 decision one way or the other, then it never
15 mattered.

16 Q. (BY MS. EPLEY) Or it stopped mattering
17 at some point?

18 A. At some point. And just based on what
19 I heard from Drew -- Drew Wicker --

20 Q. (BY MS. BUESS) Uh-huh. That's it --

21 A. -- I just remembered his name. Just
22 based on what I heard from Drew, you know, he was
23 basically the courier for the file; and as General
24 Paxton's aid, he had traveled with General Paxton
25 everywhere, around Boston, around Texas, whatever the

1 situation was. So he may have some experience based
2 on physically delivering the file, where it may have
3 been delivered, when it may have been delivered.

4 Q. (BY MS. EPLEY) Do you -- do you keep
5 up with Drew or would you have a way of getting in
6 touch with him?

7 A. I don't keep up with him, and I don't
8 know if I have his phone number.

9 Q. Okay.

10 Q. (BY MR. BENKEN) If a copy of the file
11 had been made, would Drew have likely been the person
12 to make the copy?

13 A. Probably. We -- as a -- as an internal
14 rule, we avoided making copies, because, as you can
15 imagine, a record of a record of a public document is
16 still a record, so -- you know, and then you're
17 dealing with 50,000, so you start duplicating copies.
18 So we tried not to -- to duplicate records.

19 When we received a request for a
20 ruling, everything lived together. The original
21 documents that we received from the agency, we made
22 our ruling, and then what we needed to return to the
23 agency, we would; and then we would maintain our file
24 of, you know, archival copies or whatever it was.

25 So from a paperwork -- paperwork

1 reduction standpoint, we try not to copy anything,
2 but Drew would have been the only one between him and
3 General Paxton to know how to make copies.

4 Q. (BY MS. EPLEY) So that's helpful. So
5 you just know how the office works. So it's not like
6 you pick up a file and there would be random,
7 haphazard copies in it --

8 A. Huh-uh.

9 Q. -- that would be irregular?

10 A. Yeah.

11 Q. (BY MS. BUESS) Drew is not an
12 attorney, is he?

13 A. No, ma'am.

14 Q. (BY MS. EPLEY) All right. What, if
15 anything, about that --

16 Q. (BY MR. BENKEN) Real quick, is Drew --
17 is it Andrew; is that his --

18 A. Andrew. I think -- I call him Drew.
19 It might be Andrew, Andrew Wicker.

20 MR. BENKEN: Go ahead.

21 MS. EPLEY: No, that's okay.

22 Q. (BY MS. EPLEY) Anything else I need to
23 know about this piece?

24 A. No. So just to fit within the
25 chronology --

1 Q. Uh-huh.

2 A. -- that was, again, late March. The --
3 the ruling that we issued, the lack of a
4 determination was June 2nd, just to give you some
5 timeline of when that --

6 Q. Please.

7 A. -- came out. Intervening that,
8 probably May, May 25th, May 29th, somewhere
9 around there, the agency -- OAG received a request --
10 a public information request from who we believed was
11 an attorney representing Nate Paul for the
12 un-redacted copy of the FBI's brief for the -- the
13 DPS request.

14 So going back to the DPS request, they
15 wanted all information relating to the investigative
16 file, the joint task force operation. It included
17 the -- the Grand Jury affidavit supporting probable
18 cause. In addition to all of the background at FO
19 (ph), there was a brief that the FBI submitted in
20 support saying, "This is why you should not release
21 this information."

22 They provided a copy, I'm just going
23 to assume to Nate Paul or his lawyer, but they would
24 have redacted it. So while we were deciding the DPS
25 brief, Nate Paul submitted a request to our office

1 for the un-redacted copy because we were holding it.

2 So we had I think --

3 Q. (BY MS. BUESS) So the copy -- the
4 request was for the FBI brief?

5 A. Correct.

6 Q. Un-redacted?

7 A. Un-redacted.

8 Q. Okay.

9 A. -- right.

10 Q. (BY MR. BENKEN) Which outlines why --

11 Q. (BY MS. BUESS) Why it shouldn't be
12 disclosed?

13 A. Right.

14 Q. (BY MR. BENKEN) -- the secret stuff --
15 or the sensitive stuff as to why you shouldn't
16 provide the records?

17 A. Right.

18 MS. EPLEY: Sorry.

19 Q. (BY MS. EPLEY) Do you have any
20 theories as to how Nate Paul's lawyer might have
21 known it was at the AG's Office at the time that it
22 was in order to submit the request to the AG's
23 Office?

24 A. It would have been -- so under the law,
25 if -- if a brief is submitted to our office, the

1 copy -- there has to be a copy that goes to the
2 requester of the information.

3 Q. Uh-huh.

4 A. So --

5 Q. (BY MR. BENKEN) Un-redacted?

6 A. So if Nate Paul -- I'm just -- again,
7 assuming Nate Paul or his representative submitted a
8 PIC request to DPS and then the FBI submitted a brief
9 in support of withholding, they would have sent a
10 copy of that brief, redacted, to Nate Paul's lawyer.

11 Q. (BY MS. EPLEY) Uh-huh.

12 A. So he would have known that this had
13 been filed at the AG's Office just as a result of
14 being involved, one of the parties, you could say.

15 Q. (BY MS. BUESS) So is it a law firm
16 that was making that request?

17 A. It was.

18 Q. Okay.

19 A. And I don't recall the individual's
20 name offhand.

21 MS. EPLEY: Okay.

22 Q. (BY MS. BUESS) How often does that
23 happen, that you get -- I mean, it's kind of like
24 almost dual, so a request is a request. I mean, how
25 often does that ever happen?

1 A. This was the first that I had ever --

2 Q. Yeah.

3 A. -- seen.

4 Q. Yeah.

5 A. And, I mean, it was a -- I guess a
6 creative way --

7 Q. To get to the information?

8 A. -- to get to the information if you
9 couldn't get to it one way. But the reason I
10 mentioned it now with this DPS conversation of the
11 DPS request is these conversations -- because we got
12 that at the intervening moment when we were
13 considering and discussing the DPS request, this came
14 in, and we were -- this was part of the second and
15 third meeting conversation of, "I don't want to help
16 them, I don't want to use this office to help them, I
17 don't trust them." And I'm trying -- I want to make
18 sure I get the conversation right.

19 So the FBI brief, what normally
20 happens is because we were holding it, just general
21 Texas law, if -- if an agency is holding third-party
22 information and that information receives a PIC
23 request --

24 Q. Uh-huh.

25 A. -- that agency has to notify whoever

1 owns that information just to say, "Hey, we got this

2 request, it involves your information. You can

3 submit arguments arguing to withhold if you like."

4 So standard procedure -- you know, we

5 had already been through this issue of, we're not

6 going to help them, we're not going to do this, I

7 don't trust these guys. Standard procedure was we

8 have to contact them because we got a request for

9 information that belongs to them. It's their

10 un-redacted brief.

11 So we -- we spent a few days just, you

12 know, trying to get in touch with the FBI or somebody

13 who would have been --

14 Q. How high does that discussion go?

15 A. So it was -- it was myself and the

16 public information coordinator at the time, Lauren --

17 let me make sure I get her last name right -- Downey,

18 D-O-W-N-E-Y.

19 Q. Okay. Are discussing how to get in

20 touch with the FBI to let them know?

21 A. Correct.

22 Q. Per procedure?

23 A. Just typical procedure of, this came in

24 the office, it's somebody else's. We have to let

25 them know. State laws requires the agency to notify

1 them know to say, you can submit arguments on your
2 behalf if you want.

3 And then by the time we -- we
4 connected with the FBI -- I don't know because it
5 was a -- it's another timeline issue, you know, the
6 ten-day production issue. By the time we got
7 somebody at the FBI, they either didn't respond or
8 didn't know who to send it to. I don't really
9 remember.

10 But when this was part of the
11 conversation in the second and third meeting, the
12 directive on this one, on the FBI brief, was that, we
13 have to release it from General Paxton, so --

14 Q. Under what theory?

15 Q. (BY MR. BENKEN) They didn't comply
16 with the time?

17 A. Right. I -- I don't know -- I don't
18 know if they missed the timeline or if they just
19 didn't have anybody, you know, who could make a
20 decision on responding, but they --

21 Q. (BY MS. EPLEY) Is that the default,
22 you request a response, they don't respond, so it
23 gets released, or are they just supplementing?

24 A. So I think the agency itself, so OAG --

25 Q. Uh-huh.

1 A. -- because it is more administrative,
2 it could take -- it could have taken a position where
3 the third party may not have raised arguments about
4 this, but the AG's Office -- again, the weird part,
5 the AG's Office is arguing to itself that this should
6 be withheld because of law enforcement privilege --

7 Q. Uh-huh.

8 A. -- or something like that, but that's
9 not what we did.

10 So the second -- the DPS -- just to
11 recap: DPS directive from General Paxton was, "We're
12 not helping them, we're not taking a position."
13 General Paxton's directive on the FBI brief was, "Let
14 it go. Find a way to get it out."

15 Q. Okay. And is it?

16 A. It was -- it was released, as far as I
17 know.

18 Q. (BY MR. BENKEN) It was released
19 redacted, though, correct? Or --

20 A. No.

21 Q. No. Un-redacted?

22 Q. (BY MS. BUESS) Was that -- just so I'm
23 clear, the FBI brief would have been part of the DPS
24 file?

25 A. No, it was related to the DPS file.

1 Q. So would it have been included in the
2 file that Drew picked up?

3 A. Yes.

4 Q. Because basically they're -- they're
5 protesting releasing the DPS information, so it
6 should have all been in one file --

7 A. Correct, yeah.

8 Q. -- before that second request came
9 in --

10 A. Right.

11 Q. -- which created the second timeline?

12 A. Right. Yeah, assuming it was in the
13 file, it would have been in there as part of that DPS
14 decision, because it would have been briefing related
15 to the request.

16 Q. (BY MR. BENKEN) And you're saying that
17 the FBI brief was specifically requested?

18 A. Correct.

19 Q. Nobody would have known about that --

20 A. Except for --

21 Q. -- unless they saw it through the DPS
22 records?

23 A. Right.

24 Q. (BY MS. EPLEY) Okay. So this is what
25 I'm hung up on: It for sure would have existed in

1 the file at the time Drew came to borrow it, to take
2 the file, as opposed to being at a later subsequent
3 to the request from the FBI to supplement?

4 A. The FBI brief?

5 Q. Uh-huh.

6 A. Right. So -- so the DPS file itself
7 would have contained DPS -- DPS's investigative
8 records, e-mails between the task force, FBI search
9 warrant affidavit, Grand Jury affidavit, you know,
10 everything that DPS would have gotten from FBI as
11 part of that task force, logistics information, like,
12 "Hey, we're going to meet at this corner, we're going
13 to have a staging," everything.

14 Q. Uh-huh.

15 A. That would have been the underlying
16 documents that DPS was wanting to withhold.

17 DPS would have submitted its own brief
18 saying, "Here's what the file contains, here's why,
19 here's the legal authorities not to disclose this
20 information." Also, we have notified FBI because
21 some of these are FBI communications, part of the
22 joint task force, so that FBI would have submitted
23 its own brief containing the same arguments.

24 Q. All prior to coming up?

25 A. Correct. So it's -- it's similar to,

1 you know, a trial court issue, you get briefing, it
2 goes into the file, and then you consider party's
3 briefs, and you make a determination.

4 Theoretically, depending on when that
5 FBI brief would have been submitted, when General
6 Paxton asked for the file, it would have been in
7 there.

8 Q. (BY MS. BUESS) Okay.

9 A. If it came in later, it --

10 Q. It could have not been in there?

11 A. -- it could have not. I don't recall.

12 Q. That initial request for the DPS
13 records, those came directly from Nate Paul?

14 A. I think it was his lawyer that --

15 Q. Okay.

16 A. -- that had submitted a public
17 information request to the Department of Public
18 Safety.

19 Q. Okay.

20 A. And then the same lawyer, I believe,
21 submitted the request to our office for the FBI brief
22 related to that DPS request.

23 Q. (BY MS. EPLEY) Do you remember that
24 lawyer? It's okay.

25 A. I don't. I believe their name --

1 it's -- I think it's a he. I believe his name would
2 have been copied probably on the letter to either the
3 Securities Board or DPS based on the ruling. At the
4 time it was my understanding that this lawyer was
5 also representing Nate Paul in challenging the
6 decision in court on the State Securities Board
7 ruling from last fall. So there could be a record of
8 who was representing him.

9 Q. Okay. Thank you. All right. Anything
10 else about the open records request? I mean, we can
11 always circle back. I just don't want to leave
12 something out if you're --

13 A. I don't think so.

14 Q. Okay. So that gets us to, what, like
15 July of 2020?

16 A. That's right.

17 Q. And then what, if anything, happens
18 next in regards to this? And if anything. Like, I
19 haven't read your petition.

20 A. Right.

21 Q. What happens next?

22 A. I don't remember if it was July.

23 Q. Uh-huh.

24 A. It may have been August, July or
25 August, Ryan Bangert at the time contacted me, and

1 consistent with how we had kind of handled, you know,
2 Covid response, local control, you know, throughout
3 the summer, we would get questions from local
4 officials, we would get questions from, you know,
5 residents about County actions or municipal action
6 where we as the AG's office might issue a letter
7 saying, "Hey, it's okay to do this" or, "Hey, you
8 might want to back off on this because, you know,
9 that's not what this was intended for," whether it's
10 masks, or gatherings, or whatever it is.

11 Q. Uh-huh.

12 A. So there were cases -- there were
13 situations where the AG's Office would issue a letter
14 clarifying something. One of them I could remember
15 is houses of worship, you know, local orders.

16 July, August sometime, Ryan Bangert
17 called me and said, "Hey, we have got -- we have got
18 an issue. We need to figure out if foreclosure sales
19 constitute gatherings." Because so many local county
20 judges or mayors had issued orders preventing
21 gatherings of ten or more or whatever it was.

22 Q. Okay. Ryan, I have to do that thing
23 again, only because I want to just let you roll once
24 we get to foreclosures --

25 A. Okay.

1 Q. -- so a couple of questions.

2 A. Okay.

3 Q. I was just reading on the Attorney
4 General's website in regards to letters of opinion,
5 and it looks like, at least from what I saw, and
6 maybe don't understand completely, John Cornyn
7 decided to stopped doing them like 1999, and Greg
8 Abbott didn't do them, and Ken Paxton didn't do them.

9 So it was sort of what I thought. Now
10 it sounds like y'all did them. Help me understand
11 where that fits.

12 A. So these are -- these are not formal
13 Attorney General opinions.

14 Q. Okay.

15 A. So under State law, for the Attorney
16 General to provide advice in a written opinion, it
17 has to be for a client or someone who's authorized to
18 ask for legal advice. That's generally an agency
19 executive, the committee chair, the Governor. So the
20 people on that list can ask for formal, legal
21 advice --

22 Q. Uh-huh.

23 A. -- which generates an opinion letter
24 that just says, "You asked this question, this is the
25 answer."

1 Apart from those people on that list,
2 the Attorney General can't issue formal legal advice
3 to -- to anybody else, but he can issue informal
4 letters or announcements, which is what these were.
5 These were not formal legal advice. They were some
6 combination of informal legal advice, such as houses
7 of worship guidance that was published in
8 connection -- in conjunction with the Governor's
9 office.

10 It could have also been legal advice
11 under the Texas Disaster Act. So that statute was
12 amended in 2019, I believe, to allow OAG to provide
13 legal advice under a declaration of disaster to
14 county judges and mayors and other local officials.
15 Because what -- what we had experienced was when
16 Harvey hit and flooding, you know, stuck around for
17 months --

18 Q. Uh-huh.

19 A. -- we were getting calls for help, for
20 legal advice. They can't find the county attorney or
21 they can't find the county judge, "What do we do, who
22 do we call?"

23 So the Disaster Act was specifically
24 amended to give the OAG's office an avenue to provide
25 advice to locals. So this -- this informal opinion

1 process could have been related to the disaster issue
2 providing advice to local officials and responding to
3 the emergency. It could have been a press release
4 issue, like the houses of worship, where nobody had
5 really asked for that but we published it with the
6 Governor's office.

7 Q. Okay.

8 A. I'm not sure if that answers your
9 question.

10 Q. Yeah, it does.

11 A. Okay.

12 MS. BUESS: We stopped you.

13 Q. (BY MS. EPLEY) Yeah, sorry.

14 A. That's okay. I was gonna let you catch
15 up.

16 Q. Thank you. I appreciate it. Go ahead.

17 A. So Ryan Bangert called me and said, "We
18 need to find out if foreclosure sales constitute a
19 gathering that might be prohibited under these County
20 orders that prohibit gatherings of ten or more
21 people." So I looked at it, and I called an attorney
22 that I had hired, who was formerly at the Texas
23 Supreme Court also, Austin Kinghorn, K-I-N-G-H-O-R-N,
24 who's still at the AG's office.

25 So at the time I was deputy AG. I

1 called Austin, who was running -- or who was deputy
2 general counsel in the general counsel division, and
3 said, "Hey, we have got this question. I need you to
4 look at foreclosure sales and see what, you know,
5 conclusion we come up with."

6 So he looked at it, I looked at it.
7 We basically said, "You -- you have to allow them,
8 you know. You can't stop foreclosure sales. Even
9 though a County official says, no gatherings of ten
10 or more," the Governor's executive order, you know,
11 says -- it supersedes County -- County orders."

12 So basically if the Governor
13 superseded the County authority, then we can't issue
14 a legal opinion saying, "Foreclosure sales have to
15 stop." So he agreed, I agreed. I called Ryan
16 Bangert -- I'll go slower.

17 Q. No, you're good.

18 A. I called Ryan Bangert, said, "This is
19 our best interpretation."

20 He said, "Okay, I agree." He said, "I
21 will -- I'll put a draft together and I'll send it to
22 you."

23 So I said, "Okay."

24 He called shortly after and said,
25 "Well, that's not the right answer."

1 And I said, "Okay, well, what is --
2 what is the right answer?"

3 And he said -- and this is where he
4 may have more personal knowledge of what General
5 Paxton may have told him, but what he told me was,
6 "General Paxton wants to find a way to stop these
7 foreclosure sales."

8 So I said, "Okay, well, that's
9 different from what we've been saying this whole
10 summer about you got to let people out, got to let
11 people gather, got to go to church," you know, X, Y,
12 Z.

13 Nevertheless, we had the decision that
14 we had to write. So I called Austin Kinghorn again
15 and said, "Well, we got it wrong, we're going to
16 reach the opposite conclusion."

17 And this is a -- this is -- this is a
18 funny part. We had -- we had already drafted the
19 initial answer, the wrong answer. When we had to
20 reach the opposite one, the -- I think the -- the
21 document was saved as, you know, version two or
22 opposite result or whatever; and then that -- that
23 document title was uploaded in the hyperlink on the
24 website. So it showed, like this was the opp -- the
25 different result, or whatever. I don't remember the

1 naming convention that we used, but it was clear just
2 in the hyperlink that this was not, you know, the
3 first conclusion.

4 Q. Switching gears.

5 A. So, anyway, before we got to the
6 website, we had to change the draft. Sent it back to
7 Ryan Bangert. Ryan, you know, reviewed it, and then
8 it's my understanding that he worked with our
9 communications team at the time to publish it around
10 like 1:00 a.m. on Sunday.

11 Q. That was going to be -- so were y'all
12 working -- from the beginning of this being an issue,
13 was it weekend the whole time? How quickly was the
14 turnaround?

15 A. I -- from what I remember, Ryan might
16 have called Friday night like at 7:00 or so. We
17 worked on it all day Saturday, just, you know,
18 because we were --

19 Q. (BY MR. BENKEN) So Friday night at
20 7:00 was when he first told you, you got it wrong or
21 we -- we had our --

22 A. No, that was the initial, like "We need
23 to figure out, like, are these allowed or not."

24 Q. No, no. But then when you decided the
25 way y'all thought, when was it that you got the info

1 that you needed a different decision?

2 A. Like Saturday afternoon. Because
3 that -- if -- if my memory serves, it was Friday
4 late, and I said, "I'll look at this, I'll call
5 Austin, we can both put our heads together and we can
6 let you know what we get to."

7 We talked on Saturday, thought we had
8 it, and told Ryan, and I think Ryan called Saturday
9 night saying, "Nope, that wasn't it, we need to take
10 a different tactic."

11 Q. (BY MS. EPLEY) Do you know where
12 leadership was at that time? Were they -- was the
13 Attorney General in his office or do you have any
14 idea where he might have been?

15 A. I don't know.

16 Q. Okay. Were you having any direct
17 contact with him? It sounds like it's all through
18 Ryan Bangert.

19 A. Just through this one, it was through
20 Ryan Bangert.

21 Q. I don't think I have anything else.

22 Q. (BY MR. BENKEN) You probably wouldn't
23 know this, but do you think Ryan was communicating
24 with the Attorney General --

25 A. Yes.

1 Q. -- in e-mails?

2 A. E-mails? Possibly.

3 Q. (BY MR. KNIGHT) Probably not.

4 A. Well, I was going to add one small
5 thing, so -- and this is really jumping
6 chronologically on the timeline -- we went to the --
7 we went to the FBI September 30th. It was a
8 Wednesday. General Paxton was out of town.

9 He came back the next Monday, and I
10 think his first question was, "How do I get into my
11 e-mail?" So he probably -- he probably was not
12 e-mailing his official -- you know, there was --
13 there were e-mails but not on the work server.

14 Q. (BY MS. ERLEY) Okay. Okay. Anything
15 else about that?

16 A. (Indicates).

17 Q. No. I don't want to move you ahead, so
18 you take me wherever. Where are we next?

19 A. So that was the foreclosure deal. We
20 found out -- so that was published Sunday morning.
21 We found out the next day that apparently a Nate Paul
22 foreclosure sale had been postponed.

23 Q. (BY MS. BUESS) How did you find that
24 out?

25 A. It was posted in the Austin Business

1 Journal. I don't know if that link is -- I don't
2 think that link is in our petition, but it's out
3 there.

4 Q. (BY MS. EPLEY) Okay.

5 A. And I don't know if Ryan was aware that
6 it was Nate Paul related or if he was as silent as I
7 was and it was just foreclosure related.

8 Q. I know it all feels -- let me do that
9 differently.

10 I know there are many pieces that line
11 up together at this stage. At that stage, is it
12 like, oh, it's Nate Paul, or is that not really --

13 A. (Indicates).

14 Q. Okay.

15 A. No, not until the -- the article --

16 Q. Uh-huh.

17 A. -- it was like abrupt, or at least in
18 my -- my personal observation was that's what this
19 was about.

20 Q. Uh-huh.

21 Q. (BY MS. BUESS) So I know all summer
22 long these -- these questions about Covid meetings,
23 you know, the ability to meet during Covid.

24 I mean, the AG's stand had been pretty
25 clear to allow them, right, as much as possible?

1 A. Right. I would say maybe the first
2 week. So Covid really -- I think -- I think Governor
3 Abbott's disaster declaration, the first one, was
4 March 16th of 2020, which was sort of like the
5 first -- this is critical for Texas, the first
6 official action. And probably for like the first
7 week or so, our office was mainly sort of, let's see
8 where this goes, let's just kind of sit back.

9 About the first month, I think I
10 remember I had signed a letter, as instructed, about
11 voting. It was an absentee ballot issue. My name
12 was on it, I signed it, I caught heat for it, but
13 that was April of 2020. So just to kind of give you
14 a sense of from an office perspective, by at least
15 April, a month later, you know, we weren't supporting
16 local efforts to restrict gatherings or keep people
17 inside or restrict agency --

18 Q. (BY MS. EPLEY) (Phone rings). I
19 apologize.

20 A. That's okay. And there were a couple
21 of other informal rulings that were -- that were
22 public about gatherings. And I don't -- I don't
23 remember exactly what they were.

24 Q. If I -- well, I don't have the dates in
25 front of me. We will come back to that.

1 A. Okay.

2 Q. Do you remember any other ones around
3 that time where General Paxton suggested Covid was a
4 good basis for people to remain apart in other
5 environments, anything I should know about?

6 A. No, the only -- so I'm trying to put
7 this on a timeline. There was -- there was one --
8 one ruling that we had issued, and I think it was
9 sort of in the middle of March, about gatherings, and
10 it was a letter. I don't recall who it was to. I
11 think it was a Houston rep. And it basically
12 concluded, we have to respect and follow the
13 Governor's executive order, which included masks and
14 social distancing, at least the initial one, and that
15 could be applied to somebody's private work office or
16 building.

17 That was -- that was drafted,
18 circulated. I think first assistant Mateer got
19 feedback from General Paxton saying, "We're not going
20 to say that."

21 Q. Yeah. And that's March of 2020, so
22 just as things were shutting down?

23 A. It was an earlier -- it was probably
24 one of the first, if not the first, informal pieces
25 of a letter ruling that we had issued.

1 Q. And then I don't have it in front of
2 me, but if memory serves, that foreclosure letter was
3 in June, right, like maybe June 1?

4 A. I think it was -- it was late July.

5 Q. Thank you.

6 A. It was -- that's why I was confused if
7 it was either July or August, but it was -- it was
8 one of the two, late July or early August.

9 Q. I think you're right. Okay.

10 MR. KNIGHT: The foreclosure was
11 scheduled for the first Tuesday of August.

12 MS. EPLEY: Right, so --

13 MR. KNIGHT: And so the opinion came
14 out the Sunday that proceeded that.

15 THE WITNESS: Yeah.

16 Q. (BY MS. EPLEY) Okay. And I saw an
17 article about schools I think from just three days
18 before where y'all issued a letter.

19 So that's what I'm trying to say, it's
20 distinguishable from this March position?

21 A. Correct.

22 Q. Okay.

23 A. Yeah.

24 Q. Okay.

25 Q. (BY MS. BUESS) Other than in

1 foreclosures, was there anything else that he
2 switched positions on concerning Covid restrictions?

3 A. No, not to my knowledge. It was
4 that -- that first one where we had kind of --

5 Q. Uh-huh.

6 A. -- drafted it. You know, it's a hard
7 position to be in when the Governor --

8 Q. Sure, says one thing --

9 A. -- takes a position and everybody looks
10 at us, like, well, what are you going to say.

11 So apart from that first issue where
12 we drafted it, probably a little too broadly for the
13 Attorney General's taste, and he pulled it back, the
14 foreclosure letter is the complete one opposite from
15 the standard letters that we had taken from the rest
16 of the summer.

17 Q. (BY MS. EPLEY) Okay. All right. Keep
18 going.

19 A. So that was August. And about
20 mid-September, first assistant Mateer said
21 General Paxton may call me so that I could explain
22 the process internally for retaining outside counsel.

23 So ordinarily the agency, which has
24 probably nearly 800 lawyers, will handle everything
25 internally unless in the event of a conflict or a

1 need for specialized experience. It could be local
2 counsel, you know, maybe the -- maybe the State wants
3 to step in in West Virginia and file a brief but they
4 need local counsel, so they will hire outside counsel
5 to represent them.

6 It could be intellectual property.
7 Maybe UT Austin has a trademark dispute and the AG
8 doesn't have the experience or people qualified to
9 practice IP law, so they will engage a specialist.

10 Outside counsel contracts were
11 involved in the general counsel division. I oversaw
12 them when I was chief and so I was aware of the ins
13 and outs of them when I was deputy AG. The office
14 reviews and approves probably around 900 every two
15 years, and that's across the state. So it's a form
16 contract. You know, it's a template available
17 online. The only thing that the agencies add is the
18 dates, the rates, and the names, and the scope of
19 services.

20 Internally the process is a little bit
21 different. So externally, an agency has to have
22 permission to retain outside counsel. An external
23 decision passes through probably seven or eight
24 different people for approval. Internally, it's a
25 little bit different, because it's -- you know,

1 it's -- again, we're kind of requesting permission
2 from ourself, but it's still probably ten different
3 people from the approval side, because we have to
4 have somebody who's going to be a manager for the
5 contract makes the request. That goes to the
6 division chief. It has to go to budget -- go ahead.

7 Q. I don't even need it. I just need it
8 to stop ringing. Okay. Please go right ahead.

9 A. It has to go to budget to obligate
10 funding. It has to go to at least one deputy who
11 oversees the division making the request. If it
12 involves another deputy function, so, you know, if
13 it's a -- if it's a situation involving a criminal
14 complaint for the AG's Office, that would involve the
15 general counsel division, which represents the
16 agency, that's my division, but it would also involve
17 the deputy AG for criminal justice because it's a
18 criminal justice matter.

19 So you can kind of see this layering
20 effect of signatures and approvals. Go ahead.

21 Q. (BY MS. BUESS) Does that go -- those
22 signatures, where do they go? Is there a memorandum
23 that circulates?

24 A. There is.

25 Q. Okay.

1 A. So before I -- or when I started in
2 2015, it was all done in hard copy. So it was an
3 Executive Approval Memorandum and it had boxes where
4 the individuals could sign --

5 Q. Uh-huh.

6 A. -- a subject line, and then a
7 description of what the ask was.

8 Contracts were all in hard copy. So
9 of the 900 that I mentioned over two years, we would
10 have to review those word by word, line by line to
11 make sure "shall" wasn't a "shall not" or anything
12 like that.

13 I proposed an idea of digitizing all
14 of those and putting them in DocuSign. That was
15 approved. So I was basically the architect for
16 designing the -- the workflow in DocuSign for
17 circulating all of these for approval. So it's a
18 DocuSign template. Whenever it's needed, it has the
19 documents that are needed and you would enter the
20 names, the recipients, and then it's circulated
21 electronically and time stamped with approvals.

22 Q. So it pre-populates what you need for a
23 particular position, it's not like you could say, "I
24 didn't know that form was supposed to be there;" is
25 that --

1 A. So you would have to -- let's --
2 let's -- let's go back to the Executive Approval
3 Memorandum.

4 Q. Uh-huh.

5 A. It's got the people that need to sign.
6 If I was drafting it, I would have to explain, "This
7 is what I'm asking for, this is how much it's going
8 to cost, this is the legal justification for making
9 this ask."

10 Q. Uh-huh.

11 A. And then that would be circulated to
12 the list of approvers to evaluate the money, the
13 individual, and then the legal justification.

14 The contract itself is a template. So
15 if I was circulating it, the only thing I would
16 change is the contracting party, the rate for the
17 payment, the scope of work. So I want him to serve
18 as local counsel in West Virginia or we're bringing
19 him on as an external investigator for this case.

20 So if I was circulating something, I
21 would draft the justification in the memo and then
22 the scope of work, in addition to the other finance
23 and identification details.

24 Q. Okay. Okay. Keep going.

25 A. So I explained all of that. That

1 was -- that was the call with General Paxton. He
2 said, "Tell me about the approval process."

3 So I walked him through it, and said,
4 "The agency can retain outside counsel. These are
5 the situations that we might do it."

6 He -- he asked me, "Can the agency
7 retain outside counsel in a criminal matter?"

8 And I said, "Well, that depends. The
9 agency itself has limited original criminal
10 jurisdiction, but if there was a referral, then the
11 agency would be empowered to step in the shoes of the
12 prosecutor, the local prosecuting attorney, and
13 depending on the justification, you could make a case
14 where you needed to hire outside counsel to assist on
15 an investigation."

16 So he said -- he said, "Okay, I have a
17 referral."

18 So I said, "Okay."

19 In the -- while this was all going on,
20 I had -- I had kept first assistant Mateer in the
21 loop to say, "You told me General Paxton was going to
22 be calling. He called. This was what we talked
23 about."

24 At this point I didn't know what it
25 was for. It was a process and procedural question

1 about, "How does this work?" So I told him how it
2 would work. I told Jeff -- first assistant Mateer
3 that this is the conversation we had. I explained it
4 to him. He said he had a referral, and I believe
5 Jeff acknowledged it but didn't -- didn't say
6 anything else.

7 So the -- the weird part was I was
8 talking to Jeff about mechanics of the issue, while
9 at the same time, unbeknownst to me, Mark Penley and
10 David Maxwell were talking to first assistant Mateer
11 and General Paxton on the substance of the issue,
12 which was the Nate Paul criminal complaint to Travis
13 County, but I didn't know this at the time.

14 So, you know, from the day-to-day
15 perspective, I'm deputy AG for legal counsel, I
16 provide advice, I answer questions. I have no idea
17 what deputy for criminal justice is doing unless he
18 asks for advice or it's discussed in a staff meeting.
19 So from a siloing perspective, I answered a
20 procedural question. Come to find out later that
21 this was a Nate Paul-related question, but
22 chronologically, I answered the question procedurally
23 what would happen.

24 A week or two later, General Paxton --
25 I was on vacation at the time. General Paxton called

1 me on my cellphone and said he had two individuals
2 that he would like me to call and explain that
3 process, so what information we would need from them,
4 whether it was a bio or their rates or hourly, you
5 know, amounts. So I said I would be happy to, and I
6 called both of them.

7 Q. And who's "both of them"?

8 A. Brandon Cammack is one. I'm not sure
9 if the second's been disclosed.

10 Q. (BY MR. KNIGHT) Is there a reason
11 you're concerned about disclosing it?

12 Q. (BY MS. EPLEY) If you want to use
13 initials, that's fine. We have a system.

14 MR. KNIGHT: I know we --

15 A. J.B.

16 MR. KNIGHT: I know we described them
17 sort of substantively by qualification in the -- in
18 the petition.

19 MS. EPLEY: Okay. That's all right.

20 A. I don't recall it ever being -- I
21 don't -- I don't think I have a concern. I don't
22 think it's ever been discussed.

23 Q. That's okay. No, that's fine.

24 A. J -- J.B.

25 Q. If I say something to make sure we're

1 talking about the same person, are you going to flip
2 out?

3 A. Extremely qualified formal -- former
4 federal prosecutor.

5 Q. That's what I was going to say. Okay.
6 Uh-huh, yes, then, we're talking about the same
7 person.

8 Okay. So you speak to both of them?

9 A. Spoke to both.

10 Q. Anything stand out to you about either
11 conversation? Did either of them seem to be
12 expecting a phone call?

13 A. I think both were. So General Paxton
14 provided me with the cell -- their -- both of their
15 cell phone numbers. The first call was just to
16 introduce myself and say, "I was instructed to call
17 you and explain the process. Here's what this would
18 look like. As an ordinary course of business, please
19 run a conflicts check and see if there's anything
20 that would prevent you from assisting in this case,
21 if you're selected."

22 Q. What kind of information are they
23 provided at that point? You might have just said it,
24 but it didn't register with me.

25 How -- is he just looking at like

1 three -- three names to see if there's a conflict?

2 A. No. So -- so as -- as outside
3 counsel --

4 Q. Uh-huh.

5 A. -- there's a provision in the General
6 Appropriations Act which prohibits retaining outside
7 counsel -- or prohibits paying outside counsel if --
8 if that outside counsel is currently representing a
9 plaintiff against the State for monetary damages. So
10 that could be an example of a potential conflict
11 where we couldn't hire and at least couldn't pay that
12 law firm if they're also representing a plaintiff in
13 a we'll call it a vehicle accident --

14 Q. Okay.

15 A. -- for monetary damages.

16 Q. So checking for no conflicts at this
17 stage wouldn't be as to whether or not they can be
18 fair and impartial and neutral in regards to this
19 fact pattern, it's just, do you represent somebody
20 suing the State?

21 A. Do you represent somebody suing the
22 State? And -- and generically --

23 Q. Uh-huh.

24 A. -- assuming this fact pattern of a
25 federal investigative agency, a State regulatory

1 body, do you have any conflicts with an investigation
2 that could involve agencies like that, without
3 saying --

4 Q. Sure.

5 A. -- FBI or magistrate or State
6 Securities Board, just general conflicts, an ethics
7 conversation?

8 As an ordinary practice, we, the
9 agency, require those in writing. So typically --
10 and I believe it's -- it's documented in my e-mail --
11 the individual J.B. and Mr. Cammack both responded
12 that they had no conflicts of which they were aware,
13 so nothing would prevent them from being selected.

14 So after the initial call, about a
15 week or so later, maybe -- again, just rough
16 timeline -- General Paxton called -- oh, let me
17 step -- let me step back.

18 I was instructed to talk to both of
19 these people. It's my understanding that they were
20 both in the office and met with first assistant
21 Mateer and deputy first assistant Ryan Bangert, as
22 well as General Paxton, and that may be shown in
23 visitor logs; but it's my understanding they both
24 came to the office at different points and met, and
25 the -- the description of the disparity between

1 experience and qualifications could not have been
2 more stark, just based on what I was told.

3 Q. Along that vein also, was the -- I
4 think you called it the criminal justice division, so
5 I guess those who investigate criminal offenses, was
6 it understaffed? Were you guys looking for employees
7 that needed to be working in Austin otherwise?

8 A. Not -- not out of the ordinary.

9 Q. Okay.

10 A. Based on what I remember, you know,
11 trying to recruit people to State jobs, you know,
12 just the normal sort of retirement kind of in and out
13 of employment. So I'm not aware of any
14 catastrophic -- or need for --

15 Q. Did -- and I don't know because I
16 haven't worked there. Did it seem weird that you
17 guys were trying to hire someone for that role?

18 A. It did.

19 Q. Okay. Can you help articulate for me
20 why that's -- why that's strange.

21 A. So, like I said, you know, the agency
22 itself has 800 employees, so apart from a highly
23 specialized field, chances are you're going to find
24 somebody who's capable, qualified, and available, and
25 you're paying them. For -- for the agency to retain

1 outside counsel, it comes out of the agency budget,
2 so that's a funding cost that we wouldn't normally
3 have incurred. We would have -- we would have tried
4 to address it internally. And in this example -- and
5 we're kind of jumping the chronology because --

6 Q. I don't mean to --

7 A. No, no, you're fine.

8 But in this little window of me
9 talking to these individuals, I had no idea what we
10 were talking about. So, in theory, it's not really
11 weird at the time that we're considering outside
12 counsel because I don't know what we're --

13 Q. (BY MS. EPLEY) Correct.

14 MR. BENKEN: You don't know what it's
15 about.

16 A. -- I don't know what we're considering.

17 In hindsight, seeing that it was an
18 ordinary criminal referral with ordinary
19 investigative issues that seems like our office is
20 capable -- it's not a unique issue of law. It's not
21 a specialized area of law. We don't need external
22 help. It seems like bringing in external help with
23 something this volatile could only increase the risk
24 of something getting leaked or whatever the issue is.

25 Q. So if -- if a responsive document

1 somewhere had made an issue of the fact that you
2 participated in the hiring of outside counsel, it
3 would -- it would predate your knowledge as to what
4 the investigation was about --

5 A. Correct.

6 Q. -- and be standard in your practice, or
7 not? I don't want to put words in your mouth.

8 A. So if a document were to be drafted to
9 say that I authorized this, apart from being one of
10 ten other people on the chain, the first time that I
11 received a copy of the criminal complaint was the day
12 that General Paxton directed me to draft a contract
13 for Brandon Cammack, because I attached it to the
14 approval memorandum to say, "Here's the ask, here's
15 the contract with the scope," and then, "Here's the
16 criminal referral," just to kind of complete the file
17 of here's all of the necessary documents that we need
18 to evaluate this decision.

19 Q. (BY MS. BUESS) And the legal
20 justification as to why, what -- where was that?

21 A. So the legal justification falls under
22 the -- the outside counsel approval process, where we
23 have authority under the -- at the time, the referral
24 from Travis County, if we don't think we have the
25 experience or qualifications or maybe the

1 objectivity, it might behoove us to obtain outside
2 counsel as an independent investigator at the time.

3 That was all done before there was any
4 indication that this was political or that Mark
5 Penley at least was discussing with first assistant
6 Mateer that "This is absurd, this is unnecessary."

7 So my conversations with
8 first assistant Mateer were, "We can make a legal
9 argument that this is okay. We have a referral. We
10 have separate authority to engage outside counsel."

11 Q. Okay.

12 A. "So, theoretically, we could combine
13 them."

14 Q. (BY MS. EPLEY) I do feel like we have
15 kicked you ahead, though, because now what I want to
16 know is: Did you -- we are assuming, given this
17 answer, that you know what the investigation is for
18 and why?

19 A. Correct.

20 Q. Okay.

21 A. Yeah, sorry.

22 Q. The note that I think we've --

23 A. Yeah.

24 Q. -- collectively -- let's dial back just
25 a little bit --

1 A. Okay.

2 Q. -- just so you don't -- I don't want to
3 mess up your piece.

4 So you're helping with the hiring of
5 an independent counsel, take you back to the stage
6 where you don't yet know what that complaint or
7 investigation is about.

8 A. Yeah.

9 Q. You know that ten-ish people need to
10 sign this form. You're one of them. Do you have the
11 ability to hire someone by your signature alone?

12 A. No.

13 Q. Were you under the impression that you
14 were hiring them or --

15 A. No.

16 Q. -- just your piece of the puzzle?

17 A. No.

18 Q. Okay. What happens after that for you
19 in regards to this progress?

20 A. So I drafted the contract with Cammack.
21 I advised first assistant Mateer that that's what I
22 was instructed to do, notwithstanding the other
23 individual's qualifications.

24 Q. (BY MS. BUESS) And who directed you to
25 do that with Cammack?

1 A. General Paxton.

2 Q. And when was that? When did that
3 happen?

4 A. I believe it was middle of September.
5 I think the first call I got from General Paxton
6 about "how does this work" was the first week of
7 September, around there; and then about the middle of
8 the week was when I had spoken with the individuals,
9 and then General Paxton said he had made his decision
10 on who to hire.

11 Q. (BY MS. EPLEY) So, had -- in your
12 experience, had Ken Paxton directly requested a
13 particular outside -- why does he need to go and ask
14 you how it works, does he normally not hire
15 independent counsel directly?

16 A. Correct.

17 Q. Okay. Had you ever seen that before?

18 A. No.

19 Q. (BY MR. BENKEN) So after you had first
20 interviewed both of them, was there any
21 communications about each of their
22 qualifications that was sent to anyone?

23 I mean, theoretically Paxton would
24 have looked at the qualifications of both and made a
25 choice, right? I mean, was there --

1 MR. KNIGHT: Remember, that didn't
2 happen with him. He wasn't in those meetings.

3 A. Yes. So they -- there were meetings
4 that I wasn't part of where Cammack and other the
5 individual were in the office --

6 Q. Okay.

7 A. -- and met. And I'm sure the
8 qualifications just in terms of communication and
9 experience would have been --

10 Q. And when he instructed you that, "Okay,
11 we're going to hire Cammack," did you say anything to
12 him about your thoughts?

13 A. No.

14 Q. I didn't think you did.

15 Q. (BY MS. BUESS) So at the point, had
16 you seen their qualifications, and when -- when did
17 you access that information?

18 A. I'm trying to remember if I obtained a
19 bio or -- or a résumé. I don't recall if I did or
20 not. But I did -- I hate to use Google, but I did
21 search for these individuals just to see who they
22 were, if they were affiliated with a firm.

23 You know, sometimes attorneys who --
24 who want to help, you know, provide advice to the
25 State, they're affiliated with a firm who might have

1 a conflict, and we might have gone down that road.

2 So I looked at these individuals, figured out who
3 they were. Cammack did not strike me as the obvious
4 choice.

5 So from a timeline perspective -- and
6 I'll just back up a little bit to try and clarify.
7 So I called the individuals, advised first assistant
8 Mateer that I had done so. About a week later,
9 General Paxton had called back and said he had made
10 his decision. So I -- he said, "I want you to draft
11 a contract."

12 So I drafted a contract, saved it as a
13 draft. General Paxton asked me to e-mail it to
14 Cammack and to send a copy to himself also. So I
15 send everyone a draft, explained in the con -- the
16 body of the e-mail that this was a draft; didn't hear
17 anything for a couple weeks, from what I can
18 remember. And then I got a call from Cammack asking
19 if there was any documentation that he could get that
20 would show his authority to operate under the
21 Attorney General's power.

22 And I said, "Well, there's -- you
23 don't have a contract yet, so we can't -- we can't
24 write you a letter, we can't give you a business
25 card. You know, we have -- you have to have a

1 contract."

2 Q. (BY MS. EPLEY) Why would you know if
3 there was a contract?

4 A. So it goes back to that -- the DocuSign
5 process. So when I received it, I discussed with
6 first assistant Mateer whether we had a legal
7 justification to hire outside counsel to assist as an
8 investigator in a potential criminal matter.

9 Q. So can you say that phrase again? I
10 think you said -- tweaked something, independent
11 counsel and investigator?

12 A. Well, it's an outside counsel
13 contract --

14 Q. Okay.

15 A. -- so by nature of being an attorney --

16 Q. Got it.

17 A. -- it's -- it's a legal services
18 contract. So before I signed the approval
19 memorandum, I had a conversation with first assistant
20 Mateer saying, "General Paxton told me he made his
21 decision. This is who it is. He's instructed me to
22 start the approval process. I can make it a
23 colorable argument that the agency has legal
24 authority to do this. Whether it should do this is
25 not within my domain. I am not a criminal expert. I

1 don't have experience" --

2 Q. This is you saying --

3 A. This is me saying this to Mateer,
4 saying, "I can make a colorable argument that this is
5 legal to do." Whether we should do it is a different
6 question. And that's where Mark Penley was more --
7 has more expertise on whether the agency should do
8 that.

9 And that was a standard determination
10 on any approval issue. If we're applying for a grant
11 from the federal government, it came to me to decide
12 if it was legal for us to apply for, if we could
13 legally comply with the terms of the grant. My
14 decision was always, is there a legal justification
15 we can make here.

16 So after I was instructed to draft the
17 contract to circulate the approval process, I advised
18 first assistant Mateer that it had come to me
19 electronically in the DocuSign process, and if this
20 was the decision that -- that Mateer was okay with, I
21 can make a colorful claim that this is -- there's a
22 legal justification here to contract with an outside
23 investigator.

24 He said, "That's fine." And I -- and
25 I told him this same thing, I said, "If this is a

1 should-be, you know, decision, if this is something

2 we should do, that's going to be the subject matter

3 expert, that's going to be Mark Penley."

4 Then Mark was next in line. So Jeff

5 said, "Okay, sign it. It will go to Mark. I'll have

6 a conversation with Mark, and then we'll talk to the

7 General."

8 Q. So you, without reservation, believed
9 there were additional steps necessary in order for
10 him to be hired, and the question as to whether or
11 not that should be done would be made past to you?

12 A. Correct.

13 Q. Okay.

14 A. And Mateer was -- is on that list of
15 approvals.

16 Q. And had not yet signed?

17 A. Correct, he would have been last. And
18 nor had the agency controller for budgetary
19 authority. So funding had not been obligated.

20 Q. (BY MS. BUESS) And who would that have
21 been?

22 A. Michele Price, who is also still at the
23 agency. M-I-C-H-E-L-E.

24 Q. So no regard to her?

25 A. Correct.

1 MS. EPLEY: Somebody else jump in.

2 Q. (BY MS. EPLEY) But, otherwise, I think
3 where I kicked you off was where Brandon just reached
4 out to you for a contract and you were wondering what
5 he needs.

6 A. Correct. So he calls me asking, "Is
7 there some documentation that you can give me to show
8 that I'm working with the AG's Office?"

9 And I said, "Well, your contract is
10 not approved yet," because I had signed it in
11 DocuSign. As a user, you can log in and see if it's
12 been completed or who's holding it at the time or
13 who's next to approve it.

14 So I told Cammack, "We don't have a
15 contract yet. We need to slow down. Let's, you
16 know, dot all of our I's and cross all of our T's."

17 We hung up. And General Paxton called
18 me probably an hour later saying, "What's going on
19 with Cammack? We need to get him some official
20 communication showing that he's working for us. Can
21 we set up an e-mail address for him? You know, can
22 we give -- give him a business card?"

23 And I said just, "Well, he doesn't
24 have a contract yet. It's not approved yet. He's
25 not supposed to be working."

1 And General Paxton said, "What do you
2 mean we don't have a contract yet?"

3 And I said, "Well, it's -- it's still
4 waiting approval for Mark Penley. He hasn't
5 signed -- he hasn't approved it yet."

6 Q. Not to beat a dead horse, when you said
7 "still awaiting Mark Penley," it's not just
8 Mark Penley, it's just the next step?

9 A. Correct, he's the next step.

10 Q. Okay.

11 A. He's currently assigned in DocuSign as
12 the next step of the next four --

13 Q. Uh-huh.

14 A. -- or five.

15 Q. Okay.

16 A. And General Paxton's response to me
17 was, "I'm tired of my people not doing what I've
18 asked," which at the time would have been approve the
19 contract with Brandon Cammack.

20 So we hung up. I believe I had called
21 Jeff Mateer, told him this was coming; and again,
22 Mateer said that he would call Mark Penley so that --

23 Q. And I don't want us to hop. I would
24 like us to stay chronological, but to make sure I
25 know, we were aware that there's two paths: You

1 procedurally approving a contract and others going
2 directly to Mateer to discuss the substance of
3 whether that's a good idea.

4 Have y'all converged yet? Are you
5 aware?

6 A. No, the only -- the only convergence
7 was when I signed as legal justification, I told Mark
8 that, "This is -- you're -- you are next in line. So
9 after I sign this, it's coming to you. I don't know
10 what conversations you've had or what you need to --
11 what statements you need to make to Mateer or
12 General Paxton, but it's coming to you next" --

13 Q. Uh-huh.

14 A. -- just as sort of a heads-up.

15 Q. Okay. Okay. So then Ken Paxton says
16 he's tired of his people not doing what he wanted,
17 you call Mateer and pick up from there.

18 A. I told him this -- "General Paxton just
19 called me. This is what's going on. Cammack is
20 asking for some authority, some documents." I told
21 him that "We can't do anything right now, there's no
22 contract. Mateer said that he would call Penley just
23 to let him know that if General Paxton tries to call
24 Penley that they can talk to Mateer about it."

25 And it's my understanding as soon as I

1 got off the phone with General Paxton, he called
2 Penley that day. So I was -- I was trying to loop in
3 Mateer so that he could provide some cover for
4 Penley, but I think General Paxton went straight to
5 Penley.

6 Q. Okay. Okay. I don't want to go too
7 far into what other people know unless -- but I also
8 don't want to miss it. So anything here outside of
9 you that you think we need to check into?

10 A. No. I mean, Ryan Bangert as
11 deputy first assistant was in all of my conversations
12 with Mateer. So it would have been Bangert, Mateer,
13 and myself on -- on the legal side. I would -- I
14 would imagine --

15 Q. (BY MR. KNIGHT) I'm sorry to interrupt
16 you, but you knew Penley's position on this at some
17 point. Did -- I mean, are we not to the point yet
18 where you knew his position?

19 A. I mean, I called him to give him a
20 heads-up because I knew that they were having an
21 internal disagreement on whether they needed to
22 outsource this. I didn't know any context or
23 substance. Like, I knew I had the -- I had the
24 referral, so I knew this was Nate Paul-related, but I
25 didn't know what conversations Penley was having with

1 General Paxton other than there was some disagreement
2 over whether this is something that we should do.

3 Q. (BY MS. EPLEY) Sure. Well, and for
4 the -- for you, it's not that I'm trying to set up
5 the first time that you had a conversation with them.
6 It's just is this already a huge deal to everyone or
7 is this just when it's coming together is what I was
8 trying to determine?

9 A. I think it's a huge -- well, this is my
10 perspective. When I was talking about procedure for
11 outside counsel, I was oblivious. As we kind of
12 progressed to should this be approved, I think it's
13 probably is a bigger deal on Penley's side --

14 Q. Uh-huh.

15 A. -- just because it's a should, like is
16 this something we should do, versus can I make an
17 argument as a lawyer that we have some justification
18 to do this?

19 Q. Two very different questions?

20 A. Yes. So to me, it was, this -- I can
21 make this work; and to Penley, it was more important
22 on his side and I knew there was something there just
23 given conversations with Mateer, Penley and I had not
24 discussed, you know, any evidence that he had
25 reviewed or interviews that he had conducted or any

1 disagreements he had with Paxton. It was just, "I
2 know you're involved here, I know there's some
3 disagreement. I'm going to sign this. I told Mateer
4 I was going to sign this. He knows you're next in
5 line. I'm just telling you you're next in line,"
6 so -- but I didn't -- I didn't know the gravity of --

7 Q. Right.

8 A. -- to the extent that Penley and
9 Maxwell would have.

10 Q. Okay. Anything else? All right. I'll
11 go wherever you lead me.

12 A. So that was the call where Cammack
13 wanted an e-mail or something. Because I had signed
14 providing legal justification, it basically kicked it
15 off to Penley, and it's my understanding that for the
16 next two weeks, he and General Paxton were kind of
17 going back and forth with Mateer. So they were
18 having some conversation within those two weeks.

19 September 29th -- I'm sorry, I think
20 it was 28th. It was a Tuesday, 28th or 29th of
21 2020, I was in a meeting, just a weekly meeting with
22 the general counsel division and with Lacey Mase,
23 M-A-S-E. She was the deputy AG for administration.

24 At about 3:00 o'clock in the
25 afternoon, she showed me her personal phone and it

1 was a text message. And she said, "Who is this guy?"

2 So I read it and it said, "Does

3 Brandon Cammack work for your office?"

4 And I looked at her and I was like,

5 "Who sent you that?" And it was --

6 Q. Your office or our office? Sorry.

7 Does Brandon Cammack work for your

8 office or --

9 A. The AG's Office.

10 Q. No, no, I know. But how was it

11 phrased, I guess is my question?

12 A. Well, it -- based on my recollection,

13 it either said, "Does Brandon Cammack work for your

14 office" --

15 Q. Okay.

16 A. -- referring to the AG's Office, or

17 "Does Brandon Cammack work for the Attorney General's

18 Office?" So phrasing.

19 So she showed it to me. I didn't

20 recognize the send -- who had sent it to her, and so

21 I asked her, "Who is that?"

22 And she said, "It's a friend of mine.

23 He works at a local bank."

24 And so I said, "Well, ask him why, why

25 would he be asking if Cammack works for us?"

1 So I think she asked him, and the
2 response was, "He showed up with a subpoena,
3 delivered a subpoena with, at the time, Nate Paul's
4 lawyer, Michael Wynne," W-Y-N-N-E.

5 So that was 3:00 o'clock in the
6 afternoon. Lacey and I ended the meeting and went
7 straight upstairs. She went directly to Mateer's
8 office and I followed. Bangert was in there. We
9 explained basically that a third party at a bank in
10 Austin had received a subpoena from Cammack.

11 Darren McCarty, M-C-C-A-R-T-Y, was in
12 the hallway. We pulled him into Mateer's office.
13 Then we went to get Penley. So Penley came in his
14 office. So we have a majority of the deputies at
15 that point at 3:30 in the afternoon on a Tuesday
16 figuring out that there's no contract. There's
17 apparently a subpoena where Cammack has identified
18 himself as a special prosecutor, and he's serving
19 subpoenas with Nate Paul's lawyer.

20 So at this point -- and this -- some
21 of this kind of gets into the weeds -- but Darren
22 McCarty oversees one of the divisions that was
23 involved in the Mitte Foundation lawsuit, and he
24 started recognizing bank names or targets of the
25 subpoenas is related to the Mitte cases; and then

1 Penley recognized that some of these names were, you

2 know, subpoenas for the investigate -- the federal

3 investigators or the Magistrate Judge.

4 So all of this sort of just

5 consolidates together with all of us in the room

6 of --

7 Q. (BY MS. BUESS) It sounds like someone
8 got ahold of the subpoena. I'm assuming --

9 A. Yes.

10 Q. -- Lacey got it?

11 A. So I think -- I think we asked them to
12 send it to our office. I don't know if they texted
13 it to Lacey or e-mailed it to her, but we got a copy
14 of the -- the subpoena.

15 So Tuesday we were evaluating what to
16 do with all of this, how to make sense of it, what
17 was the extent, were we complicit in some, you know,
18 effort to impede a federal investigation or, you
19 know, misuse official agency resources.

20 Q. (BY MR. BENKEN) So at this time, were
21 you only aware of that one subpoena --

22 A. Uh-huh.

23 Q. -- to that one bank?

24 A. Correct. Correct.

25 Q. And contacted --

1 A. The second day -- so that was -- that
2 was Tuesday. Wednesday morning -- and, sorry, let me
3 back up.

4 I think Tuesday -- Tuesday afternoon
5 we all reached the conclusion that based on the facts
6 and the inferences that we could draw that General
7 Paxton had abused his position as Attorney General
8 and was using the Office and the powers of the Office
9 for personal and political favors for Nate Paul, just
10 based on the sequence of events dating back to the
11 fall of 2019.

12 We contacted the FBI.

13 Q. This is Wednesday morning?

14 A. No, Tuesday.

15 Q. Oh, Tuesday, okay.

16 A. -- Tuesday evening.

17 Q. Okay.

18 A. I believe the earliest that they could
19 see us was Wednesday. And just to provide an overall
20 context, the Attorney General was in Cincinnati at
21 the time, so he was out of state.

22 Under the Government Code, when the
23 Attorney General is absent or unavailable, the first
24 assistant exercises the powers and authorities of the
25 Attorney General. So first assistant Mateer was

1 statutorily executing the powers and duties of the
2 Attorney General at the time.

3 So we contacted the FBI on Tuesday
4 afternoon, I believe, set up a meeting with them
5 Wednesday afternoon. Wednesday morning, I believe
6 Penley contacted the Travis County and found out
7 there were more subpoenas, but prior to that -- let
8 me put a little footnote.

9 Prior -- prior to that, another bank
10 in Austin contacted Lisa Tanner, T-A-N-N-E-R, of the
11 criminal investigations division. She -- she was
12 e-mailed by this second bank saying, "We got this
13 subpoena. It's from a Cammack of your office. Do
14 you know anything about this?"

15 So then Lisa Tanner circulated that
16 internally to Penley, who sent it to Mateer and me.
17 And so that was the second subpoena that we found out
18 about, so we knew there were more.

19 Q. (BY MS. BUESS) Was that on Tuesday or
20 Wednesday?

21 A. That was Wednesday, I believe,
22 Wednesday morning. So when we found out there was a
23 second one, I believe Penley called Travis County to
24 see if there were others, and I don't want to mess up
25 the numbers, but it was 20-something I think is the

1 response, 20 other subpoenas.

2 We -- after -- after getting the
3 response from Travis County about the number of
4 subpoenas, then we discussed, "How do we unwind it?
5 If he didn't have authority to represent the agency,
6 we have to step in and inform the Court that these
7 subpoenas were issued invalidly."

8 So Penley -- Penley drafted a motion
9 that Mateer approved basically saying, "You need to
10 quash these subpoenas. The individual had no
11 authority to represent the agency -- has no authority
12 to represent the agency." Now, I believe it was -- I
13 believe that motion was granted, so the subpoenas
14 were quashed.

15 We went to the FBI that afternoon,
16 Wednesday, as a group. So there were seven -- seven
17 of us in the room, I think, because Maxwell was out
18 of town. We all went around the room talking about
19 start to finish. I think we were there for four or
20 five -- four and a half, five hours; and then
21 subsequently, maybe a couple of weeks, two or
22 three -- well, two or three weeks later, I think we
23 were all interviewed individually. I was in -- I was
24 interviewed individually twice. The first time was
25 five or six hours. The second time was one or two

1 hours.

2 But going back to the timeline,
3 Wednesday afternoon we went -- we went to the FBI.
4 Wednesday evening, we all went back to the office,
5 and I don't think we left the office --

6 Q. Is it two people that you met with at
7 the FBI? Was it a group of people or was it one?

8 A. So because we had called ahead on
9 Tuesday --

10 Q. Uh-huh.

11 A. -- I think the FBI had a good idea who
12 of they wanted to assign to take the complaint but
13 they were in Laredo on another case. So the person
14 that we met with was basically another investigator,
15 but he wasn't the investigator that would eventually
16 handle the work.

17 Q. Not a case agent?

18 A. No, he was just a stand-in. But he
19 was -- he was another -- another investigator, just
20 not the one.

21 Q. Okay.

22 Q. (BY MR. KNIGHT) He wasn't the one, was
23 he? Can you tell --

24 A. No, I think he had one other person
25 there, yeah.

1 Q. I thought you said there were a couple?

2 A. Yeah.

3 Q. (BY MS. EPLEY) Not to get too far
4 ahead of us, but are there things that might have
5 already been provided to investigative bodies that
6 aren't attached as attachments to y'all's filings?
7 Anything we need to get or -- if you wanted to share
8 with us?

9 A. I believe there are.

10 Q. I don't mean to tie it to that
11 investigation, that's not my point. But there's got
12 to be stuff that isn't attached to the filings --

13 A. Yes.

14 Q. -- if that helps? Or it was lost when
15 you guys all left the AG's office?

16 A. There's an investigative file --

17 Q. Uh-huh.

18 A. -- at least with the FBI. Any other, I
19 don't think there's any --

20 Q. (BY MR. BENKEN) Any other
21 documentation, like --

22 Q. (BY MS. EPLEY) I don't mean so much
23 their reports. I don't expect to get that.

24 MS. BUSS: I'm not saying what the
25 FBI has.

1 Q. (BY MS. EPLEY) Stuff we might not
2 already have or --

3 A. I mean, I --

4 Q. Screen shots from someone's phone or
5 what have you?

6 A. Yeah, I think I have screen shots. I
7 have got an investigative file -- or an
8 investigative -- I have got records that I have
9 maintained just on e-mails and --

10 Q. Okay. That's helpful. And I would
11 love phone numbers, too. But now I really am getting
12 ahead because my brain's just firing.

13 Okay. Let's bring you back to this
14 and then let's --

15 A. So -- so that week, Tuesday -- Tuesday
16 through Friday, I don't think any of us left the
17 office until like 11:00 that night just because
18 Tuesday it was triage: What -- what's going on, how
19 far does this go, how do we fix it?

20 Wednesday, you know, subpoenas are
21 rolling in, meeting with the FBI for hours, back at
22 the office for the day-to-day, because day-to-day was
23 still happening.

24 Attorney General was in Cincinnati.

25 Thursday, Thursday I think we had heard that he was

1 going to come into the office on Friday of that week.

2 Friday came and went. He didn't come in.

3 After we went to the FBI, the -- the

4 whistleblowers drafted a statement and sent it to HR

5 just to inform the human resources chief, at the time

6 Greg Simpson, that we had made a good-faith report of

7 potential violations of criminal law.

8 Friday, we expected General Paxton

9 back in the office. He didn't come in. Jeff Mateer

10 resigned I think on a Saturday, October 2nd, I

11 think -- or, no, sorry, it was Friday. Friday

12 afternoon he sent an e-mail --

13 Q. (BY MS. BUSS) Before he came back?

14 A. Before General Paxton came back,

15 correct, Mateer sent an e-mail to all staff

16 announcing that he had resigned.

17 Q. (BY MR. BENKEN) And when was the

18 whistleblower report sent out?

19 A. Wednesday.

20 Q. To HR?

21 A. Yes, after -- after we came back from

22 the FBI. This might be more of Lacey's personal

23 knowledge. So that human resources division was a

24 division that she oversaw --

25 Q. (BY MS. EPLEY) Okay.

1 A. -- Lacey Mase. Greg Simpson ran that
2 division. It's my understanding General Paxton
3 contacted Greg Simpson on Friday and instructed him
4 to put Maxwell and Penley on investigative leave. So
5 from --

6 Q. (BY MS. EPLEY) All gone from the
7 office?

8 A. Correct. So from Wednesday to Friday,
9 they did something that necessitated investigative
10 leave.

11 Q. Uh-huh.

12 A. Mateer resigned on Friday. Sunday,
13 it's my understanding --

14 Q. Hold on. I actually do need you to
15 slow down. Because I have this but --

16 A. Sure.

17 Q. Sorry. So Lacey oversaw HR under Greg
18 Simpson. Attorney General contacts Greg Simpson,
19 tells him to put both -- which two on --

20 A. Penley and Maxwell on investigative
21 leave.

22 Q. Thank you, okay. Pick up where you
23 were.

24 A. Mateer resigns on Friday. Sunday, it's
25 my understanding that the new first assistant has

1 been hired, Brent Webster. He starts on Monday.

2 Q. Had you ever heard of Brent Webster?

3 A. No.

4 Q. (BY MR. BENKEN) He starts on Monday?

5 A. Monday, yes, sir.

6 I think I skipped this, a minor note,
7 but I think Saturday there was a press release --
8 Saturday or Sunday there was a press release about
9 the whistleblowers and being rouge and potentially
10 committing crimes. So it would not surprise me if
11 even though Webster started on Monday, he had been
12 looped in as soon as Mateer resigned on Friday, if
13 not before, knowing that Paxton knew that we had gone
14 to the FBI as of Wednesday, so --

15 Q. Right.

16 A. -- in other words, Paxton was probably
17 game planning us as soon as he found out on Wednesday
18 that we had gone to the FBI.

19 I had never heard of Webster. Wish I
20 hadn't.

21 MR. BENKEN: How would y'all feel
22 about a three-minute break?

23 MS. EPLEY: That's great.

24 MR. KNIGHT: Good.

25 MS. BUESS: It is 3:20.

1 (Recess taken)

2 Q. (BY MS. EPLEY) Okay. Let's resume.
3 There's a press release, says that y'all are going
4 rouge, and then I guess pick up from there.

5 A. So Monday was Webster's first day. I
6 think Tuesday, two of the whistleblowers were fired
7 basically saying insubordination. That was Lacey
8 Mase and Blake Brickman.

9 A few days later, I was placed on
10 investigative leave and escorted out of the office.
11 When asked what was being investigated, Webster told
12 me that it was open-ended. I was instructed to leave
13 my phone -- my office phone and laptop on his desk,
14 and then was escorted to my office to collect my
15 things, and then outside by an armed guard.

16 I was on investigative for two --
17 investigative leave for two weeks. And I believe it
18 was the day before --

19 Q. Ryan, let me pause you.

20 A. Sure.

21 Q. I don't see it counting, so just in an
22 abundance of caution I'm going to start a new one.

23 MS. EPLEY: Unless you want to go
24 back.

25 MS. BUESS: No.

1 Q. (BY MS. EPLEY) Okay. Please proceed.

2 A. The initial suspension or investigation
3 period was two weeks. I think the day before I was
4 supposed to return to the office, I hadn't heard from
5 anyone. So I e-mailed them asking if I could come
6 back, and the response I got was, "Your leave has
7 been extended for another two weeks."

8 No contact otherwise. At the
9 expiration of this second extension, I was directed
10 to report to Webster's office the day before I think
11 the leave was supposed to expire; showed up at
12 Webster's office -- well, showed up to the office,
13 was escorted up to the eighth floor, was patted down
14 and asked if I had any recording devices on me before
15 I was allowed to enter the eighth floor.

16 Q. (BY MS. BUESS) Who did that?

17 A. It was -- it was a guard. I'm not sure
18 of his name.

19 Q. Male or female?

20 A. A male. Grace Moody, M-O-O-D-Y,
21 witnessed it.

22 Q. Who's Grace?

23 A. She, at the time, was executive
24 assistant to Ryan Bangert. She was also the veterans
25 liaison for veterans hired by the Office or

1 recruiting veterans.

2 She apologized. I had to leave my
3 phone with her. She said she would hold it for me.

4 Q. (BY MR. BENKEN) Your personal phone?

5 A. Yes. Yes, after the pat-down and asked
6 if I was carrying any recording devices, they
7 directed me to leave my phone with Grace Moody
8 outside the room.

9 After going through the pat-down, I
10 was led to Webster's office. In his office was Aaron
11 Reitz, R-E-I-T-Z, who is in the back on his laptop
12 seemingly taking notes. I don't recall the exact
13 conversation. I think the first question Webster
14 asked me was, had I ever disclosed any confidential
15 information outside the agency.

16 And my response was -- I believe it
17 was, "Not to any member of the public." Because
18 my --

19 Q. (BY MS. BUESS) Sure.

20 A. -- understanding was he was going to
21 use our whistleblower report of potentially
22 confidential or privileged information as a reason
23 for termination. I don't remember -- I think he had
24 two questions. I don't remember the second question.
25 Have you ever disclosed confidential information, and

1 I don't remember the second one.

2 Basically, it was two questions, and
3 he said his investigation was almost complete. I was
4 dismissed and later notified that I needed to report
5 to the HR building the next day. I think it was 9:00
6 or 9:30 or 10:00. I didn't -- I show up promptly.
7 They show up 30 minutes late and then tell me that I
8 can resign or be terminated.

9 And I told them, "I didn't do anything
10 wrong." And they told me, "Those are your two
11 options." And so when I asked --

12 Q. (BY MS. BUESS) When you say "they,"
13 who is there?

14 A. I'm sorry, it was Brent Webster --

15 Q. Uh-huh.

16 A. -- and then the HR benefits
17 coordinator, Shelli, S-H-E-L-L-I, Gustafson,
18 G-U-S-T-A-F-S-O-N.

19 Q. (BY MR. BENKEN) Her title is benefits
20 coordinator?

21 A. HR benefits coordinator.

22 Q. (BY MS. EPLEY) Thanks.

23 A. So I show up. Webster and
24 Ms. Gustafson show up 30 minutes late. They give me
25 my two options. I explained I didn't do anything

1 wrong, and they said, "Okay, then you will be
2 terminated."

3 I asked, "What for?"

4 And the response was, "Disclosing
5 confidential information and a loss of trust."

6 And then for the next six months, I
7 looked for work. I paid COBRA benefits for my wife
8 and four kids, I think it was \$1,600 a month or
9 something. Flied out of state, flied in state. Just
10 given our network of contacts, I had a couple of
11 conversations with different AG's Offices who were
12 interested.

13 And it was just -- it was a move, big
14 move. My family's here. My wife's family is here,
15 native Texans, friends are here. So we kept
16 applying, kept looking, kept talking, applied for
17 State jobs, but you can imagine a State agency who
18 needs a lawyer in the AG's Office probably wouldn't
19 want to rock the boat.

20 No State jobs, no law firm jobs.
21 Finally got an opportunity as in-house counsel for a
22 couple of places here in Austin, so -- and I have
23 been there ever since.

24 Q. Okay. Anything about -- so we have
25 talked about open records. We have talked about the

1 hiring process. We have talked about the about
2 contract.

3 Let me ask you a little bit about
4 issuing subpoenas. What is the process internally?
5 I know like in a Harris County DA's office or a DOJ,
6 what is the internal process for issuing a Grand Jury
7 subpoena? What's typical?

8 A. So I don't know --

9 Q. That's okay.

10 A. -- only because as a -- on the legal
11 side of it, that's more on the criminal side. So
12 those would have been done entirely through Penley's
13 division, the criminal investigations or criminal
14 prosecution.

15 Q. Well, here's where I take advantage of
16 your brain: After reading the pleadings and the
17 response, I understand now that there are questions
18 in regards to whether he was or wasn't hired or what
19 role he did or didn't have, but can you take me
20 through your understanding of what the AG is arguing
21 his response and what the responses to that would be
22 from Cammack's role in that hiring?

23 A. Right, got it. So -- so when I
24 found -- when I got a copy of the referral and found
25 out who we were talking about and what the subject of

1 the complaint was, my initial -- my initial reaction
2 was, here we go again, because we had gone through
3 the open records issue, we had gone through the
4 foreclosure issue, and now this.

5 In my conversations with Mateer,
6 similar to the qualifications, the expertise, the
7 experience between the two potential people, along
8 those same lines was, "We need to keep this on as
9 short of a leash as possible because we don't want it
10 running away."

11 So I drafted the scope of work for the
12 contract, and I specified that it was only for
13 purposes of investigation. There was no intent to do
14 any type of indictment or prosecution work. It was,
15 we are bringing you in as a third set of eyes,
16 basically, and you will prepare a report, and you'll
17 report to us on what you find out. That was -- that
18 was the intent behind the scope of work --

19 Q. Okay.

20 A. -- not a free-wheeling, self-supporting
21 deputation of -- of a pros -- a prosecutorial role.

22 Q. I understand that you drafted it and
23 the intent. Were you ever part of a conversation
24 with Brandon Cammack where that was relayed?

25 I know it wouldn't have been relayed

1 that way because you're reporting an employee
2 whether --

3 A. Yes.

4 Q. Do -- were you there?

5 A. I had e-mails with him. I don't know
6 if I specifically laid that out --

7 Q. Uh-huh.

8 A. -- but it was apparent in the draft.

9 Q. The text itself?

10 A. The scope of work, "This is what you
11 will do."

12 Q. Uh-huh.

13 A. And, to my knowledge, you know, I'm
14 operating under the assumption I drafted a contract,
15 it goes dark, but apparently he's trying to get
16 subpoenas and he needs some official documentation.

17 So he's working on something at
18 someone's direction, but I haven't been talking to
19 him. Mateer hasn't talked to him. Bangert hasn't
20 talked to him. So the only person who could have
21 been talking to him and directing him on what to do
22 or who to talk to would have been General Paxton,
23 because nobody else in the office would have talked
24 to him.

25 Q. (BY MS. BUESS) Had that ever

1 happened -- happened before?

2 A. No, ma'am. We were -- we were
3 basically General Paxton's first line of defense,
4 just on a -- on the deputy level. If he had a
5 question about something, he would come to us. If,
6 you know, he wanted us to look into something, he
7 would come to us, but this was, from what I know, the
8 first time that all of us were out of the loop, and
9 it was some direct control and relationship between
10 Paxton and Cammack.

11 Q. (BY MS. EPLEY) And I expect you don't,
12 given that you hadn't spoken to him, but do you have
13 any basis for what kind of information that might
14 have been provided to Cammack that led him to have 20
15 plus items to subpoena -- for people to subpoena?

16 A. I don't.

17 Q. Would that have fallen under your
18 purview given that you ran the general counsel
19 division?

20 A. I mean, ordinarily when the agency
21 retains outside counsel, there is a division that
22 owns that relationship. They're that ones that
23 interact with the counsel, they're the ones that feed
24 information back and forth, or gain information,
25 whatever it is.

1 I mean, just think of the local
2 counsel situation, if -- if the AG's office is
3 representing Texas in Washington, that division is
4 going to be the general litigation division. They
5 handle general litigation on just statewide matters.
6 They are going to identify the need for outside
7 counsel or local counsel. They are going to be
8 responsible for handling the billing, payment,
9 approvals.

10 So, in this situation, the general
11 counsel division, which represents the agency, would
12 have been the division that owned that contract and
13 would have interacted and coordinated with counsel
14 on, "Please review this -- this document or prepare a
15 report and send it back to us," but none of that
16 happened.

17 Q. And, to your knowledge, no other
18 division had ownership of it, so it had to have been
19 directly with Ken Paxton?

20 A. Right.

21 Q. There was some allegation -- I don't --
22 that as opposed to working as a special prosecutor or
23 independent counsel for the office of the Attorney
24 General, it was actually a special prosecutor
25 position through Travis County. Do you have any

1 basis or knowledge about that?

2 A. No.

3 Q. Okay. Do you have any reason to have
4 coordinated that or to have set that up or to believe
5 that had been discussed?

6 A. No.

7 Q. Okay.

8 A. I mean, if that were true -- this is
9 just my speculation -- there would be no need for a
10 referral.

11 MR. BENKEN: Right.

12 MS. BUSS: Right, yeah.

13 Q. (BY MS. EPLEY) And if the referral had
14 been based on a recusal -- recusal, not just a
15 request, then it could not have been Travis County
16 because they cannot retain ownership?

17 A. Right.

18 MS. EPLEY: Anybody else?

19 Q. (BY MR. BENKEN) How is he identifying
20 himself when he was serving these subpoenas, do you
21 know?

22 A. On the subpoena, it identifies him as a
23 special prosecutor of the Office of the Attorney
24 General.

25 Q. And had he made business cards,

1 anything like that?

2 A. I'm not aware of that.

3 Q. Okay.

4 Q. (BY MS. BUESS) Was he paid, do you
5 know?

6 A. Good question. So before I was placed
7 on investigative leave, around the same time that
8 Penley moved to quash the subpoenas that we found out
9 about, I, in speaking with first assistant Mateer,
10 recommend that we terminate any contract that
11 purports to exist, just notifying him that there's
12 not a contract, it has not been signed or approved,
13 and if you're operating under any assumption that
14 there was, this is notice that we're terminating it
15 effective immediately.

16 We sent that to Cammack, and I think
17 his response were invoices.

18 Q. Pay me now?

19 A. Yes.

20 Q. While I can?

21 A. Correct. So I then responded, after,
22 again, discussing internally with Mateer, Bangert,
23 figuring out how we're going to handle this.

24 Q. So did you get the invoices? Who got
25 them?

1 A. I don't remember if I was copied, but
2 we have a general -- it's a mailbox, it's an intake
3 mailbox.

4 Q. Sure, yeah.

5 A. I think it was

6 REDACT . It was just a
7 division-wide mailbox where four people in the
8 division can see messages come in and kind of isolate
9 and prioritize. So I think he just sent it to that
10 generic division e-mail address. Maybe he copied me.
11 But I got it eventually because the division chief of
12 that division sent it to me and said, "He wants to
13 get paid for something."

14 Q. Do you remember what it was, how much?

15 A. I don't offhand. I -- four sticks out,
16 so it could have been \$4,000, it could have been
17 \$14,000, I'm not sure. But it identified like the
18 work he was doing, the, you know, preparing
19 subpoenas, serving subpoenas, a call with
20 General Paxton.

21 Like, so there were services that he
22 had identified that he had performed, even though, up
23 until this point, there was no contract that anybody
24 had executed.

25 Q. (BY MR. BENKEN) So you may know the

1 answer to this, but after the terminations, did
2 somebody try to push the contract through?

3 Was there eventually a contract or
4 did -- when everything hit the fan, did it stop?

5 A. So another good question. I don't know
6 the ultimate answer to that, but I can answer what I
7 experienced up until that point.

8 So we notified him that we were
9 terminating. He responded with invoices --

10 Q. Right.

11 A. -- and then he also responded with, "It
12 has been signed and I have a copy."

13 So we asked him, politely, "Please
14 send us a copy." And he sent us a copy of the draft
15 agreement that I had prepared and labeled as a
16 "draft," that he had signed and General Paxton had
17 signed. And I knew it was still the draft copy
18 because it didn't have our contract identification
19 number that would have been assigned to it.

20 Q. (BY MS. BUESS) If it had been assigned
21 to budget?

22 A. If it had been -- gone to budget --

23 Q. Yeah.

24 A. -- and gotten obligated for funding.

25 So I knew they were using the draft agreement that

1 was circulated previously.

2 And so that document that General
3 Paxton signed was, in my opinion, a very critical
4 piece of information from the FBI's perspective, just
5 seeing some sort of official action that was in
6 writing and documented that sort of suggested that
7 General Paxton was in charge of all this.

8 Q. (BY MR. BENKEN) Well, Paxton would not
9 normally sign contracts, would he?

10 A. Uh-huh, no.

11 Q. Or not these, because he's not on the
12 chain, I mean --

13 A. Correct. So in the outside counsel
14 process -- so the OAG itself has a signature
15 delegation spreadsheet that's probably 60 pages long.
16 The Attorney General might be mentioned twice in
17 those 60 pages. In the outside counsel contract --
18 context, General Paxton's only mentioned if it's a
19 contingency fee contract, which is not what we had
20 here, so it's a regular hourly fee issue, which under
21 the AG's signature delegation policies is delegated
22 to the first assistant.

23 So if anybody had signed that
24 agreement, it would have been Mateer. That's not to
25 say that Paxton probably couldn't have legally

1 obligated the agency by signing it, it just would
2 have been the normal practice for Mateer to sign it.

3 Q. (BY MS. EPLEY) Anything about the face
4 of that document suggest when Ken Paxton signed it?

5 Is it an e-sign type of thing or is it
6 just a signature?

7 A. It's original.

8 Q. That's what I thought.

9 Q. (BY MS. BUESS) Is that unusual?

10 A. It is, especially since we were using
11 electronic.

12 Q. (BY MR. BENKEN) Especially since it's
13 a draft?

14 A. And a draft. And that Cammack had it
15 and not --

16 Q. (BY MS. BUESS) Y'all did --

17 A. The office.

18 Q. (BY MR. BENKEN) Y'all didn't even have
19 a copy?

20 A. Not until after we had terminated any
21 purported agreement, and then he had invoiced us and
22 sent us a copy that we asked for.

23 Q. I have a question. Back when you were
24 terminated, and I don't how the HR does it, but do
25 they put those reasons in writing?

1 Like, do you have like a
2 termination --

3 A. I have a termination letter. They only
4 specify in the letter that you are terminated for the
5 reasons discussed orally.

6 Q. Okay.

7 MS. EPLEY: So I wanted to hear that.
8 What was that? Say that again.

9 MR. BENKEN: So I asked him if the
10 reasons for termination in writing, will they get a
11 termination letter, but it says the reasons will be
12 discussed orally.

13 A. Which was disclosing --

14 MS. EPLEY: And loss of trust --

15 MS. BUSS: Potential --

16 A. -- allegedly disclosing confidential
17 information.

18 MR. BENKEN: And loss of trust.

19 Q. (BY MS. EPLEY) I want to recap a
20 couple of things, just to make sure I have my notes
21 right.

22 You guys notified Brandon Cammack that
23 he's terminated, he responds with an invoice, he
24 responds how much later with a signed copy of the
25 draft?

1 A. Well, this was all happening -- like,
2 once the subpoenas hit --

3 Q. Uh-huh.

4 A. -- we were moving to quash, Penley was
5 moving to quash. I was working with Mateer on --

6 Q. So this is all --

7 A. -- terminating his contract. So these
8 were all kind of happening at the same time.

9 Q. Uh-huh. Roughly?

10 A. Roughly, let's say we figured out
11 there's a subpoena on Tuesday, I'm drafting an e-mail
12 to Cammack saying, "We're terminating your
13 agreement." And I think Mateer signed it. Mateer
14 signed the letter, the formal letter --

15 Q. Of revocating -- revo -- why can't I
16 say that word?

17 A. Revoking any purported agreement.

18 Q. Correct.

19 A. Mateer signed the letter let's say
20 Wednesday morning --

21 Q. Uh-huh.

22 A. -- and then Wednesday afternoon, we got
23 invoices and -- and said, "I have a signed contract,"
24 you know.

25 Q. That was part and parcel?

1 A. Yes.

2 Q. So same e-mail?

3 A. Well, it might have -- it might have
4 been separate e-mails of responding to our letter
5 saying, "Well, I have a contract," and then, "Here's
6 my invoices."

7 Q. And here's the buildup, not for effect
8 but truly for my notes: So Brandon Cammack returned
9 a signed copy but it's of a draft?

10 A. Correct.

11 Q. It does not have what you referred to
12 as a contract ID number?

13 A. Right. We call it an OCC number. So
14 all outside counsel contracts, that's agency and
15 statewide --

16 Q. Uh-huh.

17 A. -- so every -- every outside counsel
18 contract that gets processed through our office gets
19 a specific number.

20 Q. Okay. The last signature of those
21 required remains yours, so Penley never signed it?

22 A. Correct.

23 Q. Is that clear on the face of the
24 document that's returned to you?

25 A. No.

1 Q. Okay.

2 A. No, the only document that we got from
3 Cammack was the contract.

4 Q. Okay.

5 A. There was no approval memorandum.

6 Q. I see.

7 A. That -- because that would have all
8 been internal.

9 Q. Okay.

10 A. So the only thing we got back was the
11 original draft.

12 Q. (BY MS. BUESS) He wouldn't have had
13 the approval memorandum?

14 A. Correct.

15 Q. He would have just had whoever finally
16 signed off?

17 A. Right. Well, he would -- let's say --
18 let's say theoretically this all played out the way
19 it should have, the Executive Approval Memorandum all
20 happens internally before it ever goes external for
21 third-party signature. Because if anybody holds it
22 up, you know, it's rather to -- it's better to kill
23 it before it gets outside.

24 Q. Sure.

25 A. So everything would have happened

1 internally on the approval process. Then it would
2 have gone to Cammack to sign.

3 Q. (BY MS. EPLEY) So as far as y'all
4 know, though, at the time that you received the
5 signed draft back, the internal Executive Approval
6 Memorandum, still the last signature is yours?

7 A. Correct. I think that morning, Tues --
8 or Wednesday morning, Penley affirmatively declined
9 to sign, which canceled the process. So nobody after
10 him could have signed it.

11 Q. (BY MR. BENKEN) I have a question. So
12 Paxton was in Cincinnati on Tuesday -- or during this
13 week?

14 A. That week, Cleveland, Cincinnati.

15 Q. Okay. And we think the contract would
16 have been signed -- I mean, or do we know?

17 A. Don't know.

18 Q. Okay.

19 Q. (BY MS. EPLEY) I think sides might
20 differ about that. Is that the right word? Wait.
21 Parties might differ about that?

22 A. Yeah.

23 Q. What else do I need -- need to ask you
24 about this?

25 Q. (BY MS. BUESS) Anything else that we

1 need to know about?

2 A. I don't -- I don't think so. I mean,
3 chronologically I feel like we've covered most
4 everything.

5 Q. (BY MS. EPLEY) An article isn't a
6 response to one side or the other, but because we're
7 not involved, is there anything in the Attorney
8 General's response that directly references you that
9 you would like to clarify or that you feel like needs
10 to be explained?

11 That's a very broad question. You can
12 do it later. But anything for now we haven't asked?

13 A. I mean, I think -- I think what I'll --
14 what I'll say is I stand by the decisions that we
15 reached; and, you know, my skills and qualifications,
16 I hope, speak for themselves, especially during my
17 time at the AG's office promotion after promotion
18 after promotion and recognition, I mean, to all of a
19 sudden, you know, be called rogue and potentially
20 involved in crimes of my own -- like, apart from my
21 personal frustration and the impact on my family, I
22 mean, I think the important part for me is just
23 reputational-ly, like, we're only as good as our
24 word and --

25 Q. (BY MS. BUESS) That's true for any

1 attorney --

2 A. Yeah.

3 Q. -- and for all of us.

4 So a question for you: Knowing what
5 we're doing, what we're looking at and knowing that,
6 ultimately, if -- if -- obviously, we're trying to
7 put information together that's going to corroborate
8 any documentation what you have talked about, so any
9 documentation that you have that you haven't already
10 provided as a copy to -- or as an exhibit to your
11 lawsuit, is there anything that you have that you can
12 make a copy of that would help us in what we're doing
13 here?

14 I mean, knowing that all it is is my
15 word versus your word, and obviously there's several
16 of you, so your -- your information kind of dovetails
17 or corroborates, but I'm going to tell you that
18 documentation as far as firming up timeframes and
19 things is really critical.

20 MR. KNIGHT: Yeah, I don't know what
21 your answer to that question would be, but the way I
22 would rather --

23 MS. BUESS: And y'all -- y'all can
24 think about.

25 MR. KNIGHT: What I want to put on the

1 line is we will take as a general request for
2 anything --

3 MS. BUESS: It is.

4 MR. KNIGHT: -- that we can provide
5 and let us see if there's anything that fits into
6 that category.

7 MS. BUESS: Yes, sure.

8 MR. KNIGHT: I mean, we were pretty
9 intentional with what we attached --

10 MS. BUESS: Sure, I know that.

11 MR. KNIGHT: -- but -- but we will
12 treat it that way.

13 Q. (BY MS. BUESS) But I mean, kind of
14 knowing that we're looking at wrongdoing and if that
15 is corroborated and if our report substantiates it, I
16 mean, obviously, we would need to present your
17 information, but it would be nice -- I mean, you know
18 how it is. I mean, when it's -- when it's -- I mean,
19 look at what he's done already, you know, putting
20 his -- his -- that particular document together that
21 basically calls into question each of your
22 credibility.

23 A. Right.

24 Q. So I'm just looking for anything that
25 you may have that you know you've got that -- that

1 helps you.

2 A. Yeah.

3 MS. BUESS: Okay. And we'll let you
4 guys think about that and talk about it, and we're
5 going to trade phone numbers and hopefully continue.
6 Because I know that once I sit down and start working
7 through notes, I'm going to have some more
8 questions --

9 MR. KNIGHT: Sure.

10 Q. (BY MS. BUESS) that hopefully we
11 can continue to relay to you. And, hopefully,
12 whatever you decide you have that is not already part
13 of your exhibits that you feel you could share with
14 us, we would like to get that.

15 And, obviously, we're in an incredible
16 time crunch, so we don't have a whole lot of time.

17 MR. KNIGHT: Yeah, and let me say one
18 more thing. I assume we're wrapping up here.

19 MS. EPLEY: Well, I am.

20 MR. KNIGHT: You know, I know you all
21 have a specific role and you're not a member of the
22 legislator and you're investigating here, but to the
23 extent you have barriers and to the extent that you
24 report to the people who are deciding what to do with
25 these guys' settlement, I hope you got a little taste

1 today of what this man and the other three have been
2 through because they stood up and did the right
3 thing.

4 And I'm telling you, I think it is
5 shameful that the legislator so far has tried to make
6 them be pawns rather than stand behind the promise
7 that was made in the Whistleblower Act, and I'm
8 looking at you because I know you have a career in
9 public integrity.

10 MS. BUESS: Oh, yes.

11 MR. KNIGHT: You can imagine --

12 MS. BUESS: Oh, I know.

13 MR. KNIGHT: -- the chilling effect on
14 the next person who's in their shoes --

15 MS. BUESS: And I can tell you that's
16 my source.

17 MR. KNIGHT: -- that this doesn't --

18 MS. BUESS: That's our sources for our
19 basis. So I know -- I know what it's going to be.

20 MR. KNIGHT: So if you have the
21 opportunity to convey that message to the people
22 making those decisions, I would really hope you will.

23 MS. EPLEY: Okay. All right. Thank
24 you, gentlemen.

25 (Tape ends)

1 STATE OF TEXAS

2 COUNTY OF HARRIS

3 REPORTER'S CERTIFICATE

4 AGC MEETING

5 March 27, 2023 Meeting

6 re: Mr. Ryan Vasser

7 Transcribed June 23, 2023

8
9 I, Michelle Hartman, the undersigned
10 Certified Shorthand Reporter in and for the State of
11 Texas and Registered Professional Reporter, certify
12 that the facts stated in the foregoing pages are
13 transcribed to the best of my ability.

14 I further certify that I am neither
15 attorney or counsel for, related to, nor employed by
16 any parties to the action in which this testimony is
17 taken and, further, that I am not a relative or
18 employee of any counsel employed by the parties
19 hereto or financially interested in the action.

20 SUBSCRIBED AND SWORN TO under my hand and
21 seal of office on this 23 day of June, 2023.

22 
23 _____

24 Michelle Hartman, CSR, RPR
25 Texas CSR 7093
Expiration: 12/31/23

EXHIBIT 019

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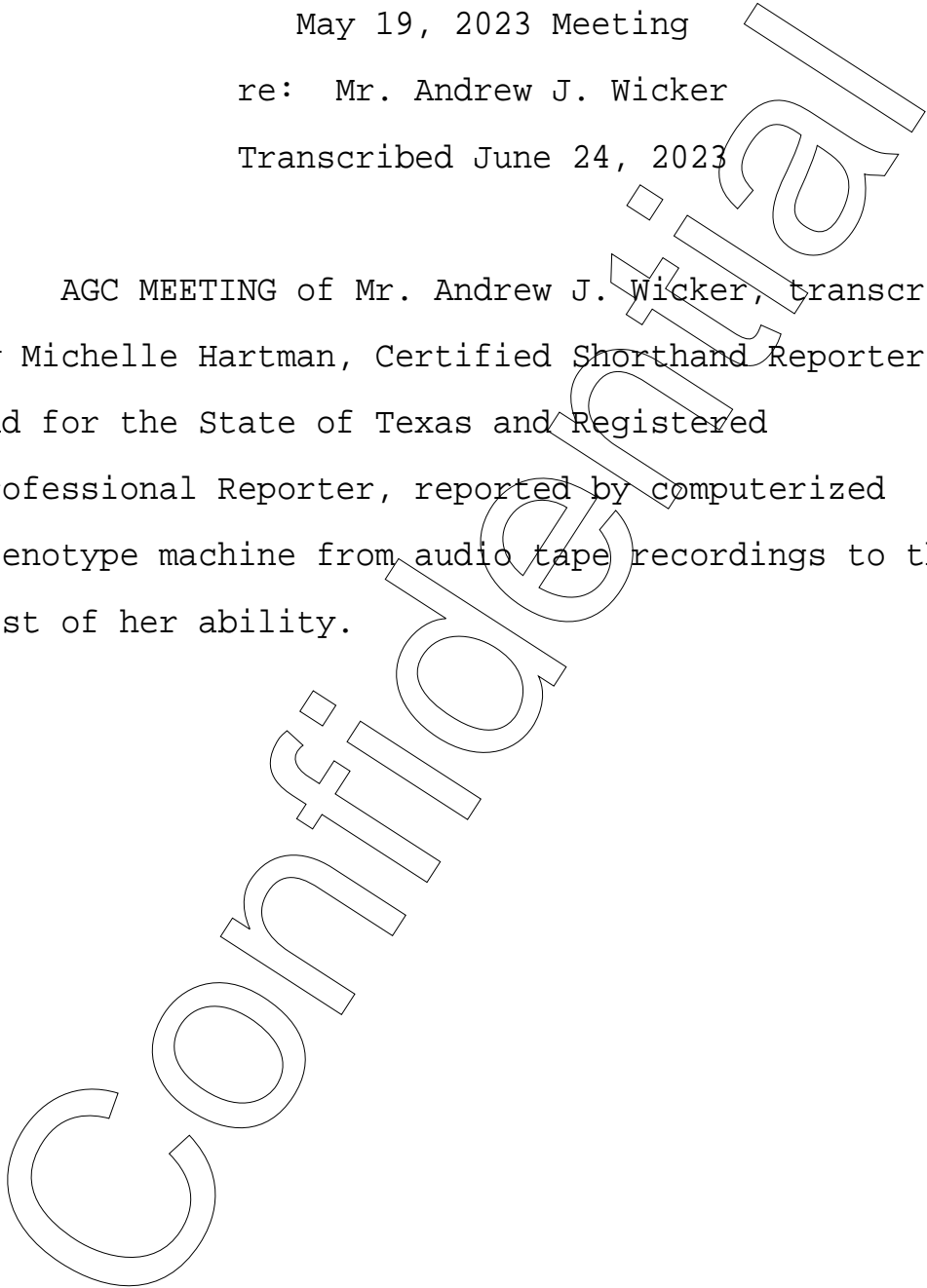
AGC MEETING

May 19, 2023 Meeting

re: Mr. Andrew J. Wicker

Transcribed June 24, 2023

AGC MEETING of Mr. Andrew J. Wicker, transcribed
by Michelle Hartman, Certified Shorthand Reporter in
and for the State of Texas and Registered
Professional Reporter, reported by computerized
steno type machine from audio tape recordings to the
best of her ability.



APPEARANCES

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Ms. Erin Epley
Ms. Terese Buess
Ms. Donna Cameron
Mr. Brian Benken
Mr. John Evans, counsel for Mr. Wicker

Confidential

1 MS. EPLEY: For purposes of the
2 recording, it is Friday, May 19th, 2023. My name is
3 Erin Epley. I am counsel with the House Committee on
4 General Investigation in regards to an inquiry. I
5 would like for us each to go around the table and
6 state our name and our role.

7 MS. BUESS: I'm Terese Buess. I'm an
8 attorney, also working with the investigation
9 committee concerning an inquiry.

10 MR. MCANULTY: Go ahead, go ahead.

11 MS. EPLEY: Oh, I already did.

12 MR. MCANULTY: Oh, you did?

13 Dan McAnulty, and I'm with the
14 legislative committee, also helping them with the
15 investigation.

16 MR. BENKEN: My name is Brian Benken.
17 I'm working with the committee in the capacity as an
18 investigator.

19 MR. EVANS: John Evans, counsel for
20 Mr. Wicker.

21 THE WITNESS: Drew Wicker, witness.

22 MR. MCANULTY: There you go. Thank you.

23 MS. EPLEY: I will hand it over to you.

24 Q. (BY MR. MCANULTY) Drew, tell me -- can
25 we get a little biographical data. Where -- what is

1 your address -- your full name is James Andrew
2 Wicker; is that right?

3 A. Andrew James Wicker.

4 Q. Andrew James Wicker.

5 A. Yes, sir.

6 Q. All right. And what is your address?

7 A. My legal address is REDACT

8 REDACT .

9 Q. REDACT ?

10 A. Yes, sir. REDACT is one word.

11 Q. One word. And that's REDACT. And

12 the -- the ZIP again?

13 A. REDACT

14 Q. REDACT . And is that your physical address
15 where you live?

16 A. I do spend a good amount of time there.

17 I also have an apartment in Frisco at REDACT

18 REDACT ; and the apartment number

19 on that is, I apologize, REDACT -- or, no, REDACT. My
20 apologies.

21 Q. All right. REDACT

22 And where are you employed, sir?

23 A. I am employed at J.W. Logistics, LLC.

24 Q. And your title there?

25 A. New title is V.P., vice president, of

1 strategic accounts.

2 Q. And is that the only place you work?

3 A. Yes.

4 Q. Okay. When did you -- where did you
5 graduate from college?

6 A. Undergrad was at Southern Methodist
7 University in Dallas. My graduate degree was at
8 Georgetown, with a separate degree from the -- oh,
9 gosh -- Solvay Institute in Brussels.

10 Q. Was that fun living there?

11 A. As fun as it could be. It was -- it was
12 nine months, and the weather's a lot like Seattle,
13 just kind of dark, rainy, and dreary, so --

14 Q. Yeah. And -- and it's a big town?

15 A. Yeah, it is. Lots going on there --

16 Q. Right.

17 A. -- with it being the capital of the
18 European Union, so --

19 Q. Right, yeah.

20 A. -- interesting time to be there with
21 Brexa (ph), too.

22 Q. Yeah, I bet it was. I bet it was.

23 And what year did you graduate from
24 Georgetown?

25 A. Oh, gosh, I guess that would have been

1 2019, August of 2019.

2 Q. Okay. And when did you go to work for
3 the -- the Attorney General's Office?

4 A. I believe that my first week was in
5 September of 2019.

6 Q. And how did you happen to go to work
7 there? What -- what brought you to that point?

8 A. So I was looking for jobs, and I was
9 applying for jobs specifically on Capitol Hill, and I
10 had a long-term relationship with an individual that
11 was employed at the A.G.'s Office at that time,
12 director of communications, Marc Rylander, and he had
13 actually known me for years. Our -- my father worked
14 with him in a capacity -- a ministry capacity at the
15 church that we go to in Prosper, and Marc at that
16 time was the teaching pastor. My father was the
17 executive pastor.

18 So I have known Marc for a long time. He
19 had gone on to work in public relations and
20 eventually worked at the A.G.'s Office. Whenever he
21 found out that I was looking for work, the previous
22 person that had held my position had transitioned
23 out, and they were looking for a fit, and he had
24 reached out to me to see if I would be interested.
25 Within the next week, I met with Ken Paxton, and I

1 was hired on the spot.

2 Q. And what -- what time frame was that when
3 you --

4 A. This would have been, you know, mid to
5 late July/early August.

6 Q. And you started September?

7 A. Yes, sir.

8 Q. Okay. And what was the title of that
9 position?

10 A. Executive aid to the Texas Attorney
11 General, I believe.

12 Q. And what primary -- primarily what were
13 your duties?

14 A. Those -- those changed as people moved in
15 and out. So initially my role and responsibility was
16 predominantly focused on making sure that he was on
17 time to meetings and that he was prepped for those
18 meetings; that he had the requisite materials; that
19 he was getting on phone calls at the proper time and
20 was prepped for those phone calls.

21 I would also travel extensively with him,
22 and it -- we -- I would also provide input on that
23 travel schedule.

24 Whenever Landry Jones, his scheduler,
25 left, I also assumed her responsibilities

1 temporarily, so I would with his DPS detail to make
2 that sure there was a forward-looking schedule of
3 about two weeks and try and pin those things down;
4 and then I also, you know, worked in terms of
5 coordinating those appointments as well.

6 Q. Right.

7 A. So it kind of fluctuated.

8 Q. Right. So you were busy?

9 A. Yeah, yeah, very busy.

10 Q. Yeah. Whose place did you take? Who was
11 in your former position?

12 A. I apologize, I'm going to have to think
13 about this.

14 Q. Did you know who

15 A. I never met him.

16 Q. Okay.

17 A. Well, I did meet him at one point in CPAC
18 (ph) after I assumed the position. I am blanking on
19 the name, and I apologize. If it comes to my mind, I
20 will say it later.

21 Q. Salary range for that job when you
22 started?

23 A. I can't remember if I ended up at 70 or
24 75.

25 Q. Okay.

1 A. I can go back and look.

2 Q. And did you remain at that -- how long
3 did you remain in that position?

4 A. I remained in that position from the time
5 I assumed the position until I left in November of
6 2020.

7 Q. Okay. So November 2020.

8 And did you -- what caused you to leave,
9 was that a voluntary departure on your part or --

10 A. It was.

11 Q. To do something else or just did you just
12 leave?

13 A. I did have another opportunity. As you
14 heard earlier, I do work for J.W. Logistics, and
15 that's actually our family's company. And so at the
16 time, I was actually looking to transition out and
17 hopefully go work in D.C. as a result of the 2020
18 election results, and, you know, that didn't end up
19 necessarily panning out; but in the interim, I was
20 working with my father in a temporary capacity as a
21 contractor to assist with a large-scale e-commerce
22 project that we had with a company at that time.

23 And so they had a need, and it's a
24 company that I had had a preexisting relationship
25 with and helped grow it --

1 Q. Uh-huh.

2 A. -- and they asked for my assistance, and
3 it was an easy time to transition out.

4 Q. Sure. Prior to your coming into that
5 position, had you ever known Ken Paxton yourself?
6 Had you ever met him?

7 A. I had met plenty of times, yeah.

8 Q. Plenty of times? I thought there was a
9 noise outside.

10 A. Yeah, plenty. I had met him a lot more,
11 you know, as -- more in an informal basis, met him at
12 events like Lincoln Reagan Day dinners, things of
13 that nature.

14 Q. And where did you live while you were
15 working here in Austin in that position?

16 A. My Austin residence was just off of 18th
17 and Lavaca.

18 Q. Was it an apartment?

19 A. It was.

20 Q. Is that an apartment you rented?

21 A. Yes.

22 Q. Okay. And have a roommate or did you
23 live by yourself?

24 A. By myself.

25 Q. And your hours, generally speaking?

1 I know you sounded like you were on call
2 whenever you were needed, but --

3 A. Yeah, that -- so official hours would
4 have been, you know, call it 9:00 to 5:00.
5 Routinely, that was -- that was not the case. I was
6 with him whenever he was going, so regardless when
7 that started and when that ended.

8 Q. And you made trips with him as well?

9 A. I did.

10 Q. And was that to just wherever he was
11 going? Did you travel no matter where it was he was
12 going?

13 A. As long as he was traveling in an
14 official capacity, I was with him.

15 Q. Okay. And did he travel quite a bit?

16 A. Yes.

17 Q. Okay. One of the focuses that we want to
18 ask you some questions about is -- is a guy by the
19 name of Nate Paul. Do you know who that is?

20 A. I do.

21 Q. Okay. Have you ever met him?

22 A. Yes.

23 Q. If you had to guess or estimate, how many
24 times have you met him?

25 A. Maybe a dozen.

1 Q. And have you ever entered his residence
2 before?

3 A. I have been to his office. I don't
4 recall ever having been to his residence.

5 Q. And where was his office located?

6 A. It's right next to the Governor's
7 mansion. I can pull up the address later and show if
8 you'd like, but --

9 Q. And what kind of building is that?

10 A. It looks like an old home. He had said
11 that he had purchased it from Texas A & M at some
12 point to be able to renovate it.

13 Q. So that's something he just had renovated
14 and turned it into his office space?

15 A. That's my understanding, yes.

16 Q. And what did you understand his business
17 to be?

18 A. Real estate and real estate development.

19 Q. Yeah. Have you ever worked for him in
20 any capacity?

21 A. No.

22 Q. Okay. Do you recall approximately the
23 first time you ever met him and under what
24 circumstances those were?

25 A. Not definitively, no.

1 Q. Was it early in your work for Mr. Paxton?

2 A. No. It would have been in 2020.

3 Q. It was in 2020?

4 A. Yes.

5 Q. Just to -- was there -- when you're
6 working with him, you said that your -- your salary
7 was somewhere between 70 and 75,000.

8 Were -- if you're working a lot of
9 overtime or you're kept out of town or whatever, was
10 there an increase or a stipend, a supplement of any
11 kind that you would have received to try to make up
12 for any extra work you're doing?

13 A. I received an additional stipend in the
14 form of like a meal stipend that you normally get as
15 an aid, a GC employee traveling, and that was a daily
16 stipend of -- I don't know, it depended on where you
17 were going but, I don't know, call it 25, \$35.

18 Most of -- but no, I was a salaried
19 position, so I did not receive any sort of overtime
20 that went directly into my pocket, no.

21 Q. Do you -- did you keep a journal of your
22 activities when you were working for him?

23 A. No, there were -- you know, there were
24 definitely things that I wrote down or I took notes
25 on just, you know, standard to the position and

1 whatever directives I was given, but I did not keep
2 an active journal, no.

3 Q. Okay. So you didn't keep -- you didn't
4 have -- you don't have to this day any kind of notes
5 that you would have kept of time?

6 A. Well, I could go back and check. I did
7 not keep a lot of things from the office. I did
8 leave most of my possessions that were tied to any
9 agency work in the office --

10 Q. Okay.

11 A. -- so --

12 Q. I presume you had a phone that was issued
13 to you --

14 A. I did.

15 Q. -- for government business?

16 What number was that, that you recall?

17 A. I can pull that up --

18 Q. Sure.

19 A. -- if you would like.

20 Q. Yeah, would you.

21 A. Let's see if I still have it. I
22 apologize, I do not seem to have that.

23 I can also check and see if I still have
24 an old business card or something that might have it
25 on there.

1 Q. Okay. And you were issued just one
2 phone?

3 A. Yes, sir.

4 Q. Okay. And you had your personal phone?

5 A. Yes.

6 Q. And I can't remember, I don't know -- I
7 think I ever wrote that number down. Surely you
8 probably have it. Would you repeat it to me.

9 A. It is REDACT .

10 Q. 97, okay. That's the only phone you
11 have?

12 A. That's right.

13 Q. (BY MS. EPLEY) Was this the same number
14 at the time?

15 A. Yes.

16 MR. MCANULTY: Yeah, please jump in with
17 questions.

18 MS. EPLEY: Sorry --

19 MR. MCANULTY: No, no, no, please.

20 Q. (BY MR. MCANULTY) I want to talk --
21 direct your attention a little bit more to your work
22 for the Governor -- I'm sorry, the -- the A.G.

23 When -- you worked part of the year 2019,
24 is that correct, and then you were there until
25 November of 2020?

1 A. That is correct.

2 Q. If you had to give me an approximation,
3 when did you first meet Mr. Paul?

4 A. I couldn't give you an approximation. I
5 do know it was early Covid, if that helps. So, you
6 know, we're probably talking about February to
7 March --

8 Q. March.

9 A. -- April timeframe.

10 Q. Right. And do you remember the first
11 time you met him, under what circumstances that was?

12 A. I think you might have just asked that,
13 but I don't remember specifically.

14 Q. No.

15 A. There were -- there were instances in
16 which we met Mr. Paul for lunch, and there were
17 instances in which we met Mr. Paul for, you know,
18 going over to his office and I can't recall --

19 Q. Yeah.

20 A. -- where that first meeting took place
21 where I was introduced to him.

22 Q. And were you generally in the room when
23 they're meeting or talking or where do you -- where
24 do you go?

25 A. Most of the time I was not part of those

1 conversations. They would go off into another room
2 for those conversations. There were, to my best
3 recollection, two times at which I was there for the
4 meetings that he was having, one of which Ryan
5 Bangert was present for, and that was a lunch
6 meeting.

7 Q. And do you remember what the subject of
8 that meeting was?

9 A. Mitte Foundation.

10 Q. I'm trying to get kind of an overview and
11 then we can go into more specifics, but trying to get
12 some idea, these were meetings that just occurred
13 over a period of time between, say, March or April
14 until what -- until what time?

15 A. Really until the whistleblower letter was
16 sent out.

17 Q. Was sent out, yeah.

18 Did you have any conversations with
19 General Paxton about the complaint of the
20 whistleblowers?

21 A. Yeah.

22 Q. Again, in the interest of time, and maybe
23 an overview, what did -- what was his statement to
24 you about that?

25 A. His -- his interest was that, in short,

1 he viewed that part of the charity's value was being
2 destroyed. I don't recall any specific as to why he
3 felt that way or the details behind whatever the
4 issue was, but he did feel as though the value was
5 being destroyed, and that later on, whenever there
6 was an issue tied to Mr. Paul and the FBI, he felt as
7 though Mr. Paul was being wrongly targeted.

8 Q. Did his deputies share that same belief
9 or do you know?

10 A. I do not know of a deputy that shared his
11 opinion.

12 Q. Did you understand when he did not agree
13 with them?

14 A. I don't understand the -- the reasoning.
15 I don't understand the rationale, no, and nor did I
16 get into discussions where, you know, two sides
17 presented their sides of the argument.

18 Q. Well, for instance, the months that you
19 went to -- where Ryan Bangert was present and you met
20 with Nate Paul and you were also present, what was
21 the -- what was the highlight of that meeting?

22 A. Ryan had been the point person for a lot
23 of the documents that General Paxton had been
24 providing regarding the committee foundation and the
25 situation surrounding that.

1 Q. (BY MS. EPLEY) Providing or provided?

2 A. General Paxton had been sharing
3 documentation to Mr. Bangert. I don't know where
4 those documents originated from.

5 I'm sorry, what was your question?

6 Q. (BY MR. MCANULTY) Well, it's a -- it's
7 along these same lines --

8 A. Yeah.

9 Q. -- of the purpose of that meeting --

10 A. Yes.

11 Q. -- and what was discussed about the Mitte
12 Foundation and what -- what -- how did records come
13 up? Were there -- what, did you observe records
14 being furnished to Mr. Bangert or to Mr. Paul or
15 what -- what was the exchange?

16 A. At that meeting, I do not remember any
17 sort of exchange of documents. That's not to say
18 that didn't happen, but I don't recall that.

19 The discussion that we had was
20 Mr. Bangert having reviewed a lot of the documents
21 was sitting down with General Paxton, as well as with
22 Mr. Paul, and discussing a lot of the items that they
23 felt were being handled poorly by the charity, and so
24 they were going back and forth in terms of whether or
25 not that actually constituted any sort of reduction

1 in value for the charity.

2 Q. Okay. You said that you -- on some
3 occasion you have seen some documents exchanged?

4 A. Yes.

5 Q. Can you tell me about those.

6 A. You know, whenever I would pass on
7 documents, I did not review them myself. I did see
8 that, you know, a lot of the documents that were
9 being passed along were, you know, complaints and,
10 you know, just legal documentation regarding the case
11 itself for both sides, and that's really all I
12 remember.

13 Q. Well, where did the document -- were the
14 documents that you carried or obtained for the
15 General?

16 A. I was never pro -- to my recollection, I
17 was never provided documents directly to pass along
18 to the General regarding the Mitte Foundation from
19 anybody outside the A.G.'s Office. Either General
20 Paxton provided me the documents and then told me,
21 "Please pass these along to Mark Penley or Ryan
22 Bangert," or Mr. Bangert or Mr. Penley would ask me
23 to pass along documentation regarding those cases to
24 the General, or they would do it themselves.

25 Q. Did you ever pass anything or see

1 anything passed on to Nate Paul?

2 A. Not to my knowledge.

3 Q. And you're sure about that?

4 A. I -- I don't know that I saw that happen,
5 no.

6 Q. Okay. Well, I'm going to focus on that a
7 minute. If someone said that you had told them that
8 you did pass something or that you were present when
9 they got passed on, what are they talking about?

10 A. Can you say that question one more time?

11 Q. Were you ever present whenever the
12 General passed something on to Nate Paul or you pass
13 it on to him for the General?

14 A. Not to my recollection, no.

15 Q. You never carried any -- any documents
16 with you?

17 A. I carried a lot of documents with me.

18 Q. For a meeting with him?

19 A. I'm sure I carried documents to meetings
20 with Nate Paul. I do not remember them being
21 reviewed with Nate Paul or passed along to Nate Paul,
22 and, you know, there were plenty of times where I
23 gave the documentation to General Paxton, but I was
24 not privy to the meeting, so I don't know whether or
25 not those --

1 Q. Did he give them back to you after the
2 meeting?

3 A. I don't remember.

4 Q. Would you have thought that was
5 unusual -- or I guess what I'm getting at is: There
6 have been some -- some allegations that some records
7 got passed on to Nate Paul, either from -- from you
8 or from the General that were passed on to him that
9 maybe he shouldn't have had in reference to the Mitte
10 Foundation or perhaps something else.

11 And if you were a witness to that, that
12 doesn't make you -- you're not in any kind of trouble
13 because of that. So I want you to feel comfortable
14 answering me about it and to be -- more importantly,
15 to be truthful about it, and I gather you seem to
16 have -- you have a good understanding of what truth
17 is and what the facts are and how they -- how they
18 matter. So all we're trying to do is ascertain the
19 facts and the truth of the matter.

20 A. Yeah. I think the biggest issue here is
21 just my memory's just kind of failing me. It's been
22 three years. I am doing the absolute best to tell
23 you all the truth and nothing but the truth, and the
24 truth is I did bring plenty of documents with me
25 whenever we would go and meet Nate Paul. I do not

1 recall whether or not any documents were given to
2 Nate Paul or left with Nate Paul or shown to Nate
3 Paul.

4 Q. (BY MS. EPLEY) Why would documents be
5 brought to meetings with Nate Paul?

6 A. That is a question that I really can't
7 answer. I did what I was told in those kind of
8 circumstances.

9 Q. Can you give me an example? How would
10 you know what documents to bring?

11 A. I was told, "Please bring these
12 documents." You know, a lot of times I would provide
13 documentation to General Paxton. He didn't
14 necessarily always carry a lot of his own documents,
15 and, you know, it was, "Hey, we're going to be
16 bringing these," it could be anything from talking
17 points for an interview to legal documents that he
18 wanted to review regarding Google or the Mitte
19 Foundation. I would have those in my bag, and I
20 would pull those out based on our schedule that day
21 whenever he wanted them.

22 MS. EPLEY: Did you mind if I go for just
23 a moment?

24 MR. MCANULTY: Sure, absolutely.

25 Q. (BY MS. EPLEY) So when you say "Google"

1 or the "Mitte Foundation," does that mean you were
2 sometimes asked to bring Google -- or documents from
3 Google related to Nate Paul or Ken Paxton to their
4 meetings?

5 A. No.

6 Q. Then what did you mean?

7 A. What I mean is that, you know, the
8 schedule varied by day, and a lot of times we were on
9 the road, obviously, and, you know, I would have a
10 bunch of different documents pertaining to a bunch of
11 different agency initiatives with me that -- I'm not
12 saying that any Google documents were ever provided
13 to Nate Paul.

14 Q. I'm not asking that.

15 A. Okay.

16 Q. I'm asking: How did you know what to
17 bring? And your examples were "Google documents and
18 daily schedules." So I'm using your words.

19 A. Yes. The answer is I'm bringing it, the
20 documents, that General Paxton would ask me to.

21 Q. Would those be meeting-specific or for an
22 entire day?

23 A. I would bring them for an entire day.

24 Q. Okay. Were you ever asked to bring
25 documents or information specific to any meeting with

1 Nate Paul, meaning bring these for this meeting or
2 bring this, and you knew on your own volition that
3 that was relevant to Nate Paul?

4 A. Yes.

5 Q. Can you give me examples of those kind of
6 documents?

7 A. You know, the complaints that were filed
8 regarding the Mitte Foundation.

9 Q. What else?

10 A. To my recollection, that's the only thing
11 that I can remember tangibly was --

12 Q. So other than the complaints, you have no
13 specific memory, or general memory, or vague
14 recollection of bringing any documents to a Nate Paul
15 meeting?

16 A. No, I don't.

17 Q. Okay. Still don't have context for that
18 Google comment, then?

19 A. What I was describing with the Google
20 comment was that we have -- we were having multiple
21 meetings each day, and a lot of times the General was
22 on the road, and if he wanted to hop on a Google call
23 with his team to discuss the antitrust case with
24 regards to Google and he wanted to be able to review
25 the documents, I need to have those ready and

1 available for him to be able to review at that moment
2 in time.

3 It was a big initiative at the time. It
4 was not pertinent or relevant to Nate Paul.

5 Q. Got it.

6 MS. EPLEY: I'm sure you don't want me --

7 MR. MCANULTY: No, go. Feel -- feel free
8 to hop in. It gives me a chance to listen and think
9 as well.

10 Q. (BY MR. MCANULTY) And I don't have to --
11 I don't want to offend you at all, but when you tell
12 me your memory is failing, I don't know how bad your
13 memory is failing.

14 Some of these events that you I think
15 know about were fairly significant and significant at
16 the time, and for you to not remember any more
17 details of that is -- is a little surprising.

18 A. Well, what I would -- what I would say to
19 that is there are certain events that I believe --
20 and do not take offense to this -- that lawyers
21 probably interpret a little bit differently than
22 somebody without a law degree, right? And passing
23 along documents was something I did each and every
24 day, and sometimes, you know, those things do not
25 register with me the way that they might with

1 you-all.

2 There were events that definitely stuck
3 with me, and I'm prepared to talk about those
4 whenever you want to address those, but those were
5 more obvious to me in nature given the position and
6 the experience that I had.

7 Q. (BY MS. BUESS) Do you assign -- I
8 understand the concept of files being handed to you
9 to give to the General, the General handing them
10 back, and you giving them back to the people that
11 they need to go back to. I get that there's a lot of
12 that happening.

13 Was there ever an occasion where you were
14 asked to deliver a file outside of the office,
15 somebody maybe who was not a member of the Office?

16 A. I am having a little bit of vague
17 recollection of what I -- and I apologize, I believe
18 that there -- there may have been a transfer of
19 documents to Nate Paul.

20 Q. Okay. Any idea when that might have
21 been? Timeframe-wise, can you help us with that?

22 A. It was hot, probably the summer.

23 Q. That helps. That helps.

24 A. Yeah, and I apologize. The -- what I
25 remember is delivering a manila envelope to Nate Paul

1 at his office over by the Governor's mansion. I
2 don't recollect when exactly that took place or what
3 was in that manila folder.

4 Q. Who gave you that manila folder to
5 deliver?

6 A. I can't say for certain. I would expect
7 that it probably would have been General Paxton.

8 Q. (BY MR. MCANULTY) Has anybody else ever
9 asked you to deliver something to Nate Paul besides
10 General Paxton?

11 A. Not to my recollection, no.

12 Q. Okay. So it would stand to reason, were
13 there -- I don't know how good a memory you have of
14 it right now, and I know this probably isn't a
15 pleasant thing to go into, right?

16 A. Well, it -- you know, I -- what I was
17 sharing with John before this is I appreciate
18 everything that General Paxton did for me. They were
19 practically family for me, and, you know, to a degree
20 they still are. I am definitely committed to sharing
21 with you guys everything that I can recall to the
22 best of my ability and sharing with you-all the
23 truth. That -- I wouldn't say that this is painful,
24 it's just unfortunate.

25 MS. BUESS: All right. Agreed.

1 Q. (BY MR. MCANULTY) Does the General know
2 you're here today?

3 A. No.

4 Q. Okay. When is the last time you spoke
5 with him?

6 A. Oh, probably a couple of months ago. He
7 was over at the Cowboy's Club, of which I am a
8 member, and, you know, I saw him out on the terrace,
9 and I went out and said, "Hello."

10 There's no animosity there. I have
11 talked to him. We were going to play golf.
12 Actually, it was right before the election, so, you
13 know, early November/late October.

14 Q. Okay. Going back to the document, to the
15 envelope that you delivered at -- to his office, was
16 anybody else with you when you did that?

17 A. No.

18 Q. And you got no inkling at all about what
19 it was. Was it a sealed envelope?

20 A. It was a manila envelope. I don't know
21 if it was sealed.

22 Q. Did you look in it?

23 A. I did not.

24 Q. And did Nate Paul remark anything to you
25 after receiving it?

1 A. Just said, "Thanks, Drew."

2 Q. And you don't know -- you don't have any
3 idea what it was in reference to; is that correct?

4 A. No.

5 Q. Were other people that you delivered
6 things to for the -- for the General as much as you
7 did to Nate Paul?

8 A. Yeah, sure, you know, specifically his
9 family, right? Angela.

10 Q. Well, again, aside from family.

11 I mean, I'm not sure what your
12 understanding of the General's relationship was with
13 Nate Paul.

14 A. I have heard, you know, plain
15 speculation. I saw the relationship that they had
16 whenever, you know, I was privy to their discussions,
17 right? I don't know that I can speculate as to what
18 that relationship was.

19 Q. What -- what did you hear?

20 A. You know, I -- I heard -- I heard them
21 discussing specifically the Mitte Foundation many,
22 many times; and then, you know, there was a good
23 amount of discussion about Nate being raided by the
24 FBI and, you know, whether or not that was just.

25 Q. The upshot of the foundation was, you

1 said, that -- that Ken Paxton thought the value of
2 the foundation was being destroyed and that Nate Paul
3 was being wronged.

4 A. Yes.

5 Q. Is that accurate?

6 A. On two different counts. The first
7 being, yes, for the Mitte Foundation specifically,
8 the value was being destroyed with the charity, and
9 my understanding at that point in time was the A.G.'s
10 Office had certain abilities to be able to step in
11 that event.

12 Q. That's correct.

13 A. And then the second piece is that Nate
14 was being wronged specifically with regards to the
15 raid and the FBI. I do not know if that was tied to
16 the Mitte Foundation.

17 Q. The raid, correct?

18 A. Yes.

19 Q. Have you ever been to the -- the house on
20 Margranita Crescent?

21 A. Yes.

22 Q. Approximately how many times?

23 A. I -- I couldn't guess. Dozens. I picked
24 him up plenty of times driving him in to work. I
25 have helped bring down furniture. You know, there

1 were a lot of times that I went to that house.

2 Q. Did you ever see Mr. Paul there?

3 A. No.

4 Q. Do you know any -- what can you tell us
5 about the remodeling that was done there?

6 A. The remodeling was being done because
7 there was some water damage that had been suffered
8 due to a number of storms that had come through the
9 area, and as a result, they decided to basically
10 remodel the entire thing.

11 It was an older house, and Kevin Wood was
12 the contractor on that remodel, but I mean, they --
13 they stripped out everything from the flooring,
14 touched up the ceilings, re-did the bathrooms, the
15 kitchen, et cetera.

16 Q. Who was -- was Kevin Wood doing the
17 construction?

18 A. Kevin Wood was the contractor that was in
19 charge of the remodel, yes.

20 Q. And do you know who was actually doing
21 the work?

22 A. He had a team there on site that I, you
23 know, saw plenty of times.

24 Q. Do you know any of them by name?

25 A. I do not know anybody.

1 Q. Nobody's first name?

2 A. I do not know anybody from the team, no.

3 Q. And who does Kevin Wood work for?

4 A. He -- he was working for General Paxton.

5 There -- I think I know where this is going, so I
6 will just kind of head it off.

7 There was a discussion at one point in
8 which we were standing in the kitchen talking about
9 the remodel, and I believe it was myself, General
10 Paxton, and Kevin Wood, and they were talking about
11 redoing the granite countertops. Angela had decided
12 that she liked a different one, and so they were
13 going to put in place a different countertop.

14 Kevin had mentioned that that comes at an
15 increased cost and, you know, General Paxton said,
16 "Yeah, that's fine."

17 And Kevin responded multiple times in the
18 course of that conversation that, "That's fine, I
19 will just -- I will check with Nate."

20 Q. What did you understand that to mean?

21 A. I don't -- I don't care to speculate on
22 that. I did follow-up with the General in a separate
23 conversation that took -- you know, it took place at
24 Kenny's Burger Joint. We were going to pick up his
25 daughter at the airport and I asked him point blank

1 about it, and said, "Hey, you know, I heard this
2 conversation, it kind of made me feel a little bit
3 uncomfortable. You know, it kind of came across as
4 this type of arrangement," and he --

5 Q. Wait. As what kind of arrangement?

6 A. An arrangement in which Nate Paul might
7 have been taking part in the home renovations.

8 And General Paxton said that he
9 appreciated me bringing those concerns to him, but he
10 assured me that that was not the case.

11 Q. Did you accept that?

12 A. I accepted it for his word. That being
13 said, I did not really spend a whole lot of time at
14 that house afterwards.

15 Q. Was that the only time that you felt --
16 that you heard something like that with regard to a
17 plan change or increased expense because of -- or any
18 expense related to the remodel?

19 A. You know, I'm sure there were plenty of
20 times where I overheard (sic) -- overheard phone calls
21 with Kevin, but --

22 Q. With Kevin and?

23 A. General Paxton.

24 Q. General Paxton, all right.

25 A. But, you know, nothing where I heard Nate

1 Paul or any other third party mentioned at that
2 point.

3 Q. Do you have any idea what the cost of
4 that remodel was?

5 A. I do not.

6 Q. No speculation on your part?

7 A. I believe that the figure with regards to
8 the granite countertops was that it was an additional
9 20 grand or something.

10 Q. Do you know whether the General spoke
11 about how that was being paid for?

12 A. He had told me that he was paying for it.

13 Q. Did that seem logical to you?

14 A. Is it logical? Yes, because I know that
15 they do have plenty of resources as a family.

16 Was some of the conversation that
17 surrounded that suspect? Also, yes.

18 Q. Can you -- can you tell me what you felt
19 was suspect about it, other than what you've already
20 said?

21 A. The -- I love the General. He is very
22 stingy with money. He and Angela both are. And
23 given the overall context, it was, you know,
24 something that I could accept logically because I
25 know they have the resources at their disposal, but

1 given the commentary, it was odd.

2 Q. What was the commentary?

3 A. The commentary saying that they would --
4 you know, that they were paying for it, and then also
5 overhearing Kevin Wood's comments back to General
6 Paxton in terms of the -- the kitchen.

7 Q. And those comments consisted of?

8 A. "I will check with Nate."

9 Q. "I will check with Nate."

10 And that was done repeatedly about --

11 A. Yes.

12 Q. -- with -- repeatedly with regard to the
13 granite counter and something else?

14 A. The granite countertop is what sticks in
15 my mind. I'm sure that they were also talking about
16 other elements within the kitchen.

17 Q. What about appliances?

18 A. I don't specifically remember anything
19 regarding appliances.

20 Q. Anything more than the granite?

21 I mean, look at the picture in your mind
22 of what you saw. Is it still there? What -- what --

23 A. Kitchen cabinets.

24 Q. Okay.

25 A. If I remember correctly, they were

1 wanting to repaint the kitchen cabinets.

2 Q. Not remove them, but repaint them?

3 A. I don't recall if they had been replaced
4 at that point in time already, but I do know that
5 they had specifically talked about doing a different
6 color.

7 Q. Did anyone say, "Well, that's going to be
8 an extra 20,000, an extra five thousand"? Was there
9 some numbers poured out?

10 A. Not that I can recall with regard to
11 repainting, just -- I do remember the granite
12 countertop, yes.

13 Q. And that figure then was?

14 A. 20 grand.

15 Q. 20,000 more?

16 A. Yes.

17 Q. And those were now granite countertops
18 already, correct?

19 A. That was my understanding.

20 Q. What color were they?

21 A. I don't recall that.

22 Q. Don't know. In a subsequent conversation
23 with the General, did he make any other mention
24 about, "Gee, that's a lot of money to replace an
25 already replaced countertop," or was he concerned

1 about it?

2 A. Not that I recall, no.

3 Q. When you said that he is -- his family
4 has access -- I'm not sure how you put it -- has
5 access to funds or resources, what are the sources of
6 those funds as you understand them to be?

7 A. General Paxton, he was in private
8 practice for a good amount of time, and they stored
9 up a good amount of resources in terms of money; and
10 they also made investments prior to him being
11 elected. And, you know, what those exactly are, I'm
12 not sure. I know that he mentioned several times
13 specifically cell towers and things of that nature.

14 Q. I'm sorry, what?

15 A. Cell towers.

16 Q. Cell towers. So he's -- you think he may
17 have invested in some cell towers or sold cell
18 towers?

19 A. I know he at least invested in them.
20 Whether or not he sold them, I don't know.

21 Q. You said he and Angela are both very
22 careful with money, stingy with money.

23 A. Yes.

24 Q. Why do you felt he needed -- did he ever
25 say why he felt he needed to be stingy with money or

1 is that just his nature?

2 A. I think it's more his nature.

3 Q. Because that would give me the impression
4 that he doesn't have a lot of resources.

5 A. Well, I would -- I would disagree with
6 that assessment. Just having spent a lot of time
7 with people with a lot of resources, a lot of times
8 those people are very careful with how they use them.

9 So, you know, General Paxton grew up in
10 an Air Force family with not a lot of resources, and
11 I think that definitely played into that; and that
12 might have been something learned from childhood, but
13 I wouldn't say that people that are more stingy don't
14 have a lot of resources.

15 Q. I understand that.

16 Did the General ever ask you not to say
17 anything about the granite countertops or what you
18 had seen? Did he ever caution you not to talk about
19 something you may have seen or overheard?

20 A. No, I don't think -- I don't believe that
21 when that conversation was had that he understood
22 that I clued in on that and that it bothered me until
23 I had the follow-up conversation from the Kenny's.

24 Q. And the name of that was Kenny's Burger?

25 A. Kenny's Burger Joint. Highly recommend

1 it. It's a legacy in Plano.

2 MR. MCANULTY: Do either one of you have
3 some follow-up on that, that particular issue or, B,
4 whatever you --

5 Q. (BY MR. BENKEN) So let me ask you
6 this: I know you're spending a lot of time with the
7 General assisting him with his scheduling and driving
8 him around and paperwork and so forth, but obviously
9 you're not, you know, his deputy assistants to where
10 they're talking strategies on cases and things like
11 that; and I'm just curious: What was it that
12 affected you so much about that comment about Nate
13 that you felt like you could challenge him on it and
14 tell him, like a good person would, "Hey, I see a
15 problem here?"

16 There had to have been other things going
17 on with this relationship with Nate Paul that would
18 have caused you so much concern that you would have
19 called him out on it. Tell us about that.

20 A. Okay. So to provide a little bit more of
21 an accurate representation of what I did whenever I
22 was there, I was in all those meetings with regards
23 to the strategy. They went out of their way to
24 include me on a lot of policy discussions.

25 Q. When you say "they," who do you mean?

1 A. General Paxton, Jeff Mateer, Blake
2 Brickman, Mark Penley, Ryan Bangert.

3 Q. Okay.

4 A. And so while I did not speak the legalese
5 portion of it nearly as well, and I did try and
6 learn, I was part of those policy discussions, and I
7 was routinely included in those calls.

8 Q. Okay. I apologize, I did not realize --

9 A. But no, no, no. I'm just --

10 Q. -- that you didn't know.

11 Because you said a lot of times you were
12 not actually in the -- the meetings themselves.

13 A. With Nate Paul.

14 MR. EVANS: With Nate Paul.

15 Q. (BY MR. BENKEN) Okay. All right.

16 A. Most -- most any other meetings, I was --
17 I was part of. So that's -- I'm just trying to
18 provide great context as to why I felt that level of
19 comfortability. And also, you know, you get to where
20 you spend 24/7 with the gentleman --

21 Q. Right.

22 A. -- you feel pretty comfortable.

23 He and I were very close. They -- he and
24 Angela, whenever we went to with CIWAG (ph) to China,
25 they were joking how I was, you know, their second

1 son. So I felt a good deal of not only familiarity
2 but comfortability with him to where I could have
3 that conversation, and I feel that he was good with
4 that.

5 Q. And again, so when you overheard the
6 statement made, what exactly again, did you say to
7 the General that -- when you heard that?

8 THE WITNESS: John, were you --

9 MR. EVANS: No, go ahead.

10 A. That, just like I shared a moment ago,
11 the conversation at Kenny's was, "General, I
12 overheard this. It seems to give some sort of
13 implication that Nate might be helping pay for some
14 of these renovations, and, you know, can you -- can
15 you shed some light on this?"

16 And he expressed appreciation for me
17 bringing that concern to him, and then he provided me
18 with the reasoning of, "I am paying for these
19 renovations. I appreciate you sharing that with me,
20 but that's not what that is."

21 Q. And then that was it?

22 A. Yeah, that was it. Then we went and
23 picked up his daughter from the airport.

24 Q. (BY MS. EPLEY) But your comfort in
25 regards to that response wasn't such that you felt

1 comfortable going to the house again?

2 A. I was -- it was not me not --

3 Q. Yeah, I felt like I overstated that. So
4 help me.

5 A. Yeah, I was not invited back to the
6 house.

7 Q. Okay. Now I feel like I do have to
8 clarify and bring me in to the question.

9 Earlier it was after his response, "I
10 didn't feel comfortable being at the house often."

11 A. I don't remember using that exact
12 phrasing. What I -- what I had said was, "I did not
13 go back to the house."

14 Q. Is that an accurate statement?

15 A. No, it's not that I didn't feel
16 comfortable going back in. I would have gone back
17 there if I had been asked, and there were times that
18 I picked him up at the house. That said, I did not
19 go inside during the rest of the renovation process,
20 which I believe continued even after I left.

21 Q. Okay. I want don't want to put words in
22 your mouth, and I'm not trying to -- I'm not trying
23 to dance here to make you change position, but what I
24 also don't want to do is have you and I in such a way
25 that if I put one additional element that allows you

1 to commit, you do.

2 So help me. Did you believe his answer
3 enough you felt comfortable to the extent that you
4 did before you heard the comment?

5 A. I was less comfortable after the
6 conversation, yes.

7 Q. Thank you.

8 (Discussion off record between John
9 and witness)

10 Q. (BY MS. EPLEY) Is there anything that
11 you would like to add?

12 A. Yeah, just a -- just a quick --

13 MR. EVANS: Kind of a follow-up to --

14 A. -- clarifier. Whenever we were talking
15 earlier about myself being included in a lot of those
16 strategic meetings and conversations, that did --
17 that pertained to the meetings with the business of
18 the agency with the team on the eighth floor.

19 That did not mean that I was always
20 included in offsite meetings with either donors or
21 meetings with Nate Paul. I was -- the two instances
22 in which I referred to earlier are the only times I
23 can recall physically being in a meeting with Nate
24 Paul.

25 Q. (BY MS. BUESS) I'm still confused about

1 the renovations, and I think I'm just -- I'm trying
2 to settle it in my mind how what was not said or what
3 was said made you feel comfortable enough just to
4 pass on it and leave it alone. Let me just clarify.

5 The contractor that was doing the work
6 there, what was his name?

7 A. Kevin Wood.

8 Q. Was Kevin Wood an employee of Nate
9 Paul's? Was he related in any way to Nate Paul's
10 businesses?

11 A. I don't have that detail. At the very
12 least, it sounded like he was a referral. As we
13 talked about earlier, there might have been a more
14 direct relationship there. It's -- but whenever I
15 asked about it, I was told that wasn't the case.

16 Q. Okay. So when you -- when you bring up
17 your uncomfortableness with what you just heard, tell
18 me again exactly what you recall the General telling
19 you and why -- why it did or didn't make sense to
20 you.

21 A. The answer that the General gave was that
22 he appreciated me bringing his concern to him and
23 that that was not the case and that he was paying for
24 the renovations himself.

25 Q. Did he explain what the context was,

1 then, of what you had overheard, what it -- you know,
2 how you -- why you must have misunderstood?

3 I mean, it doesn't -- I understand what
4 you're saying, I understand it, but I know what
5 you're telling me you heard, and those two things
6 don't -- they don't sit well together.

7 A. I understand that. I think what you-all
8 might like to hear is that I pushed him further on
9 that, and the answer is I didn't, I took his word for
10 it.

11 Q. Uh-huh.

12 A. That does not mean that I was comfortable
13 entirely with the response and that I didn't modify
14 my behavior to that extent, right? But I didn't push
15 him on it any further.

16 Q. Okay. Was your concern something that
17 you brought up with someone else within the office?

18 A. Yes. I --

19 Q. Who was that?

20 A. Well, I specifically remember mentioning
21 it to members of the executive team, such as like
22 Brickman, Jeff Mateer, at the time Marc Rylander, and
23 Ryan Bangert.

24 Q. And did they have any advice for you?

25 A. The advice I largely got whenever --

1 whenever they would ask about such matters was,

2 "Thank you for letting us know, we'll handle it."

3 Q. No one -- no one advised you that maybe
4 you should go back and ask for clarification from the
5 General?

6 A. No.

7 Q. Okay. So you did that all on your own?

8 A. Yes. I -- I owed the General that much
9 with the relationship that we had that if I was
10 uncomfortable with something, that I ask him about it
11 directly and not skirt him on that.

12 Q. Did you relay that information that you
13 received back to the executives that you had spoken
14 with?

15 A. I did.

16 Q. And what was their advice at that point,
17 did they --

18 A. I wouldn't say that they gave me advice
19 as much as just said, "Thank you, you did the right
20 thing."

21 Q. (BY MR. MCANULTY) To clarify, the
22 conversation at Kenny's Burger joint happened soon
23 after the meeting at the house where you overheard
24 this or not?

25 A. Yeah, within a week or two.

1 Q. Okay. So it wasn't the same day, it
2 was --

3 A. No, no.

4 Q. It was in --

5 A. We were in Austin there and --

6 Q. Oh, oh. My understanding was that you
7 told the executive board.

8 At what point during that two-week -- was
9 it after the last conversation that you had with him
10 at Kenny's or where -- when -- when did you go and
11 tell the executive board what -- or the deputies, the
12 executive team, what did you tell them about it in
13 relation to the time that it occurred?

14 A. The -- the conversation happened at
15 Margranita Crescent, and within a couple of days
16 whenever we were in town, I did mention to Blake
17 Brickman what I had overheard and he -- he said,
18 "Okay. Thanks, appreciate it," as I mentioned
19 earlier.

20 And then I took it on myself to have that
21 follow-up conversation with the General whenever we
22 were at Kenny's Burger joint. It was either that
23 same week or the next week whenever we were back in
24 Dallas to pick up his daughter, and then I relayed
25 that information back to the team.

1 Q. It sounds like this was at least an issue
2 that was bothering you?

3 A. Yeah, I think -- I think that's pretty
4 well established.

5 Q. Did you talk to your dad about it, get
6 some advice from him?

7 A. I don't recall whether or not I talked to
8 him about that instance.

9 Q. Did you talk to anybody besides Blake
10 about it?

11 A. I know I spoke to Blake about it.
12 Whether or not I spoke to anybody else about it, I
13 can't remember, but I do remember talking to Blake.
14 He was my direct report at the time, so I spoke to
15 him.

16 Q. And subsequently, you talked with the
17 other -- with Jeff and some others; is that correct?

18 A. Yes, whenever -- after I had had the
19 conversation with General Paxton, there was a larger
20 discussion. My understanding was that Blake had
21 looped --

22 Q. Looped other --

23 A. -- some other team members in, yes.

24 Q. Have you heard from him or anyone else
25 that something similar had ever happened with regard

1 to General Paxton's relationship with Nate Paul or
2 the sharing of information or resources of any kind?

3 Did -- did you ever comment -- did you
4 ever hear there was any other relationship or sharing
5 of resources that, as you -- I think you -- you
6 suspected that Nate Paul had something to do with
7 this work being done there, whether -- did you know
8 Kevin Wood was his employee or not his employee?

9 A. Yeah, I mean, as I mentioned earlier,
10 I -- it sounded to me from the conversations that I
11 was privy to that Kevin Wood was at least a referral.
12 Whether or not he was in Nate Paul's direct employ or
13 indirect employ, I don't know.

14 Q. And you still don't know?

15 A. No, I do not.

16 Q. Did you have a conversation with Wood
17 where he talked about his relationship to Paul?

18 A. I don't recall having a conversation with
19 Kevin Wood specifically talking about Nate Paul.

20 Q. Do you know where he is today or is he
21 still around town, in business as far as you know?

22 A. I believe so.

23 Q. Why do you think that?

24 A. I have no reason not to believe that.

25 Q. Okay. But you have not heard from him,

1 you have not talked to someone who said, "Oh, I got
2 him to do some work for me, too"?

3 A. No. The last time I remember talking to
4 Kevin Wood was whenever he was helping move some
5 clothes over to the OAG's Office for General Paxton.

6 Q. Can you tell me just a little bit about
7 that time frame-wise? In relation to the time you
8 were looking at the granite, when did the clothes get
9 involved?

10 A. You know, all this probably would have
11 been summer of 2020. So inside of, you know, call it
12 June to August.

13 Q. And they were being moved to where?

14 A. The Office of the Attorney General.

15 Q. What --

16 A. Specifically with regards to the eighth
17 floor, if that helps.

18 Q. What -- what was the purpose of moving
19 the clothes?

20 A. They had started working on the bedroom
21 and they could not store their clothes there because
22 of painting and some other things.

23 Q. Did you help move them?

24 A. Yeah.

25 Q. Was there a lot of clothes or just a --

1 what was -- was this closets? How did you get them
2 downtown?

3 A. Kevin brought over a good chunk of the
4 clothes in his pickup truck, and then he pulled right
5 up to the front of the office building that is
6 immediately adjacent to here, and myself and a couple
7 of other people went downstairs, grabbed a load, came
8 on upstairs.

9 Q. Were these clothes of Mr. and
10 Mrs. Paxton?

11 A. I believe so, yes.

12 Q. And how long did they stay there, do you
13 know?

14 A. As long as the bathroom renovation took,
15 which, you know, it might have been a couple of
16 weeks, but --

17 Q. So then you moved -- who moved them back?

18 A. I don't remember that.

19 Q. Did you move them back?

20 A. I helped move a lot of things in terms of
21 furniture and clothing. I don't remember whether or
22 not I helped them move those back.

23 Q. Can you -- I don't want to get off on a
24 tangent here, but what other personal things did you
25 do for the General in the course of your work, such

1 as handling his clothes and moving things back and
2 forth?

3 You said you had moved a lot of things.
4 What -- can you give me an idea of what that is?

5 A. Sure. There were certain things that he
6 and Angela both bought on consignment in Dallas, some
7 pieces of furniture that they wanted moved down to
8 Austin, and they knew that I was going down there,
9 and I have -- I have a pickup truck, and pickup
10 trucks always get used for that kind of stuff.

11 Q. So they used you?

12 A. So, yeah, so I just like ran some stuff
13 down. And that happened, you know, more than once.
14 I couldn't tell you --

15 Q. Yeah.

16 A. -- how many times it did happen, but
17 there were plenty of times where I would help out.
18 They don't like using DPS vehicles for that kind of
19 stuff, so --

20 Q. No, they don't, do they?

21 Did you -- speaking of, did he usually
22 have a DPS security team with him?

23 A. Yes.

24 Q. Were there occasions where he did not
25 have any but had you there?

1 A. Yes.

2 Q. Were you ever told not to call or not to
3 notify them that he was moving or go --

4 A. There were certain times at which I was
5 either told that they would not be needed for the
6 next day. There were certain times where he had them
7 on call and would have me tell them, "Hey, Drew's
8 going to take me to lunch," right?

9 Q. Okay. Did you spend much time doing odd
10 things for him, such as moving clothes that -- I find
11 it a little hard to figure out why that's part of
12 your job description, but did you feel it was just
13 sort of something you needed to do because you worked
14 for him?

15 A. My -- my view on my job and my role was
16 that if I could make his life a little bit easier,
17 and sometimes that would be something simple like
18 moving clothes, that that allowed him to better focus
19 on issues pertaining to the State. So if I could
20 help relieve a little bit of stress here, that frees
21 him up to focus on these things over here, and
22 that's -- that's the holistic view that I took.

23 And so the way that I tend to describe it
24 is I spent the majority of my time focused on State
25 business, especially during State hours, but I was

1 also an employee of his political campaign, and then
2 I was also a -- what I would refer to as a family
3 friend. And so between those three kind of pieces of
4 the pie, it just kind of blended together.

5 Q. So did -- were you an employee of his
6 campaign as well?

7 A. I don't know if I -- I don't know if it's
8 defined as an employee, but I did -- I did receive a
9 monthly stipend as part of the campaign.

10 Q. Okay. And was that ongoing with your job
11 with the -- with the Office as well?

12 A. Yes.

13 Q. And how much was that stipend a month?

14 A. I would -- I would just have to go check.
15 I don't recall.

16 Q. Do you have some -- come on, don't you
17 have --

18 A. A couple of hundred bucks a months.

19 Q. Okay. So that's the most --

20 A. Nothing serious. Yeah, it's - it's not a
21 lot.

22 Q. Yeah.

23 Q. (BY MR. EVANS) And that's for the
24 after-hours work on the campaign, if he was
25 campaigning during the time --

1 A. Yeah, yeah, going out to, you know,
2 Lincoln Reagan Dinners and speeches in the evening,
3 things of that nature.

4 Q. (BY MR. MCANULTY) Did you get a check
5 from the campaign for that?

6 A. I got deposits.

7 Q. Okay.

8 Q. (BY MR. BENKEN) Before we forget, I have
9 a couple of questions about Kevin Wood.

10 So you mentioned his vehicle. Did he
11 have any kind of company logo on the vehicle?

12 A. Not that I recall. It was a big, old,
13 red pickup truck.

14 Q. And that was the only thing you ever saw
15 him in was a red pickup?

16 A. To the best of my recollection, yeah.

17 Q. Okay. About how old of a fellow is he?

18 A. I don't know, mid-30s.

19 Q. Not that you would know this, but do you
20 know what part of town he lived in, anything about --

21 A. No.

22 Q. -- where he lived?

23 A. I have got his cellphone number, if that
24 would be helpful.

25 Q. State the numbers.

1 Q. (BY MR. MCANULTY) Yes, we would like to
2 have that if you --

3 A. Would you like me to pull that up now?

4 MS. BUESS: Sure.

5 MR. MCANULTY: Sure.

6 A. Okay. It is REDACT .

7 Q. (BY MR. MCANULTY) Thank you.

8 A. At least that is the last number I have
9 for him.

10 Q. Did he have a Chevrolet or Ford?

11 A. Oh, gosh, I want to say it was a Chevy.

12 MR. MCANULTY: Sorry, Terese, go ahead.

13 MS. BUESS: It's okay.

14 MR. MCANULTY: Are you sure?

15 MS. BUESS: I'm fine.

16 MR. MCANULTY: Okay.

17 MS. BUESS: I'm just chuckling.

18 THE WITNESS: It tells a lot -- it tells
19 people a lot about a man, right, Chevrolet or Ford?

20 MS. BUESS: Sure.

21 MR. BENKEN: I'm the same way, man.

22 THE WITNESS: I got a -- I got Ford but I
23 won't be getting another one, but --

24 MR. BENKEN: Tell him that. He's a Ford
25 man, I'm a Chevy man.

1 THE WITNESS: Okay. All right.

2 MR. MCANULTY: I haven't had any trouble
3 with mine.

4 Q. (BY MR. MCANULTY) There was -- there was
5 a question I had now and it went right out my -- we
6 started talking about trucks and I got excited.

7 Oh, Laura Olsen, tell me what you know
8 about Laura Olsen.

9 A. What I know is very little. Whenever I
10 first started the job, I had heard rumors that there
11 has been an affair. That wasn't something that I
12 ever addressed with General Paxton in any form or
13 fashion, not directly.

14 I had been told by both Marc Rylander and
15 Jeff Mateer that there was an affair, and it had been
16 described to me that there had been really a form of
17 intervention, and my understanding is that part of
18 the reason for that intervention was actually the
19 predecessor in my role. My understanding is that he
20 had actually come to General Paxton and said that
21 this needed to be dealt with and looped in the team
22 whenever that seemed to not be happening.

23 Q. (BY MS. EPLEY) What do you mean "looped
24 in"? What did you hear?

25 A. My understanding was that my predecessor

1 had gone to other members of the executive team and
2 said, "This is going on," and, you know, it needed to
3 be dealt with.

4 Q. And what did you hear happened after
5 that?

6 A. My understanding is that they all got in
7 a room and talked about it, put it all out on the
8 table, and I don't know what all was said in that
9 discussion. I know that it eventually became
10 knowledge with Angela and that there is a form of
11 reconciliation there.

12 Q. (BY MR. MCANULTY) Is there still a
13 reconciliation going on?

14 A. I don't have any intimate, personal
15 knowledge on that, only what I have heard.

16 Q. And you've heard?

17 A. I've heard that the -- that the
18 relationship after -- after that relationship with
19 Laura Olsen picked back up and has not been the same,
20 and it does not appear that they have reconciled.
21 It's been pointed out to me that both of them tend to
22 not wear wedding rings, but you -- the rest -- again,
23 that's just speculation and what I've just been told
24 by other people, I have no idea.

25 Q. But you had heard that there were -- the

1 affair had resumed at some point?

2 A. I -- yes, and other individuals actually
3 found that out from me, because whenever there was
4 the home renovation, General Paxton was actually
5 staying over at the Omni Barton Creek, and as part of
6 that, I would pick him up and take him to -- I would
7 take him to work each day, and so he had called off
8 his security detail. So I would run down to Barton
9 Creek, pick up him up each morning and take him over
10 to the office for the day's meetings.

11 And one weekend, my family had actually
12 come down and a dog-friendly hotel, so my sister
13 brought her dog, and my mom and dad were in town, and
14 so we were all kind of spending the night at the Omni
15 Barton Creek and trying to make some -- make a good
16 time out of it. And the General was staying there as
17 well.

18 My -- my mom and sister had gone up to
19 the room, and my father and I were about to enter the
20 elevator, and we had hit the button and were waiting,
21 and we had heard some people talking on the other
22 side of the door, a fairly lively conversation to the
23 point where we could at least -- not tell what they
24 were saying but acknowledge that there was a
25 discussion, and whenever the doors opened, it was

1 General Paxton and a woman.

2 No words were said. General Paxton
3 walked out, shook my hand, shook my father's hand and
4 the lady walked, out, didn't acknowledge us or say
5 anything, just, you know, walked out. That --

6 Q. Walked out of the elevator or --

7 A. Walked out of the elevator. And I assume
8 left the hotel. I am --

9 Q. Yeah.

10 A. After seeing her and talking with my
11 father and feeling that that situation was a little
12 bit odd, I called Marc Rylander and just said, "Hey,
13 Marc, you know" --

14 (Phone rings)

15 MS. EPLEY: And I apologize.

16 THE WITNESS: No problem.

17 A. I just told Marc, I was like, "Okay, I'm
18 going to describe this lady to you. Tell me if it
19 sounds familiar."

20 And so I just -- I described what I had
21 seen, and he just said, "Great, she's back."

22 And that just kind of confirmed my
23 suspicions. I did not know the name of Laura Olsen
24 up until that point, but I also did not -- I also did
25 not see her after that point.

1 Q. (BY MR. MCANULTY) And that was Marc

2 Rylander that you called?

3 A. Yes.

4 Q. (BY MS. BUESS) Can you give us any kind
5 of time frame of when that was?

6 A. It would have been in the summer, the
7 same time they were doing renovations.

8 Q. Uh-huh. 2020?

9 A. Yes.

10 Q. (BY MR. MCANULTY) What's the --

11 MR. MCANULTY: Oh, I'm sorry.

12 Q. (BY MS. BUESS) So where --

13 MR. MCANULTY: No, go ahead, go ahead.

14 Q. (BY MS. BUESS) -- where was Angela
15 staying, was she also at the Omni or was she
16 somewhere else during the time --

17 A. She was also in Dallas. There were a
18 number of instances in which -- and this wasn't
19 anything out of the normal -- where General Paxton
20 would be in Austin for the week and Angela would stay
21 in Dallas, and there were also times that she joined
22 him.

23 MR. EVANS: And when you say "Dallas,"
24 you mean --

25 A. McKinney, their residence in McKinney,

1 yes.

2 Q. Okay. I know it all gets logged into
3 one --

4 A. Yeah, yes. Fair enough. Sorry, to me,
5 everything out there is Dallas. I say I'm from
6 Dallas and I'm from Prosper, right?

7 Q. (BY MR. BENKEN) You know, I don't want
8 to beat on this with Ms. Olsen, but where did she
9 work at the time? Did you know anything about her
10 employment?

11 A. The only thing I knew about her
12 employment was that formerly she had worked on --
13 over at the Capitol for a Senator. Beyond that, I
14 didn't know what her place of work was.

15 Q. Do you know it now?

16 A. I -- it's been told to me, yes, and I
17 read it in the -- you know, some articles and stuff.

18 Q. But again, you never had a conversation
19 with the General about that?

20 A. I did not.

21 Q. Was that an argument that you were
22 overhearing when you -- as the elevator was coming
23 down? You said you heard a discussion but it was
24 loud enough that you -- how would you describe it?

25 A. It -- the -- again, I couldn't --

1 couldn't hear any sort of words through the elevator
2 doors. It did not come across as a heated
3 discussion.

4 Q. Well, what did it sound like?

5 A. It just sounded like two people having a
6 conversation.

7 Q. Okay. So just it was --

8 A. Maybe a little bit more of a lively
9 conversation, like you and I are having right now,
10 but --

11 Q. But it wasn't -- it wasn't -- it did not
12 appear to be an argument?

13 A. It did not appear to be argumentative or
14 adversarial, no.

15 Q. But again, to clarify, you never met her
16 other than that one occasion?

17 A. I did not even see her besides that one
18 occasion.

19 Q. And he did not interview -- introduce
20 you, right?

21 A. No. He walked straight out, shook my
22 hand, shook my father's hand. He was going over to
23 the gym to go work out, and she walked out and
24 presumably left the hotel.

25 Q. Did you know how long he stayed at Barton

1 Creek, at the Omni?

2 A. He -- he stayed there whenever he was in
3 Austin for the extent of those renovations to my
4 knowledge. So, yeah, we're talking about a couple of
5 weeks where I would run down there and grab him, and
6 then, you know, that was outside of whatever travel
7 we had or whenever he was staying in McKinney.

8 Q. (BY MS. EPLEY) Does the trip with your
9 parents and your sister help you to anchor to a date,
10 was it for a holiday or an anniversary or --

11 A. It wasn't for anything significant. It
12 was just kind of a just because, hey, we're going to
13 run down there. It was just, you know, Covid, and so
14 they were just -- I think it was to get out of the
15 house.

16 Q. Okay. So it does not help you with a
17 date?

18 A. No, unfortunately not.

19 MR. EVANS: I think when you were out of
20 the room, we -- summertime.

21 Q. (BY MS. EPLEY) Did y'all do that?
22 Sorry.

23 A. It -- yes, it was summertime, and so
24 it --

25 Q. Got it.

1 A. -- corresponded with the timeline of the
2 renovations. I just -- no anchor there.

3 Q. I understand.

4 MS. EPLEY: While you're doing that, can
5 I just ask some --

6 MR. MCANULTY: Yeah, absolutely.

7 Q. (BY MS. EPLEY) I'm going to start from
8 the beginning, though. So, sorry, we're going to hop
9 around.

10 A. Okay.

11 Q. What did you get your degree in from
12 Georgetown?

13 A. Oh, god. My master's is in political
14 economy.

15 Q. Political comp?

16 A. Economy.

17 Q. Economy makes more sense. I was like,
18 comp, what does that mean? Got it.

19 And undergrad?

20 A. Undergrad was finance.

21 Q. You explained how it is you came to have
22 the job and said that you had met Ken Paxton plenty
23 of times. What was that relationship like? I mean,
24 you're a --

25 A. Very informal. Just, "Hey, I'm a

1 constituent." And I had met him through -- I met him
2 at a couple of times like Lincoln Reagan Day Dinners.
3 That was really about it.

4 Q. Okay.

5 A. I believe he was my State Senator at the
6 time, and one of my first votes for -- well, the
7 first opportunity that I had to vote in an election
8 was a State election and it was him or Dan Branch,
9 and I voted for Ken Paxton, so --

10 Q. And I don't ask this to make any
11 implications, sincerely, but, you know, families and
12 politics in Texas, is it someone your father was
13 friends with or friendly with prior to you working
14 there?

15 A. They knew each other and, you know, my
16 father, Jim Wicker, had met General Paxton at one
17 point in his office, but I believe that was more due
18 to the relationship with Marc Rylander than anything.
19 It wasn't with regards to any specific State
20 business.

21 Q. And then I know I could probably Google
22 it, but when you say that Nate Paul's business is
23 next door to the Governor's mansion, can you help me
24 with distance? I don't want to make any assumptions
25 on what you mean.

1 A. Like right across the street.

2 Q. Oh, literally?

3 A. Yeah.

4 Q. Earlier they were asking you about notes
5 and things from your work there. If you were
6 anything like me, I have everything I have ever done
7 basically plugged into my calendar.

8 Do you have any anything like that in
9 terms of when you would have lunches and meetings
10 with Nate Paul and Ken?

11 A. Yeah, that's a -- I personally don't have
12 access to those kind of things anymore. There's the
13 General's campaign, which we had a campaign calendar,
14 and then we had the -- the State calendar. So we
15 didn't have that kind of overlap. And I don't have
16 access to the campaign calendar anymore to my
17 knowledge, but it's a gmail calendar.

18 And then the State calendar, I believe,
19 yeah, you just guess access through a PIC request,
20 but I don't have access to that anymore either.

21 Q. You distinguished between the campaign
22 calendar and the what?

23 A. The State calendar.

24 Q. And is -- that State calendar, I assume,
25 was through OAG --

1 A. Yes.

2 Q. -- so it is tied to your gmail address or
3 your account there?

4 A. Yes.

5 Q. And the campaign account, when would you
6 use it for calendaring or communications related to
7 the Attorney General's Office business?

8 A. Whenever it was not State business, and
9 so --

10 Q. So you would just literally discern as
11 you were going through the day or gravitated towards
12 one over the other?

13 A. The -- the way that I interpreted it was
14 if it was anything fundraising, obviously that's
15 campaign.

16 Q. Uh-huh.

17 A. Anything that was not pertaining to State
18 business, so initiatives that were specifically tied
19 to the OAG at that time, I would safely put it on the
20 campaign calendar.

21 Q. Okay. If it was Nate Paul, who's both a
22 donor and someone who had issues with the A.G.'s
23 Office, where would his information go?

24 A. I believe he actually ended up on both at
25 various points. And there was an instance where Nate

1 Paul came to the Office of the Attorney General and
2 he and his legal counsel had a meeting up on the
3 seventh or eighth floor in the main conference room,
4 and so that was on the State calendar.

5 The lunch with Ryan Bangert might have
6 ended up on either one, I can't recall.

7 Q. Okay. Can you help me figure out how if
8 I would, if I ever needed to, access the campaign
9 calendar? Is that tied to a particular e-mail
10 address?

11 A. I would need to check, (indicates). I
12 think it's, you know, just REDACT or
13 something like that. Again, I don't have access to
14 it anymore, so --

15 Q. Okay. And you tapped your phone,
16 indicating to me that you think you might have the
17 e-mail address on there. Do you?

18 A. I can check.

19 Q. Would you?

20 A. Yeah.

21 Q. Thank you.

22 A. REDACT .

23 Q. Thank you, sir.

24 You had said that you remembered at least

25 two lunches, one was with the Mitte Foundation -- or

1 in regards to the Mitte Foundation --

2 A. Yes.

3 Q. -- and it was Nate Paul, Ken Paxton, Ryan
4 Bangert, and yourself. Anyone else there that day?

5 A. That day, it was just myself, General
6 Paxton, Ryan Bangert, and Nate Paul.

7 Q. Okay. So no attorneys for Nate Paul?

8 A. No.

9 Q. Okay. And then when you were discussing
10 that, you said two lunches. Was there another one
11 that -- which one was that?

12 A. I believe it was at the same place, and,
13 you know, I believe that was more tied to the FBI
14 situation.

15 Q. Okay.

16 A. That was myself, General Paxton, and Nate
17 Paul, the same location, and, you know, the entire
18 thing was just a discussion on whether or not --

19 Q. Uh-huh.

20 A. -- the raid on Nate Paul's home and
21 office was just. And I'm sure you all are aware of
22 this, but there was some suspicion of whether or not
23 DPS and some of these other law enforcement
24 mechanisms or institutions were also involved, and so
25 they discussed that to, you know, just to that

1 extent. That's really about it.

2 Q. And in terms of -- and I'm going to --
3 I'm going to State stuff, but I'm not leading you,
4 and if I'm incorrect, I want you to correct, and if I
5 leave things out, please happily --

6 A. Okay.

7 Q. Did the allegations amount to a Sticky
8 note you found offensive on a picture, the potential
9 that some wiring was cut in regards to his video, he
10 alleges he wasn't provided a copy of the affidavit
11 and the search warrant but received it upon request.
12 What else?

13 A. The last two I can remember --

14 Q. Uh-huh.

15 A. -- specifically with regards to the video
16 being cut at the home, and then the affidavit not
17 being provided. That I believe those were the two
18 big items.

19 Q. Okay. Fair to say you don't have
20 criminal law experience?

21 A. No.

22 Q. At first blush as a citizen, does any of
23 that feel like a criminal offense to you?

24 A. A criminal offense against Nate Paul?

25 Q. To anyone. Did -- were you sitting there

1 outraged, like you got to do something?

2 A. My -- my initial instinct on matters
3 pertaining to anything criminal is, hey, you know
4 what, if -- if law enforcement is abusing its power,
5 that typically gets rectified through the courts, and
6 you know, I know that that's not always the case, but
7 I believe it resolves most of the issues.

8 I do know that sometimes the legal system
9 gets politicized, but I try not to get too up in arms
10 about those kinds of things and let the process play
11 out.

12 Q. That make senses to me.

13 Q. (BY MS. BUESS) Was there any discussion
14 during that particular lunch about what should be
15 done?

16 A. You know, I know that for a while there
17 was an effort to try and help attain the affidavit.

18 Q. Tell me about that.

19 A. That's not something I really have a
20 whole lot of firsthand knowledge or exposure to.
21 That was, you know, "Hey, I'm going to go reach out
22 to, you know, Ryan Bangert, Mark Penley, see if we
23 can help attain that."

24 Q. That's just --

25 A. General Paxton having those conversations

1 directly, that I was not part of those.

2 Q. (BY MS. EPLEY) Did you get an
3 understanding as to why Nate Paul wanted them?

4 A. The sense I got is that he believed that
5 that was just part of his rights as a citizen; that
6 he should be able to understand why he was raided by
7 the FBI and why those thing were done and, you know,
8 what reason for the search and seizure.

9 Q. And what kind of information law
10 enforcement might have on him?

11 A. Yeah.

12 Q. Okay.

13 MS. EPLEY: You want to keep going or can
14 I?

15 MS. BUESS: Go ahead.

16 MS. EPLEY: I really am hopping around,
17 so --

18 MS. BUESS: That's okay. I will bring
19 you back, so don't worry.

20 Q. (BY MR. BENKEN) Let me get a little bit
21 about you said help, trying to help get the
22 affidavit. Do you remember any specifics about
23 what -- what might be obtained or what was going to
24 happen?

25 A. No, General Paxton typically used -- or

1 partnered with Mark Penley and Ryan Bangert on, you
2 know, trying to obtain any documents relating to the
3 Mitte Foundation or the FBI. Outside of that, I
4 really don't know.

5 Q. (BY MS. BUESS) So was that ever anything
6 that was discussed, like at the lunch table with Nate
7 Paul about what he was going to do?

8 A. You know, I -- I know that General Paxton
9 definitely did discuss, "Hey, you know, we think that
10 this is a miscarriage of justice and you need to get
11 the affidavit." To the best of my recollection, I
12 don't remember him saying, "We are going to do this
13 on behalf of Nate Paul," or tell him, "Hey, we are
14 working on this."

15 Q. (BY MS. EPLEY) You don't -- you don't
16 think that Ken Paxton ever relayed that he was
17 trying -- that he was having some sort of impact on
18 the records request?

19 A. I -- I'm not saying that. I am saying
20 that in the discussion that I was part of, that was
21 not said.

22 Q. Okay.

23 A. I can't speak for the meetings that I was
24 not present for.

25 Q. (BY MS. BUESS) And I'm just trying to

1 clarify which meetings we're talking about.

2 A. Yeah.

3 Q. So there's the luncheon meeting where the
4 complaints are stated?

5 A. Yes.

6 Q. Is there anything that's stated in the
7 context of the lunch meeting about what Ken Paxton
8 himself was going to do or look into on behalf of
9 Nate Paul?

10 A. So I'm going to try and bifurcate these
11 two. So the first meeting with regards to the Mitte
12 Foundation and Ryan Bangert, you know, there were
13 different discussions about, "Hey, okay, we feel as
14 though the Attorney General's Office has the right to
15 be able to step in, in the event that value is being
16 destroyed on behalf of a charity" and --

17 Q. Stop -- let me stop you right there.

18 Is that coming from the General or is
19 that coming from Nate Paul?

20 A. That is -- that was stated by Ken Paxton.

21 Q. In front of --

22 A. Obviously --

23 Q. In front of Nate Paul?

24 A. Yes. And, you know, I'm sure that Nate
25 felt the same way, but the discussion with Ryan in

1 terms of Ryan and Nate talking through what they felt
2 was the legal basis for being able to intervene was
3 the subject of that discussion, and so I'm sure that
4 Ryan Bangert had some do-outs or questions or
5 conversations that he had after that meeting as a
6 result. I don't remember what those were.

7 Q. Do you recall at that point whether or
8 not the A.G.'s Office had actually intervened in that
9 lawsuit?

10 A. I don't remember when they did that. I
11 know that there were plenty of conversations with
12 Ryan Bangert, Joshua Godbey, who is in charge of the
13 charitable trust division at that time. And Mark
14 Penley didn't get involved later until the FBI piece.

15 Q. This will help me. This was the one
16 lunch that Ryan Bangert was present, correct?

17 A. Yes.

18 Q. He wasn't present at any other lunch
19 discussions?

20 A. No.

21 Q. Okay. That -- that helps me.

22 Q. (BY MR. MCANULTY) And that was the first
23 one, correct?

24 A. Yes, that was.

25 Q. (BY MS. BUESS) Okay, I'm sorry I

1 interrupted you.

2 A. No, you're fine. The second lunch was
3 myself, Nate, and General Paxton, and it was a
4 discussion about the FBI and whether or not Nate was
5 being unfairly targeted for the reasons that you
6 mentioned previously, and that -- that was really it.

7 I do not recall any sort of do-out or
8 statement by General Paxton that he said, "I'm going
9 to work on your behalf to try and help you with
10 this." It sounded to me like he was, at least at the
11 time, trying to point Nate Paul in the right
12 direction of the resources that he would need to be
13 able to pull from.

14 Q. (BY MS. EPLEY) For example, what, if you
15 recall?

16 A. I think that he was giving guidance more
17 to the effect of, "You could -- you know, your lawyer
18 could file this kind of motion to be able to try and
19 gain access to these documents."

20 Q. So early, this is -- is this lunch early
21 in the -- after the raid of the house? Where is it
22 in regard to open records requests?

23 A. I -- I do not know where it was with
24 regards to time frame from whenever his house was
25 raided. I wasn't notified of the house being raided

1 until, you know, call it September/October/November.

2 Q. Well, in these meetings that you were in,
3 were you in any meetings related to -- are you
4 familiar with what an open records request is?

5 A. Very.

6 Q. Do you understand how it worked if you
7 wanted to get access to private documents for a
8 search warrant or an office report, for example?

9 A. No.

10 Q. Are you aware of any conversations
11 internally to the Office of the Attorney General
12 about open records requests that would have gotten
13 Nate Paul or the public access to those records on
14 his case?

15 A. I'm sure I was part of those discussions.
16 I don't remember any specific instances. That would
17 probably be a better question for Lauren Downey.

18 Q. Okay.

19 Q. (BY MS. BUESS) So when -- when you're at
20 that second lunch where the discussion has to do with
21 the FBI raid and the General's trying to get Nate
22 Paul directed as far as the resources, was one of
23 those resources an open records request?

24 A. I don't recall that specifically.

25 Q. I mean, your words were, "Your lawyer

1 could file to get those documents." Did he tell him
2 how to do an open records request?

3 A. I don't believe so. I don't remember
4 that specifically. And, you know, on my limited
5 understanding with the FBI, I don't know that the
6 Texas A.G.'s Office has any basis to get the FBI to
7 give them open records. So I don't believe that that
8 was part of that discussion.

9 MR. EVANS: Would you mind if I ask a
10 question really quickly?

11 MS. EPLEY: Please.

12 Q. (BY MR. EVANS) So, Drew, one thing just
13 to try to anchor this down --

14 A. Okay.

15 Q. -- the raid of Nate Paul's house
16 happened -- offices happened before you started your
17 employment, it started -- it happened in August of
18 2019, okay?

19 A. Okay.

20 Q. Do you recall these types of
21 conversations happening in front of you almost
22 immediately upon you starting your employment or was
23 it sometime well into your employment?

24 A. It was well into my employment.

25 MS. EPLEY: Thank you. That helped.

1 MR. EVANS: Okay.

2 Q. (BY MS. BUESS) And then I want to back
3 you up just a little bit, because I kind of need to
4 understand this.

5 When you are first employed, was the
6 General using the security detail? In other words,
7 were they picking him up in the morning and bringing
8 him in to work?

9 A. Yes.

10 Q. So you weren't being used for those
11 purposes?

12 A. On occasion I was. You know, General
13 Paxton -- and this is -- this is no secret -- has a
14 distrust of the DPS, and specifically with regards to
15 what he felt was improper allegations with regards to
16 the securities fraud, and he -- he does believe that
17 DPS played a role in that, and as a result, there is
18 limited trusted in security detail.

19 He does appreciate those individuals,
20 and, you know, they're -- they're good people. I
21 know Jerry, who is now in charge of the security
22 detail, and, you know, we -- we worked very well with
23 them, but there were certain times at which he chose
24 not to use them.

25 Q. Was there a period of time where that

1 became more your responsibility as far as driving the
2 General around?

3 A. It was -- it was sporadic. There were
4 plenty of times which I was, you know, helping out.
5 Especially whenever it was the weekend in McKinney,
6 you know, he and I would -- I would pick him up,
7 because that was just easier, and I know would drive
8 him to, you know, an event or to -- to a meeting that
9 he and I both had on a Saturday. We would watch
10 football together. You know, there's just a kind of
11 whole bunch of ranges of things there.

12 Did it become more frequent in the summer
13 of 2020? The answer is yes.

14 Q. And was it to a point that you had a
15 discussion with someone within the office about that?

16 A. I'm sure I did at some point where, you
17 know, it was -- it was a little bit frustrating at
18 certain points having to also, for lack of a better
19 term, sometimes be a taxi.

20 Q. Uh-huh.

21 A. That said, you know, there were -- the
22 job could be very frustrating at times, and I
23 expressed frustration with certain duties plenty of
24 times, and, you know, just like we all get frustrated
25 with our job sometimes.

1 Q. And did you ever feel like part of the
2 reason he was asking you to drive him as opposed to
3 to his security detail was so that they wouldn't know
4 where he was going?

5 A. With -- with regards to specifically the
6 Barton Creek, I would think that that line of
7 thinking would make more sense --

8 Q. Uh-huh.

9 A. -- given that they had previous exposure
10 to Laura is my understanding. So that point would
11 make sense.

12 The other point is he also just -- he
13 trusted me a lot, and there were times where he could
14 not rely on DPS to help him out in certain
15 circumstances, and so I stepped in.

16 Q. (BY MS. EPLEY) Like discretion?

17 A. What do you mean?

18 Q. I don't know. What do you mean?

19 A. I wouldn't say discretion. I would --
20 you know, the best example I can think of is there
21 was an ins -- there was an instance where General
22 Paxton was very much engaged with the cases that
23 we're discussing right now and he was working late
24 into the night, and this was towards the end of my
25 tenure, so probably September timeframe.

1 He and Angela were going on a trip, and
2 they had a flight out of Dallas the next morning, and
3 the General was bringing his security detail on that
4 trip, if I remember correctly, and so they were going
5 to meet him up in Dallas, and they decided that they
6 could no longer wait for him to finish up what he was
7 working on; and as a result, he was pretty
8 frustrated, and did not want to drive himself because
9 he was very tired and he didn't want to have to worry
10 about that, and so the security detail was sent on
11 ahead. I picked up General Paxton about 11:00,
12 11:30, and then drove him to his home in McKinney.

13 And so that's what I mean whenever I say
14 that there were certain instances in which I stepped
15 in simply because DPS could not -- couldn't assist.

16 Q. Thank you. All right.

17 MS. BUESS: Yeah, go ahead. I'm still
18 trying -- I'm trying to formulate how to ask it.

19 Q. (BY MS. BUESS) Do you recall talking
20 with Brickman about your concerns that you were being
21 asked -- that you were being asked to drive the
22 General specifically for the meetings with Nate Paul?

23 A. I don't remember the specific
24 conversation, but I do know that I expressed that
25 concern, yes.

1 Q. Okay. Did you express that concern in
2 general, or was it concerning Nate Paul?

3 A. It was specifically with regards to Nate
4 Paul.

5 Q. And tell me what your concerns were.

6 A. My concerns were that since I had already
7 had the conversation with General Paxton about the
8 renovations, and that that -- that I still had some
9 lingering questions there in the amount of time that
10 we were increasingly spende~~d~~ spending with Nate
11 Paul that the amount of time in calories that I was
12 spending driving him over there and spending at that
13 house was -- I wouldn't say necessarily concerning as
14 much as frustrating, given that I -- we -- we had a
15 number of issues that I know were top of mind, not
16 only for the General in terms of policy and
17 initiatives in that, you know, late summer of
18 2020/early fall, and we were spending an increasingly
19 large share of our calendar time focused on Nate Paul
20 and those -- and those cases.

21 Q. Okay. That helps me.

22 You mentioned that you were delivering
23 things sometimes to Nate Paul's office. How often
24 was that happening?

25 A. I only remember doing it the one time --

1 Q. One time?

2 A. -- with the manila envelope.

3 Q. Would that have been the manila envelope?

4 A. Yes.

5 Q. And I want to kind of -- I want to kind
6 of pinpoint the time frame of that.

7 Do you recall -- I know that you picked
8 up things constantly within the office. You were
9 picking up and delivering and dropping off.

10 Do you recall an open records file being
11 delivered from somebody within the office to the
12 General?

13 A. I don't recall that specific document --

14 Q. Uh-huh.

15 A. -- because I don't remember what -- I
16 never looked inside the manila envelope.

17 Q. Sure.

18 A. But that is the only time that I can
19 recall personally delivering and handing off a
20 document to Nate Paul.

21 Q. Okay.

22 A. If any other documents were provided to
23 Nate Paul, I might have provided them to that
24 individual, but I don't know that for a fact.

25 Q. (BY MR. BENKEN) Would this have occurred

1 after the conversation at the renovated house?

2 A. I would assume so. I can't say for
3 certain, because it was a -- it was a long summer and
4 things became more concentrated with Nate Paul in
5 terms of our calendared time, as I mentioned, late
6 summer/early fall. So calendar-wise, I think that
7 aligns but I can't say for certain.

8 Q. And I guess my follow-up question is:
9 Knowing how uncomfortable you were overhearing that,
10 your concerns about the increased amount of times
11 going there, did it bother you when you were
12 delivering this package to him that it might -- there
13 may be something --

14 A. I didn't know the contents.

15 Q. -- not quite right here?

16 A. I didn't know the contents, and as we
17 kind of talked about earlier, you know, I'm not a
18 lawyer. I -- to me, my kind of common sense would be
19 if -- if something is an open record, that means it's
20 available to the public and therefore that wouldn't
21 be an issue, but given the fact that I didn't know
22 what the contents were of any manila envelope or what
23 was being handed off, I really just tried not to
24 think too much about it.

25 Q. Were you ever asked to copy anything?

1 A. Yes.

2 Q. Tell me about that.

3 A. I mean, I copied all sorts of documents.
4 I copied agendas, I copied legal documents.

5 Q. But back in that time --

6 MS. BUESS: Talking about that time --

7 Q. -- of Nate Paul.

8 A. I know that there were times in which I
9 was asked to copy things, like the Mitte complaint,
10 and provide copies to Ryan Bangert. The only other
11 instance I can specifically recall being asked to
12 copy a document was if -- a piece of paper that the
13 General had provided me that he had planned to write
14 a letter to the Inspector General to share his
15 concerns, and I believe that that was tied to the FBI
16 raid. So I copied word for word the items that were
17 on that sheet of paper or the timeline of events, but
18 he didn't end up using it.

19 Q. Do you remember what -- what was
20 contained in that document that you copied over?

21 A. I don't specifically remember that, no.

22 Q. (BY MR. MCANULTY) Again, you were asked
23 to copy the Mitte complaint and give it to who?

24 A. Apologies. Just to be clear, the -- as I
25 mentioned a moment ago, the contents were

1 specifically with regards to the FBI and the raid on
2 Nate's home and house -- or home and office. The
3 specific contents of that and from whose point of
4 view, I don't recall.

5 Q. (BY MR. BENKEN) And what did you
6 ultimately do with it?

7 A. I had provided it to General Paxton, and
8 he ended up not using it. He had said that he needed
9 to be able to fill in some blanks, as he put it,
10 and -- but he never used it.

11 Q. (BY MR. MCANULTY) He never used it? How
12 do you know that?

13 A. Because I had followed up with him, and I
14 said, "Do you still need this?" And he said, "No."

15 Q. Do you always believe everything he ever
16 tells you?

17 A. I don't know how he would have gotten
18 access to it otherwise. It was on my -- it was on my
19 computer, so --

20 Q. (BY MS. EPLEY) The letter to OAG, is
21 that what you're saying?

22 A. Yes, the letter to IAG, yes, Inspector
23 General.

24 Q. (BY MS. BUESS) So back to the Mitte
25 complaint --

1 A. Well, hold on.

2 Do I always believe everything that I'm
3 told? The answer is no.

4 Q. (BY MR. MCANULTY) No.

5 A. I can use my own discretion on what I --
6 what I do and don't believe.

7 Q. I'm trying to ascertain from your
8 inclination what you believe --

9 A. Whatever it is --

10 Q. -- and what you're skeptical of.

11 A. To my knowledge, I have the only
12 electronic copy, so I do not believe that the
13 General would have been -- I don't think that he went
14 into my computer after I left and then obtained the
15 electronic copy to be able to --

16 Q. And when you said you had a copy, it was
17 electronic, was it in paper -- on paper yet, you
18 never printed it?

19 A. Not to my recollection, no.

20 Q. When you said you had a copy, I assumed
21 you had a --

22 A. He -- he provided me a copy of the report
23 that he would like typed up, but that's it.

24 Q. (BY MR. EVANS) And I assume that was on
25 your State-issued computer, not anything that you

1 have access to any longer, correct?

2 A. I have a copy that I e-mailed myself on
3 my Proton now.

4 Q. Okay.

5 Q. (BY MR. MCANULTY) And what's the
6 substance of that document?

7 A. As I mentioned earlier, it is the -- to
8 my best recollection, it is a document pertaining to
9 the raid on Nate Paul's home and office.

10 Q. (BY MR. EVANS) Do you know who the author
11 of it was?

12 A. I -- I can look at it.

13 Q. Why don't you do that, that would --

14 MS. EPLEY: Can you send me a copy?

15 Q. (BY MR. MCANULTY) A picture is worth a
16 thousand words.

17 A. Let me see if I still have the log-in.

18 Q. (BY MS. EPLEY) And, Drew, once you get
19 it up, if you're comfortable with that, there's my
20 house e-mail address. We have other questions, too,
21 but just while you have it.

22 A. I'm sorry, is that an underscore HC?

23 Q. It is. And I write terribly. I
24 apologize.

25 A. No, it's still much better than mine. I

1 have to write in all caps.

2 MR. MCANULTY: I do, too.

3 MS. EPLEY: That was actually me putting
4 a little bit of effort in.

5 MS. BUESS: To make it look good.

6 MS. EPLEY: Uh-huh. I mean, better than
7 the alternative.

8 THE WITNESS: I apologize, there is
9 apparently -- it looks like there's two documents, so
10 I will forward both.

11 MS. EPLEY: Thank you.

12 THE WITNESS: And I'm also going to send
13 you the original real quick that I forwarded to
14 myself.

15 Q. (BY MS. EPLEY) Okay. Oh, this is after
16 the whistleblower.

17 A. Yes.

18 Q. Okay. Thank you.

19 A. And I also sent over what I had written
20 after having that request made of me.

21 Q. Okay. And you drafted these, they were
22 not ultimately sent, but Ken Paxton has reviewed them
23 and you discussed them with him?

24 A. I do not know whether or not he reviewed
25 it. I had provided it to him, and it -- I don't

1 think he needed to review it. He had an original
2 copy of what I had copied, so his --

3 Q. I guess -- and I was listening. This is
4 100 percent on me, not me being --

5 A. Uh-huh.

6 Q. Who drafted the letter and what is it?

7 Because when you say he doesn't need to
8 review it because he already had a copy of it, I
9 thought it was something you drafted for him, so I'm
10 clearly confused.

11 A. No. Okay. So my apologies. To be more
12 clear, I was handed a document that outlined the
13 items that I basically took and put into that e-mail.

14 Q. And who provided you that?

15 A. General Paxton provided me that document.
16 I do not recall where that originally came from, what
17 the letterhead was, anything like that.

18 Q. What else do I want? Okay. So you don't
19 know if it was typed or handwritten, for example?

20 A. It was typed.

21 Q. Okay. And he provided it to you, meaning
22 he sent it to you electronically or meaning --

23 A. He handed it to me.

24 Q. He handed it to me, okay.

25 And did you discuss what the bullet

1 points were and what you were -- what tasks you were
2 supposed to complete?

3 A. No, the task that I was assigned was to
4 type that up, which I did, and then he had said that
5 he was going to put in some additional information,
6 which to my understanding he never did.

7 Q. And I have been working too hard because
8 I recognize I'm dancing on things that might not
9 matter, but, you know, if we talk about bullets and
10 I'm looking at this and there's no bullet and it's
11 clearly in letter format, did you copy verbatim what
12 you were handed or did you add to it?

13 A. I copied verbatim what I was handed, with
14 the exception of I believe at the top where it says,
15 "Dear Mr. Horowitz." That part may have been a
16 little bit ad libbed, but the rest of it was copied
17 verbatim.

18 Q. Last piece: If it's already in
19 electronic format, meaning I don't have terrible
20 notes over here and I'm asking someone to assist me
21 by putting them into electronic format, it's already
22 in electronic format, why would you need to retype
23 it?

24 A. The General did not provide me the
25 original document, so I did what I was asked. That's

1 really it. He handed me a sheet of paper and said,
2 "I need you to type this up," and so I did that.

3 Q. Okay.

4 A. He had told me that it needed to be
5 addressed to the Inspector General, and so that's who
6 I addressed it.

7 Q. Okay.

8 MR. EVANS: Why don't we take just a
9 couple of minutes of rest.

10 MS. EPLEY: Yeah, sure.

11 (Recess taken)

12 Q. (BY MS. EPLEY) Thank you for making this
13 happen.

14 A. Yeah, of course.

15 Q. I want others to keep going, but in
16 regards to the letter, do you have -- and I know this
17 is pure speculation, and I know it's a guess, but do
18 you have any ideas as to why you would be provided a
19 typewritten document from someone internal to OAG?

20 A. Yeah, as you mentioned, that's
21 speculation. I would even have to go back and review
22 the document to even remember what all is in it,
23 besides just discussing the raid on the house, I do
24 remember that.

25 Q. Have you ever been provided a typewritten

1 document in the name of Ken Paxton before in paper
2 copy to repeat verbatim?

3 A. Well, I don't know that that document was
4 in the name of Ken Paxton.

5 Q. It is -- oh, you're saying you added that
6 piece?

7 A. Yes. Because it was going to be sent to
8 the Inspector General from the General was the
9 expectation that had been outlined for me. The
10 original document that I copied, I don't know if he
11 was the one to write that. Again, I don't have a
12 copy of that, and I don't remember what was on it
13 necessarily. I don't remember the letterhead, I
14 don't remember --

15 Q. Sure.

16 A. -- any of that.

17 Q. Okay.

18 MS. EPLEY: I -- there's still kind of a
19 lot to recover, so I'm happy if someone else is on a
20 hap, but I'm just going to ask random questions.

21 MS. BUESS: I have got random stuff.

22 MS. EPLEY: Yeah.

23 Q. (BY MS. BUESS) So when you drove the
24 General, whose car were you driving?

25 A. Mine.

1 Q. Your own car?

2 A. Uh-huh.

3 Q. Where would his car be, just stay at home
4 and not get used?

5 A. A lot of times his car was still here in
6 Austin. Sometimes it was over at the office.

7 Q. What kind of car did he have?

8 A. A Mercedes Benz.

9 Q. He had the whole time that you were --
10 that you knew him?

11 A. I believe so, yeah.

12 Q. (BY MS. EPLEY) Were there two houses in
13 Austin back then?

14 A. My understanding is that he -- so, yes,
15 he had the house, it was over on Margranita Crescent,
16 and then my understanding is that he also had an
17 apartment or a condo, but my understanding was that
18 that was under rent at the time, and so there is
19 somebody he had leased it to.

20 Q. Do you know if there are other
21 properties, residences, homes, vacation homes?

22 A. No, not to my knowledge.

23 Q. Okay. I had heard something about
24 College Station, but do you know anything about that?

25 A. Oh, yeah, yeah. He had -- fair enough.

1 I totally forget about that.

2 He has a daughter that goes to A & M, and
3 so as part of her and her friends staying there,
4 they -- my understanding is that they had gone and
5 purchased the house in College Station and that the
6 rest of the roommates were providing rent. So it was
7 a place for his daughter to stay whenever she was in
8 College Station for A & M.

9 Q. Okay. And then the potential for a
10 fourth sort of, I guess, vacation home, small hill
11 country, something, no?

12 A. I -- that wasn't anything that I was
13 privy to at the time. I have heard rumors about some
14 stuff after I had left, and it's strictly just
15 hearsay, but --

16 Q. Okay. And what was that?

17 A. I have been told that he had asked a
18 developer for two of plots in Marble Falls to be
19 given to him.

20 Q. Can you give me more context for that,
21 please.

22 A. I had been -- I don't really know what
23 other context to provide. Two -- two plots of land
24 in Marble Falls, one for him and then one for his --
25 his daughter and her husband.

1 Q. And I know it's hearsay, so it's just
2 stuff you heard, but any context as to why a
3 developer would give him property?

4 I would like people to give me property,
5 so --

6 A. Me -- me and you both. I'm trying to
7 save up to buy a house.

8 So, no, I don't have any context as to
9 that or what the relationship is with the developer
10 or how they know each other.

11 Q. Did you know if that came to fruition?

12 A. I do not.

13 Q. Did you hear anything about it happening?

14 A. No. I just was told by another party
15 that the request had been made.

16 Q. Okay. Do you know of any other similar
17 requests, including hearsay? And be broad.

18 A. I mean, I know that the General asked
19 for, and receives, plenty of things. One of the
20 things that makes him so good at what he does is he
21 understands the power of the ask, because people have
22 a hard time saying no, and that can be for small
23 things, like lunch or providing a furniture move from
24 Dallas to Austin, and it can be for some larger
25 things, apparently, if those rumors are actually

1 true.

2 Q. (BY MR. MCANULTY) What about the
3 Mercedes?

4 A. What about it?

5 Q. Was it asked for?

6 A. Not to my knowledge.

7 Q. Was it bought?

8 A. I don't know if it was bought or leased.

9 Q. Do you know where it came from?

10 A. No.

11 Q. He's never -- he never told you anything
12 or commented about the car, that "It's a nice car,
13 it's an expensive car, I wish I didn't have to pay
14 for it, I wish it was cheaper at home," any of those
15 kinds of statements that would make you think that he
16 had purchase or leased it?

17 A. There was nothing mentioned to me to
18 indicate other than buying or leasing.

19 Q. Okay.

20 Q. (BY MS. EPLEY) The hard part is -- and
21 I've got to continue with these questions -- but I'm
22 aware that because we're dancing on money, it looks
23 like we're driving at something. It's just where we
24 are in my list of questions.

25 A. Right, I get it.

1 Q. So we're tethering to it.

2 Did you ever see him give anything of
3 value, and I don't mean necessarily dollar value, I
4 mean anything that was a benefit being conferred to
5 Nate Paul?

6 A. Nothing that could be confirmed directly
7 with Nate Paul, no. I'm sure you all are aware of
8 and have had discussions about the -- what the
9 whistleblowers I believe called the midnight
10 opinion --

11 Q. Uh-huh.

12 A. -- but other than that, no.

13 Q. And by that you mean the foreclosure
14 letter?

15 A. Yes.

16 Q. Okay. And we're going to come back to
17 that, so -- but on the same thing, anything else that
18 you can think of, of value?

19 A. Anything that General Paxton has received
20 that would be of material value is the question?

21 Q. Well, yes. And not even material. I
22 mean, do -- if I -- if I were to ask you the very
23 broad question: Do you know of anything given from
24 Nate Paul to Ken Paxton of value, financial or
25 otherwise, what would your answer be?

1 A. Lunches, you know, to -- I know that
2 there's also speculation in the media about the
3 girlfriend and hiring her --

4 Q. Yeah.

5 A. -- but that wasn't anything I had direct
6 knowledge or understanding of. So I would just -- I
7 would just have to say the lunches and then, you
8 know, we did talk about the renovation, but those two
9 pieces are purely speculation for -- for me.

10 Q. Right. And I appreciate, because that's
11 what I'm asking, you have construct and context, I
12 don't, and so -- and then the same question but in
13 reverse: Anything of value from Ken Paxton to Nate
14 Paul, and financial or otherwise, including
15 information?

16 A. You know, we already talked about the
17 manila folder, but I don't know the contents of that;
18 and then the so-called midnight opinion, that would
19 be another questionable item, but I don't know
20 whether or not that was specifically done for Nate
21 Paul.

22 Q. Okay.

23 Q. (BY MR. MCANULTY) Has Nate Paul
24 contributed to his campaign?

25 A. Yes.

1 Q. Do you know how much?

2 A. I think it was like \$25,000, but you guys
3 can check the FAC records or whatever it is.

4 Q. Well, the -- to back up just a second.
5 The developer from Lake -- from Marble
6 Falls, who was that?

7 A. I don't know.

8 Q. You never heard?

9 A. No.

10 Q. Okay. And you don't know where the
11 property was. Did you ever see it?

12 A. No.

13 Q. Okay.

14 MS. EPLEY: Keep going. I'm --

15 MR. MCANULTY: No, go ahead.

16 Q. (BY MS. BUCESS) I want to know about the
17 manila envelope.

18 A. What about it?

19 Q. What size was it?

20 A. Enough to contain documents, you know,
21 that big, (indicates.)

22 Q. Like legal size, regular size, 8 1/2 by
23 11?

24 A. I'm just going to say it was big enough
25 to hold some sheets of paper, but --

1 Q. Did it feel like it was a packet of
2 information or a piece of paper? I mean --

3 A. It was -- it was several pages. I
4 don't -- I don't think he would have given me a
5 manila envelope for one page, but, you know, I can't
6 remember if it was that thick (indicates) or that
7 thick or that thick (indicates). I don't think it
8 was that big. It wouldn't have been a phone book,
9 but --

10 Q. Time-wise, I want you to make it back, if
11 you would, please, to the open records request files
12 going back and forth between Ken Paxton and --

13 MS. EPLEY: Ryan Vasser.

14 Q. (BY MS. BUESS) -- Ryan Vasser. Was it
15 about the same time frame?

16 A. I was not involved in the open records
17 request and those discussions.

18 Q. Well, you were, you were, because you
19 actually handled the file that went from,
20 (indicates) --

21 A. Well, it -- again, supposedly. I don't
22 know what was in that envelope.

23 Q. And you brought it back. So there was --
24 there was a file. There was a file --

25 A. What was -- what was the file that I

1 brought and got back?

2 Q. It was the open records file.

3 A. Okay.

4 Q. (BY MS. EPLEY) Basically the FBI file --

5 A. Okay.

6 Q. -- of everything document related to the
7 search warrant.

8 A. Okay. All right.

9 Q. Can we ask those --

10 Q. (BY MS. BUESS) So you -- you got the --

11 A. Appreciate the -- appreciate the context.

12 Q. You picked it up and you took it to Ken
13 Paxton.

14 A. Oh, okay, yeah, yeah. So we had to sign
15 that out.

16 Q. And he had --

17 A. Now I remember that, okay.

18 Q. And he had that for several days --

19 A. Uh-huh.

20 Q. -- and then the time was clicking on the
21 time frame to respond, the Office's time.

22 A. Okay.

23 Q. And so you were asked to get it back?

24 A. Yes, I was, okay.

25 Q. Okay. So I want -- I want you to tell me

1 the timing of the delivery of that package. Was it
2 somewhere about that time?

3 A. I don't remember.

4 Q. Was it after?

5 A. I don't remember.

6 Do you remember about what time frame
7 that whole open records request situation happened?

8 Because the best to my recollection on delivering the
9 manila envelope was, again --

10 Q. Okay, yeah.

11 A. -- later summer/early fall.

12 Q. Okay.

13 MS. EPLEY: Give me a moment, because I
14 have to make myself a little -- does anybody have a
15 question for him?

16 MS. BUSS: Yeah, I don't --

17 (Discussion off record)

18 Q. (BY MR. MCANULTY) Did you sign out for
19 the -- the folder yourself?

20 A. I don't believe so, no.

21 Q. Somebody else had to do that?

22 A. I believe so. I don't remember myself
23 signing out the documents, no.

24 Q. But, well, you just said a while ago that
25 was the document that he had to be signed out for.

1 A. I do remember it having to be signed for.
2 I don't know that I necessarily did that.

3 Q. How did you know it had to be signed --
4 what made -- well, connect the dots there for me.

5 A. I remember having to go pick -- it was
6 the one time that I had to go pick up for documents
7 and sign them out, and I did not necessarily do that,
8 but I remember being told that they had to be signed
9 for.

10 Q. So who would have signed that -- who put
11 them in your hand?

12 A. I can't remember if it was Mark Penley or
13 Ryan Vasser that would have given me those documents,
14 and I don't remember whether or not it was -- it's
15 very possible that I took that form and had General
16 Paxton sign it down the hall and then brought it back
17 to them. I don't -- I don't recall.

18 Q. As you mull over this, anything you can
19 remember in more specific detail about that sort of
20 report?

21 A. In just -- in terms of the open records
22 request?

23 Q. Well, no. You said the only time you
24 ever had to get a document that had to be signed out
25 for was when you picked that file up, and -- and what

1 did you do with it?

2 A. More than likely I just handed it to
3 General Paxton.

4 Q. Okay. And so you went and got it at his
5 request essentially; is that what your recollection
6 is?

7 A. I don't remember whether or not it was a
8 request that was made to Ryan Vasser and Mark Penley
9 and then they notified me that they had that
10 folder --

11 (End of first video/beginning of second)

12 A. -- and that it needed to be signed for.
13 It's also entirely possible that Mark Penley and Ryan
14 Vasser obtained those documents and signed for them
15 themselves and maybe there was a transfer of custody.
16 There were a lot of papers that had transfer of
17 custody sheets.

18 I do remember that at one point one of
19 them had to be signed for, and I believe that to be
20 what you-all are referring to.

21 Q. Referring to. And you took it and gave
22 it to the General?

23 A. I -- yes.

24 Q. In his -- in his office versus in the
25 car?

1 A. I can't recall if it was in the office or
2 the car. There's plenty of times I delivered stuff
3 to him in the car and there's plenty of times where I
4 delivered stuff to him in the office.

5 Q. And where was the last time you saw that
6 particular file?

7 A. I guess whenever I gave it back to Mark
8 Penley or Ryan Vasser.

9 Q. Tell me about the trip. Where did it go
10 and how did it get back?

11 A. Well, as -- as you guys mentioned, I gave
12 it to General Paxton, and then I had to request to
13 get it back.

14 Q. Well --

15 A. So I don't -- I don't have the journey in
16 terms of what happened once I handed it off to him.

17 Q. But you ended up getting it back after
18 that?

19 A. Yes. I asked for documents from him on a
20 routine basis so that I could return them or, you
21 know, whatever it was, signed opinions, things of
22 that nature.

23 Q. (BY MR. BENKEN) During the time that you
24 worked at the office, did you ever see the General
25 get involved in any other open records-type request?

1 A. Not to my recollection. Towards the --
2 towards the end, it was Brent Webster that got much,
3 much more involved in those types of requests. My
4 understanding is that during my ten -- tenure, Jeff
5 Mateer also worked on the open records request, but I
6 don't remember General Paxton being too involved in
7 either --

8 Q. In this particular one that you remember
9 getting either from Ryan or Mark and taking it to the
10 General and returning it, you do recall it was
11 specifically related to a Nate Paul and the FBI and
12 all that?

13 A. I don't recall specifically recall that.
14 I can assume that that was more than likely the case.

15 Q. I think you were present at a meeting at
16 the main office with the General and Ryan Bangert and
17 Nate Paul and his attorney. Do you recall that?

18 A. I did not sit in on that meeting. I had
19 to assist at one point in time with a computer issue,
20 but I was not in the meeting.

21 Q. You weren't there for the whole thing?

22 A. No.

23 Q. So you didn't hear what was being
24 discussed?

25 A. No. My understanding is that it got very

1 intense.

2 Q. Uh-huh.

3 A. I apologize. David Maxwell, apparently
4 he and some other people got fairly intense on
5 whatever was being discussed, and then it -- you
6 know, my role was they were trying to demonstrate
7 that I guess the modified date could be altered --

8 Q. Uh-huh.

9 A. -- and so they were asking me to come in
10 with my computer and, you know, do some stuff with a
11 file -- I don't remember what file, it could have
12 just been a blank sheet of paper for all I
13 remember -- and demonstrate the modified date versus
14 created by and things of that nature in terms of the
15 technical timestamps.

16 Q. (BY MS. EPLEY) So you were creating a
17 sample template of what happens to timestamps, not
18 looking at actually the document that they cared
19 about?

20 A. I believe so. I don't remember if there
21 was anything on that sheet of paper or, you know,
22 whatever document it -- I don't remember them sending
23 me a document for the purposes of demonstrating that.
24 I remember just using a document. It could have been
25 anything.

1 MS. EPLEY: Here I will help, I will.

2 Q. (BY MS. EPLEY) Are you familiar with
3 anything called Leslie Industries?

4 A. No.

5 Q. (BY MS. BUESS) Aside from a personal
6 phone and a State phone, did the General have other
7 telephones?

8 A. He did. There were at least two to three
9 other devices that were in his possession at the
10 office towards the end of my tenure.

11 Q. (BY MR. MCANULTY) "Other devices,"
12 meaning phones?

13 A. Yes.

14 Q. Were they like an issued phone or are you
15 talking about like call it a temporary or a burner
16 phone, one you can just go buy and you have so many
17 minutes?

18 A. I don't -- I don't know that they were
19 burners. If I remember correctly, one was like a
20 Galaxy Fold and then another was, you know, just a
21 regular iPhone.

22 Q. None of them were the -- the more
23 temporary type?

24 A. Not to my knowledge, no. It would be a
25 very expensive burner phone.

1 Q. Well, did he use them regularly?

2 A. No, that's not what I was saying. I'm
3 just saying that I feel like that would be a very
4 expensive burner phone.

5 Q. Oh, well, a Galaxy and iPhone, sure.

6 A. Yeah, so that's all I'm saying there.

7 Q. Okay.

8 A. To my knowledge, he never used a burner
9 phone.

10 Q. (BY MS. BUESS) Why would he have those
11 phones?

12 A. I don't know.

13 Q. Did you ever see him use them?

14 A. Did I ever see him use them? Yes, I did
15 see him use a different iPhone at one point in time.
16 I think it's the only time I saw him do it.

17 Q. And those are plus his own personal
18 phone, plus an office phone?

19 A. Yes. So he had -- he had his State
20 phone, and then he had his personal phone, and then
21 he had this other phone.

22 Q. (BY MS. EPLEY) Phones?

23 A. Phones, yes. But I only saw him use the
24 one.

25 Q. (BY MR. MCANULTY) Okay. So State,

1 personal, a Galaxy, and an iPhone?

2 A. At least. I believe that there were
3 three, but those two stick out in my mind, so --

4 Q. Well, that's four: A State, a
5 personal --

6 A. Three additional phones --

7 MS. EPLEY: Three additional.

8 A. -- that was his own --

9 MS. EPLEY: Three additional and three of
10 his own.

11 Q. (BY MR. MCANULTY) So three more?

12 A. Yes.

13 Q. Okay. I don't know what the -- I know
14 about a Galaxy and an iPhone, but I don't know about
15 the --

16 A. Yeah, and I was just saying that I can't
17 recall what the third one was.

18 Q. Can't recall the third, okay.

19 Q. (BY MS. BUESS) So tell me how you came
20 to leave the office.

21 A. As I mentioned earlier, there was an
22 opportunity with my family's company and they needed
23 some assistance. I was actually in the process of
24 getting a promotion and a raise with the AG's Office
25 whenever a lot of the whistleblower stuff popped up,

1 and the General asked me to take on an expanded
2 portfolio in a different role, very similar to kind
3 of -- it would have been like an adviser kind of
4 role, probably still assumed a lot of the same
5 responsibilities, but he wanted me to start getting
6 more into the policy portfolio piece, and
7 specifically the requests were made to help oversee
8 the Google investigation, as well as a couple of
9 others, such as the transfer of jurisdiction for
10 certain, like, cold cases and things like that, and
11 then also charitable trusts.

12 And whenever the whistleblower piece all
13 happened and I got subpoenaed by the FBI, I let him
14 know that I would continue to take on those
15 responsibilities as they were handed to me, but in
16 good conscience, I could not take the change in title
17 or change in compensation, just so it did not appear
18 as though there was any quid pro quo.

19 MS. EPLEY: Good point.

20 Q. (BY MS. BUESS) So when you -- when you
21 left, did you continue collecting a paycheck, was
22 there a period of time?

23 A. From the State?

24 Q. Yeah.

25 A. No.

1 Q. No?

2 Q. (BY MR. MCANULTY) Did you get a paycheck
3 from someone besides your dad's --

4 A. I did receive, mistakenly, a few checks
5 from the campaign. We had notified them that they
6 needed to stop doing that, and then I actually
7 donated all of the money back to the campaign.

8 Q. How much was that?

9 A. About \$1,000.

10 Q. So it was an increment settlement?

11 A. Yes. As I mentioned, it was a couple of
12 hundred bucks a month.

13 Q. (BY MS. BUESS) But your regular salary
14 wasn't paid after the date that you left?

15 A. Not to my knowledge, no.

16 Q. (BY MS. EPLEY) Was -- was the events
17 that led up to this and the occurrences with the
18 whistleblowers a factor in your decision to leave?

19 A. You know, it's not as clear-cut as that.
20 I mean, frankly, the whistleblower piece wasn't
21 necessarily a decision to leave as much as whenever I
22 was asked to potentially also oversee the charitable
23 trust piece, given that that was tied to a lot of the
24 Mitte Foundation and things of that nature, that made
25 me a little bit uncomfortable; but also I was in

1 discussions about, you know, trying to do something
2 in D.C. post-election.

3 And the biggest driver in terms of me
4 making a decision to leave and leave as quickly as I
5 did was the need for my family's company. It was
6 important that I go then and there, and that's what
7 was communicated to General Paxton by myself and my
8 father, who were both there and came and saw him,
9 and, you know, it was unfortunate that it was as
10 quick as it was. I would have liked to leave right
11 and give two weeks' notice, but there was -- there
12 was an urgent need, and so I stepped in and helped
13 out with that. And it's turned into a little bit of
14 a career, so --

15 Q. Is it fair to say that your interests in
16 politics and desire to be involved in politics and
17 these connections makes it difficult for you to be in
18 the position you're in right now in this room,
19 uncomfortable at the very least?

20 A. I think what makes me uncomfortable is I
21 have friends on all sides of this issue. I still
22 keep in contact with the whistleblowers. I call them
23 all friends. I still think the world of them. I
24 think that they sincerely believe that what they did
25 was the right thing to do.

1 I don't know whether or not General
2 Paxton did anything illegal to merit what they did or
3 not. But I also think the world of General Paxton
4 and Angela. They did a lot for me, and I would
5 consider them to still be friends. So I think that
6 that's what makes this more of a difficult position.

7 Q. It makes it --

8 A. I'm not -- I'm not focused on the
9 politics of this situation. I think that it's more
10 important that the truth get found out and all fall
11 where it may.

12 Q. After -- after the events that led to the
13 whistleblower case and after you were asked to talk
14 to the FBI, has the General ever asked you for
15 recount of that information or your position on
16 things?

17 A. No. He and I have never discussed it.
18 The most we have discussed is the Cowboys and playing
19 golf.

20 MS. EPLEY: And then I was going to drill
21 down on each of the pieces unless y'all want to --

22 MS. BUSS: I think I want to get the
23 time frame real quick.

24 MS. EPLEY: Yeah, oh, sorry --
25 (talkover) -- pose it back. That would be so

1 terrible.

2 MS. BUESS: Yeah, I'm sorry --

3 MS. EPLEY: I'll get it back, yeah.

4 MS. BUESS: -- it's gone.

5 Q. (BY MS. EPLEY) Okay. I know that you've
6 been here a long time, so we really are going to try
7 and get you out of here soon, but here's what I would
8 like to do: I'm going to give you a topic and you
9 tell me which people in the A.G.'s Office you had
10 contact with on it.

11 A. Oh.

12 Q. And I don't mean every single possible
13 person, right?

14 A. Okay.

15 Q. So the most significant and most routine.
16 So the Mitte Foundation?

17 A. Ryan Bangert, Ryan Vasser, General
18 Paxton, Jeff Mateer, Marc Rylander. I don't believe
19 at that point that Mark Penley was involved.

20 Q. Okay. The open records --

21 A. Oh, Josh Godbey.

22 Q. Thank you. Now, before it became an
23 issue, before the end, who were the most frequent?

24 I'm going to assume -- and I'm not trying
25 to feed you but just to help you anchor as to my

1 question -- that it was Vasser, Bangert, and Godbey.
2 Is that accurate?

3 A. At the very start, probably for the
4 first, call it, two months or so, it was General
5 Paxton, Ryan Vasser, Josh Godbey. And that was --
6 that was the group. Whenever progress wasn't being
7 made, that's whenever Ryan Bangert got involved.

8 Q. Thank you. What about the open records
9 request?

10 A. Obviously I'm having difficulty
11 remembering that piece.

12 So General Paxton, and I can't remember
13 if it was Mark Penley or Ryan Vasser that provided me
14 with the document, and I would assume that Lauren
15 Downey was involved in that as well.

16 Q. Okay. And to go back earlier, I know
17 that -- I know that it's been some years and that
18 you're not privy digging through the file --

19 A. Yes.

20 Q. -- are you following us when we say you
21 picked up that file or are you just taking it as
22 gospel that you heard that from someone else or do
23 you recall picking up an open records file?

24 A. I recall picking up an open records file
25 that had to be signed for. I do not remember

1 specifically whether or not it was tied to the -- to
2 the Mitte Foundation or anything like that. It was a
3 unique circumstance. So, yes, I am trained to
4 believe that that is more than likely what that
5 document was.

6 Q. And if I were to ask you if there was any
7 other possible document that was relevant at that
8 time period that would have needed to be picked up,
9 can you think of anyone?

10 A. I can't think of any at all, no.

11 Q. In terms of the search warrant and the
12 investigation outside of hiring Brandon Cammack, who
13 would you have talked to or been present for other
14 than Ken Paxton?

15 A. For the FBI piece and all that.

16 Q. Right.

17 A. General Paxton, Mark Penley, Ryan
18 Bangert, Jeff Mateer, Blake Brickman.

19 Q. Okay. Did you have -- were you part of
20 conversations or were you present for conversations
21 after what you had described as Maxwell getting upset
22 in a meeting and before Brandon Cammack was hired
23 about hiring outside counsel?

24 A. I don't recall anything about, you know,
25 General Paxton attempting to hire outside counsel

1 until it actually happened.

2 Q. Okay. So you don't -- if I, for example,
3 asked if other people -- if people other than Brandon
4 Cammack were interviewed, that would have been before
5 you knew what was going on?

6 A. I apologize, I actually do remember
7 Brandon coming and being interviewed at the office.
8 I was not part of that discussion. It was behind
9 closed doors with he and General Paxton, but I do
10 remember him coming in to visit and be hired.

11 Q. Okay. Do you know if he was at the
12 office prior to that occasion?

13 A. I don't.

14 Q. Do you know how the General came to be
15 familiar with Brandon Cammack?

16 A. I don't.

17 Q. Have you heard or do you have a guess?

18 A. Just what I have read in the news.

19 Q. Which is what?

20 A. That there are apparently some ties to
21 Nate Paul.

22 Q. Okay. Is the other gentleman's name Joe
23 Brown, the ASA? That's okay.

24 Are you familiar with an ex-federal
25 prosecutor who was also interviewed?

1 A. Yes. Yes, I was.

2 Q. Were you present for that?

3 A. I was not. I was not, no.

4 Q. Okay. Do you -- I saw you hesitate. And
5 you're not under oath, so you're not limited to
6 non-hearsay, if you see or hear something
7 relevant and want --

8 A. I just remember being told that he -- he
9 wasn't the guy and that they were going to go to with
10 Brandon.

11 Q. Who told you that?

12 A. General Paxton.

13 Q. Okay. And why wasn't he the guy, any
14 illumination as to that?

15 A. I don't remember. If I remember
16 correctly, he was a referral by Mark Penley.

17 Q. Okay. The ex-prosecutor?

18 A. I believe so, yes.

19 Q. Did you -- early on, did you see any
20 differences between the experience of these two
21 individuals?

22 A. No.

23 Q. Okay. Are you aware of any commentary by
24 the ex-federal prosecutor about, "This investigation
25 is crazy, what are y'all up to"?

1 A. I remember that -- so I never heard that
2 directly from that individual. I did -- I do recall
3 that there was -- I had been shared that the
4 individual had expressed speculation about it.

5 Q. Can you give me more color? What do you
6 mean?

7 A. That he had expressed speculation about
8 whether or not there was any "there" there, just to
9 kind of --

10 Q. Uh-huh.

11 A. -- put it into terms there. And I
12 believe that I had heard that from Mark Penley --

13 Q. Okay.

14 A. -- and due to that relationship.

15 Q. So at that point after the federal
16 prosecutor had come in, Maxwell, Bangert, Brickman,
17 you know, senior leadership, who in the office
18 thought there was a "there" there to even keep this
19 going?

20 A. My understanding was that at that point
21 in time, there was nobody that -- besides General
22 Paxton that wanted to continue down that road.

23 Q. Okay. Do you have an opinion as to
24 whether those individuals, you know, politics,
25 motivations, loyalties, had been pro or anti-Ken

1 Paxton through their employment up to that point?

2 A. Those seven individuals that wrote the
3 letter are good, conservative, Christian leaders in
4 the State and in their community, and I did not -- I
5 did not at any point in time get any sort of feedback
6 other than that they wanted what was best for the
7 State and that they also cared for General Paxton.

8 Q. Thank you. So continuing on this, in
9 terms of hiring Cammack, who would you have had
10 interactions with?

11 And I don't mean -- I know you had
12 conversations with other ones, but who was involved
13 in that or instrumental in that and had --

14 A. In terms of hiring Cammack, you know, all
15 it would have been would be General Paxton telling
16 me, "Hey, this guy's going to come into the office
17 and I'm going to interview him."

18 And I let DPS know downstairs to expect
19 this individual around this time. The gentleman
20 comes, signs in, and then he gets sent up to the top
21 floor, and then I greet him at the door and walk him
22 in. That's -- that's really about it.

23 Q. Do you recall how many people were
24 interviewed?

25 A. Just the -- just the two that you

1 mentioned.

2 Q. Just the two. Okay. Well, I only know
3 of two by name, but something I read somewhere
4 indicated that there might have been a third, and I
5 want to make sure you're unaware.

6 A. Yeah, not to my recollection. The two
7 that you've mentioned are what I remember as well.

8 Q. Okay. The same path, in terms of the
9 office of the Attorney General, other than Ken
10 Paxton, who were the direct contacts for the
11 foreclosure letter or what they call the midnight
12 letter?

13 A. Ryan Vasser, Ryan Bangert, and General
14 Paxton. I don't recall anybody that I interacted
15 with outside of that circle.

16 Q. Okay. And what about Michael Wynne, did
17 you ever have contact with Michael Wynne?

18 A. I don't remember that name.

19 Q. You don't?

20 A. I don't believe I do.

21 Q. Did you ever have private meetings
22 between Brandon -- or were you ever present for
23 meetings between Brandon Cammack and Ken Paxton?

24 A. Not that I remember, no. I think
25 whenever he finished up his time, you know, he was

1 being shown around the office, and so I was present
2 for that and, you know, maybe a short discussion
3 there, but I don't remember anything else besides
4 that.

5 Q. Okay. My next questions are going to
6 be -- I'm going to need you to help me anchor.

7 A. Okay.

8 Q. Do your best to see where I'm headed and
9 not maybe be that specific.

10 A. Okay.

11 Q. As a state prosecutor or a federal
12 prosecutor, as a government employee, even acting in
13 this earnest attempt to have transparency and
14 clarity, there are times where it's just easier for
15 me to text co-counsel or just easier for me to text
16 an officer.

17 A. Uh-huh.

18 Q. You know, I use a WhatsApp for
19 communications for my Mutton Bustin' Committee for
20 rodeo. We have lots of methods of communication, and
21 sometimes that's to stay off the grid, and sometimes
22 it's for other reasons. I'm not asking you to guess.

23 Was it the common practice of the
24 Attorney General to put most communications in a
25 discoverable format?

1 A. No.

2 Q. "Communications," meaning anything,
3 right? Like --

4 A. No.

5 Q. Okay. So what was -- what did you
6 perceive as the best practice?

7 A. Best practice that had been --

8 Q. Or the most common practice?

9 A. Yeah, most common -- fair enough. Thank
10 you. The most common practice that had been shared
11 with me is anything that is on a personal device
12 that, you know, we try and clean that out, you know,
13 after about 24 hours.

14 In terms of external communications,
15 there were a couple of other means available, you
16 know. Use of Signal, for example.

17 Q. Okay.

18 A. Proton Mail, that's another one that I
19 just -- you know, forwarded you that e-mail from,
20 which, you know, I don't think General Paxton has one
21 that works now, but he did at the time.

22 Q. Okay. I need a little bit of an
23 education, so we'll go fast, but --

24 A. Okay.

25 Q. -- I -- I'm familiar with WhatsApp.

1 Is Signal the same, meaning it's a
2 communication tool and it doesn't have the ability to
3 be --

4 A. Signal is an encrypted messaging chat
5 that my understanding is it's -- it's Israeli, and
6 it's -- it -- I introduced that to the office
7 whenever -- I had come from D.C., and that was an
8 easy way for me to communicate with my friends that
9 were working on Capitol Hill, because that is a
10 common practice there.

11 And then also, it was an easy means for
12 me to be able to communicate with my classmates, some
13 of whom were foreign and they didn't have regular
14 American cell plans, and so that was an easy means of
15 communication with them as well.

16 Q. Okay. And when you say "introduced that
17 to the office," who do you recall beginning to use it
18 in a fairly routine basis?

19 A. I remember General Paxton using it. I
20 think at one point, you know, maybe Jeff Mateer and
21 some other stuff. This was coinciding specifically
22 with whenever General Paxton and I went to China and
23 we were exploring methods of secured communication.

24 Q. Okay. So that's an added benefit, too,
25 he can have communications and not be as worried that

1 it's going to be lifted from the --

2 A. Yes.

3 Q. -- inter webs and digested by Chinese
4 officials?

5 A. Yes.

6 Q. Other than Signal, you mentioned also
7 Proton Mail.

8 A. Yes.

9 Q. I am old, so I still have a Hotmail.
10 What is the difference between Proton and
11 what the rest of us might be used to using?

12 A. You know, my understanding is that it's
13 just a highly encrypted method of communication
14 with -- with regards to e-mail. And so we had
15 created those, also again, for whenever we were going
16 to China so that we could still exchange
17 communication with Jeff Mateer and all the other
18 people just to make sure we were still doing whatever
19 needed to be done while in China.

20 Q. Okay. And when was the China trip?

21 A. That was end of October/beginning of
22 November 2019. So great timing.

23 Q. Right. At least you got in and out.

24 Okay. Other than Signal and Proton,

25 anything else of the same ilk?

1 A. You know, you mentioned WhatsApp, that
2 might have been used. I can't -- I can't strictly
3 recall.

4 Q. Uh-huh.

5 A. I know that I have used it --

6 Q. (BY MR. BENKEN) Wait. On that China
7 trip, was that 2019 or 2020?

8 A. '19.

9 Q. Okay. Right after you started?

10 A. Yes. I had been there for about two, two
11 and a half months.

12 Q. Okay.

13 Q. (BY MR. MCANULTY) And let me -- when
14 did -- how long were you gone, was the trip?

15 A. Just under two weeks.

16 Q. So late October/1st of November is what
17 you said, right?

18 A. Yes.

19 Q. Okay. So potentially also WhatsApp?

20 A. Yes.

21 Q. So -- but what you know for sure is that
22 business would have been conducted between Signal and
23 Proton, at least, and a --

24 A. I do know that business was conducted
25 through those two, yes.

1 Q. Okay. Now, you introduced Ken Paxton and
2 the rest to Signal. And was Proton something you
3 brought there also?

4 A. No. That was at the recommendation of
5 our I guess it would be CTO, Tina McLeod.

6 Q. Okay.

7 A. And she -- if I remember correctly, she
8 personally set up both he and I's accounts for that
9 trip.

10 Q. And in part of your conversations, at
11 least in regards to Signal, did you and Ken Paxton
12 ever discuss the fact that that stuff is not going to
13 be complied with if someone were to issue a search
14 warrant, that that information's gone?

15 A. I had never discussed anything like that
16 with him, no.

17 Q. Okay. Now, I'm not trying to dance
18 around, but I mean, I'm not dealing drugs, and when I
19 talk to friends to get on the WhatsApp but it
20 certainly was something that I say, right, like this
21 isn't discoverable in the same way, the narrative
22 information's not there, that's not part of an
23 explanation?

24 A. No, again, going back to my point
25 earlier, I -- I don't have that kind of legal

1 knowledge.

2 Q. Okay. Going back --

3 A. So it was just, "Hey, this is an easy
4 means for secured, encrypted information to continue
5 conducting State business while with an adversary
6 abroad."

7 Q. Okay. That makes sense. We're getting
8 back to the random, could you help me to --
9 (inaudible).

10 Did you ever hear Nate Paul wanting
11 access to the search warrant affidavit yourself?

12 A. I believe that was mentioned at that
13 lunch I mentioned, yes.

14 Q. Not that I'm trying to drill you down if
15 you're not sure. I always want you to let me know if
16 there's a question, but it seems like there's an
17 entire lunch about the FBI, and you don't know
18 whether or not he wanted information about what they
19 had on him?

20 A. Well, so -- and again, this might just be
21 my legal lack of knowledge here.

22 Q. Sure.

23 A. To me hearing about the affidavit, it
24 seemed more to be tied to his rights as a citizen to
25 know why they raided his home. I don't know that it

1 was necessarily being -- I don't know that it was
2 necessarily interpreted by me that the purpose of
3 obtaining the affidavit was to understand what the
4 FBI had on Nate Paul as much as what was the
5 reasoning behind the raid. And that might just be
6 my --

7 Q. No, no, no, I get it.

8 Would you agree with me that both of
9 those things boil down to, what do they know?

10 A. I could see that, yes. Yeah, I could see
11 how you get there.

12 Q. Let's see. I might have tethered here
13 incorrectly, so let me know, but when you were
14 talking about the Paxtons having plenty of resources,
15 it was tied to the granite countertops. You had
16 talked about him being kind of stingy. I guess you
17 already answered that in terms of resources.

18 MS. BUESS: Uh-huh.

19 Q. (BY MS. EPLEY) Okay. Never mind.

20 And I think you've already answered this,
21 too, but as you sat there as an observer knowing how
22 the rest of the office felt, I know that you said you
23 care about both sides, that Ken Paxton was the only
24 one who wanted to proceed, but I would like to go
25 issue by issue in regards to how you understood them.

1 A. Okay.

2 Q. So in regards to Mitte, do you know
3 enough if I were to talk about terms of their
4 settlement, they would make sense to you, or is that
5 deep within your knowledge?

6 A. I can understand a good deal when I see
7 one.

8 Q. Sure, okay. So if Terese and I own a
9 building together and I want her to buy me out and
10 I'm about to get \$10 million and she agrees to pay me
11 \$10 million and then she doesn't pay me \$10 million,
12 and I sue her, right, do you think if someone forces
13 me back to the table, it's because they expect me to
14 take more than the 10 million she's already not paid
15 me?

16 A. No, you're going to want -- you're going
17 to want them to take less.

18 Q. So did you understand why the Mitte
19 Foundation felt like it was pressure for the AG's
20 Office to join? Does that make sense to you?

21 A. I don't remember the exact specifics of
22 the complaint.

23 Q. Sure.

24 A. So, I mean, the example you just lined
25 out for me totally makes sense.

1 Q. Okay.

2 A. Yeah, as a negotiating tactic, you're
3 going to feel like you should be obligated for that
4 ten million, unless there's a material breach of some
5 sort that would reduce the value of the property.

6 Q. So fair to say the Office of the Attorney
7 General employee's opinion in regards to what should
8 happen on the Mitte case seems valid or rationale to
9 you?

10 And no one's going to ask you this on the
11 stand. I'm asking to make sure I understand we're on
12 the same page.

13 A. Yeah.

14 Q. Do you know what I'm saying, like --

15 A. Yes. Yes, yes, I do.

16 Q. -- if -- if the rules are that people
17 can't have access to ongoing criminal investigations
18 against themselves --

19 A. Uh-huh.

20 Q. -- and therefore the public can't have
21 them because you don't want me to have it --

22 A. Yeah.

23 Q. -- if employee's opinion was that
24 shouldn't be released, does that feel like a rational
25 position to you?

1 A. If -- if it is illegal for an individual
2 to have access to those kind of things, then, yes,
3 that's the law.

4 Q. Okay. Then we're on the same page. I
5 don't need to go through all of this, yeah.

6 Q. (BY MS. BUESS) So March of 2020 is about
7 the time of the open records request.

8 A. Okay.

9 Q. Does that fall in line with when you
10 recall delivering the manila envelope?

11 A. Earlier I had mentioned that, you know,
12 that was -- if I remember correctly, it was late
13 summer/early fall, because I do remember it being
14 very, very warm and driving up to -- to his place of
15 business and handing him that document on the side of
16 the road.

17 Q. Okay.

18 A. So --

19 MS. EPLEY: Whoa, side of the --

20 Q. (BY MR. MCANULTY) Was this in the
21 daytime?

22 A. It was in the daytime, yes.

23 Q. Was there ever a nighttime where you took
24 him something?

25 A. I don't recall ever taking -- I don't

1 recall ever taking him documents at night. We did
2 have a meeting that ran late, later into the night,
3 but it -- you know, that's -- that's all I can
4 recall. I don't remember giving him documents.

5 Q. (BY MS. BUESS) And I'm being corrected.
6 It's May.

7 A. Okay.

8 Q. We're looking at May. Make sense?

9 A. Yeah, that would make sense. And maybe
10 it was a little bit closer to mid-summer, something
11 to that effect.

12 Q. (BY MR. MCANULTY) And you -- so would he
13 walk outside to get it from you? How did --

14 A. Yeah.

15 Q. Had you called and said, "I'm on my way,"
16 or how did he know that you were coming up?

17 A. I contacted him. I can't remember if I
18 messaged him or called him.

19 Q. Did you know his cellphone number?

20 A. Yeah.

21 Q. Do you mind giving it to us?

22 A. It is REDACT .

23 Q. Is that the only one you have for him?

24 A. That is the only phone number I have for
25 him.

1 Q. Why did you have Kevin Wood's phone
2 number?

3 A. Because he was conducting the renovations
4 on General Paxton's house and there were times where
5 I had to communicate with him for the pickup of
6 certain items, like clothes or whatever else.

7 Q. Okay.

8 MS. EPLEY: I thank you for your patience
9 with all my randoms.

10 So anything from anyone?

11 Q. (BY MS. BUESS) What are we missing?
12 Drew, what are we missing? What should by be asking
13 you that we haven't?

14 MR. MCANULTY: John, we need a prompt
15 here.

16 A. I'm really thinking to think, because we
17 have jumped around.

18 Q. (BY MS. BUESS) We have.

19 A. And that's -- that's no criticism. I'm
20 just -- I'm trying to -- I'm trying to think here.

21 Q. (BY MR. MCANULTY) You're trying to be --
22 you are a nice guy. Your parents did a good job
23 raising a good person.

24 A. Well, thank you.

25 Q. They taught you right from wrong. They

1 told you to go to church and try to do what's right
2 in life, correct?

3 A. Yes.

4 Q. You were trying real hard to serve two
5 masters here literally: One you're friends with the
6 whistleblowers and think they're fine, upstanding
7 great people, but you also think something similar of
8 Ken Paxton, even though he has disappointed you --

9 A. I didn't say that.

10 Q. -- even though he has disappointed you
11 and more -- in several ways perhaps?

12 A. Yeah, I didn't -- I didn't say that
13 necessarily. The question to me has always been:
14 Did General Paxton do something that was immoral,
15 illegal, or unethical? I think that there is a case
16 based on the things that I saw that he clearly
17 engaged in immoral and unethical activity, just based
18 on the fact that he had an affair, and I take those
19 kind of things seriously.

20 I do not know enough about the
21 circumstances to determine that he did something
22 illegal. So I would not say that I'm serving two
23 masters. I would say that -- I would say that I'm
24 trying to maintain a balanced view and give him --
25 you know, it's innocent until proven guilty, right?

1 Q. Yeah, except you're not on the jury.

2 A. No, I understand that. I'm going to let
3 the process play out, because I've been doing this
4 nightmare for three years, and so I'm simply here and
5 I'm going to give you guys the truth, and I'm going
6 to give you the best recollection, and then I'm going
7 to trust that the evidence points where it shall, and
8 if that ends up being that he conducted illegal
9 business, then I love the man all the same and I hope
10 that that gets adjusted, but he also needs to be held
11 to account.

12 Q. And if Nate Paul put \$25,000 worth of
13 renovations in his house, that's not legal; there's a
14 criminal offense involved in that, besides the moral
15 issue?

16 A. So just to play devil's advocate -- and I
17 don't -- I don't know this, right? -- but what has
18 been explained to me by people outside of the
19 Attorney General's Office is that that's more of a
20 gray area where it's they can receive gifts and it
21 doesn't necessarily have to be reported, and I don't
22 know, again, whether or not that that is --

23 Q. (BY MS. BUESS) So let's take illegal out
24 of the -- out of the factor because we're not here
25 for that.

1 MR. MCANULTY: Right, yeah.

2 Q. (BY MS. BUSS) We are not prosecutors,
3 okay? We don't represent the State of Texas.

4 A. Yeah.

5 Q. Unethical, immoral, let's talk about
6 that.

7 A. Okay.

8 Q. Let's limit it -- take the illegal out
9 and factor the rest down. Where do you sit with him,
10 then? And let's take the affair out, because that's
11 pretty clear.

12 A. Yeah. My two cents has also been -- and
13 hopefully you guys have seen this in the way I have
14 talked about how I have tried to conduct myself
15 during all of this, that everything should be above
16 board without question. I know that that is not
17 always possible in the world of politics.

18 That said, you know, has General Paxton
19 put himself into situations that are extremely gray
20 at best, that generated the kind of questions that
21 those people closest to him would have doubt that he
22 was serving the people of Texas's interest?
23 Apparently the answer is yes.

24 Q. (BY MS. EPLEY) What is it for you?

25 A. It's really tough to answer that. I --

1 Ken Paxton did proceed in an immoral and unethical
2 way, and I do -- I do -- that is -- that is how I
3 feel about it.

4 Q. Thank you.

5 MR. MCANULTY: I don't think I have
6 anything else.

7 MS. BUESS: Let me make sure I have all
8 of Donna's stuff --

9 MR. MCANULTY: I hope I haven't hurt your
10 feelings.

11 THE WITNESS: No.

12 MR. MCANULTY: Okay.

13 THE WITNESS: No, no, everybody's
14 being -- everybody's being pointed, right? And I'm
15 fine with that, all right?

16 MR. MCANULTY: Yeah.

17 THE WITNESS: All right. You guys are
18 asking the questions to the best of your ability, and
19 I'm not looking for -- I'm not taking anything
20 personally.

21 Q. (BY MR. BENKEN) I have one last
22 question. Somebody said you were a pilot?

23 A. I wish.

24 MS. EPLEY: Yeah.

25 Q. (BY MR. BENKEN) Okay, I don't know where

1 that came from.

2 Q. (BY MR. MCANULTY) If somebody in
3 Prosper, Texas, who's the same last name as you --

4 A. Oh, really?

5 Q. -- that they --

6 MR. BENKEN: What's the chances of that?

7 Q. (BY MR. MCANULTY) -- yeah, made a
8 donation to the campaign --

9 A. I made a donation of \$1,000 in light of
10 the overpayment to me, but --

11 Q. So you know about that, yeah?

12 A. Yeah.

13 MS. EPLEY: I'm going to turn this off so
14 we can chat unless --

15 THE WITNESS: All right.

16 Q. (BY MR. EVANS) Is there anything else,
17 by the way, of any of your dealing with the A.G.'s
18 Office that they haven't asked about that made you
19 uncomfortable?

20 MS. EPLEY: That's a great question.
21 That's a great question.

22 THE WITNESS: John, is there anything you
23 care to jog my memory about?

24 Q. (BY MR. EVANS) Yeah, I'm just making
25 sure, you know, if there's any -- they have asked

1 about specific instances.

2 They have heard, I'm sure, but I'm just
3 saying: Is there anything else that they haven't
4 brought up that made you feel uncomfortable about
5 working there or working with Ken Paxton or anything
6 of the sort?

7 Q. (BY MS. EPLEY) And I have a
8 clarification to that --

9 MR. EVANS: Sure, sure.

10 Q. (BY MS. EPLEY) -- given that your family
11 and friends have told you it's okay to receive those
12 gifts, do you know of any gifts like that that we
13 need to know about?

14 A. I mean, a lot of -- a lot of stuff what
15 we ended up doing was stuff like dinners and --

16 Q. Okay.

17 A. -- lunches that --

18 Q. (BY MR. MCANULTY) Those are fine.

19 A. Yeah.

20 Q. Permissible.

21 A. I'm not familiar with any sort of large
22 gifts, just, you know, lunch, dinners, trips, stuff
23 that's already been admitted.

24 Q. (BY MS. EPLEY) Is there any vacations,
25 homes or anything like that?

1 A. Well, yeah, and you have --

2 MR. EVANS: (Inaudible).

3 A. -- you have seen -- there was a thing a
4 couple of years ago about -- well, this would have
5 been 2020. He did stay at a friend's house in
6 Colorado and, you know, General Paxton's goes on a
7 lot of trips like that.

8 Q. (BY MR. MCANULTY) Cabo?

9 A. Yeah, I think that was Steve Solomon.

10 MS. EPLEY: Uh-huh.

11 A. So, you know, he -- he did plenty of that
12 kind of stuff, yeah.

13 Q. (BY MS. EPLEY) Okay. And those people
14 are donors and/or friends?

15 A. Yes.

16 Q. Did they start as donors before they
17 became dear friends?

18 A. I don't know the history of the
19 relationship.

20 Q. Okay.

21 A. I know that the -- the friend in Colorado
22 was -- my understanding is he is a college friend
23 that he went to Baylor with, and he made good money
24 on a consultancy, and then he was brought in as a
25 consultant for the A.G.'s Office.

1 Q. Okay. Okay. And then I don't know as
2 much about that one as I can. So help clarify for
3 me. Doesn't Ken Paxton end up suing Colorado over
4 land --

5 A. Yes.

6 Q. -- ownership related to his --

7 A. Garrison, Colorado, I believe. And that
8 was the beginning of the pandemic where you had
9 some -- there was something with regards to Colorado
10 was pushing anybody that was not a resident of
11 Colorado out of the state, which was pushing some
12 Texans out of their vacation homes.

13 MS. EPLEY: Is that from Donna?

14 MS. BUESS: Yes, I'm trying to make sure
15 we covered all of her stuff.

16 MS. EPLEY: We have a colleague who was
17 unable to join us today, and we want to make sure we
18 include her before you --

19 THE WITNESS: Yeah.

20 MS. EPLEY: -- get out of here.

21 Q. (BY MR. EVANS) Drew, one other question
22 for you. Out of all the phones, all the devices you
23 talked about, let's say if the Attorney General was
24 receiving a phone call from President Donald Trump,
25 what phone does that come in on?

1 A. That is going to come in on his iPhone
2 with the brown case.

3 Q. Personal phone we've discussed or one of
4 the other three phones?

5 A. The personal phone.

6 Q. (BY MR. MCANULTY) Okay. And that's the
7 one you gave us, the number?

8 A. I -- I have not given y'all General
9 Paxton's number.

10 Q. Oh, oh, oh, I'm sorry, yes. Do you have
11 that number?

12 A. Yes.

13 Q. Would you please give it to us.

14 A. I also have his State number, if you guys
15 would like that.

16 Q. Sure, sure.

17 A. His mobile is going to be REDACT .

18 Q. (BY MR. BENKEN) Is that government or
19 personal?

20 A. That's his personal. The government is
21 REDACT .

22 Q. (BY MR. MCANULTY) REDACT --

23 A. REDACT .

24 Q. REDACT ?

25 A. Yes, sir.

1 Q. (BY MS. BUESS) Drew, in a month, how
2 many hours would you estimate you worked on personal
3 stuff as opposed to State business?

4 A. Oh, gosh. Are you guys assuming like a
5 State 40-hour workweek? You know, it's hard to
6 answer that, just because we also traveled a lot, so
7 there's a lot of time off the clock. Let's see.
8 Let's say that it's at least ten hours a week.

9 Q. Okay.

10 Q. (BY MR. MCANULTY) That's conservative,
11 too.

12 A. Yeah, it is, it is. I'm assuming two
13 hours after closing hours at the A.G.'s Office for
14 any sort of dinners and stuff. Obviously if there
15 were commitments on the weekends, there were
16 commitments that sometimes went a little bit later,
17 sometimes there was nothing at all. So ten would be
18 conservative, but --

19 MS. BUESS: Okay.

20 Q. (BY MR. MCANULTY) And we are talking
21 about not -- not things that are part of your work
22 requirements --

23 A. Yes.

24 Q. -- but things that aren't part of your
25 work requirements --

1 A. Yes.

2 Q. -- that you're doing for him.

3 A. Uh-huh.

4 Q. And that's approximately ten hours a
5 week?

6 A. I can't say approximately. I think
7 it's -- you know, it's probably a low end average.

8 Q. A low end average, okay.

9 Q. (BY MS. BUESS) And does that include
10 campaign issue things or not?

11 A. Yeah, uh-huh.

12 Q. If we were to take campaign issues out,
13 how much personal stuff did you do?

14 A. You're still probably talking about eight
15 or nine hours a week.

16 Q. Okay. Got it.

17 MS. EPLEY: Anything else?

18 MS. BUESS: Huh-uh.

19 MS. EPLEY: We have covered all her
20 stuff?

21 MS. BUESS: Uh-huh.

22 MS. EPLEY: Okay, I'm going to turn this
23 off and we can --

24 (Tape ends)

25

1 STATE OF TEXAS

2 COUNTY OF HARRIS

3 AGC MEETING

4 May 19, 2023 Meeting

5 re: Mr. Andrew J. Wicker

6 Transcribed June 24, 2023

7

8 I, Michelle Hartman, the undersigned
9 Certified Shorthand Reporter in and for the State of
10 Texas and Registered Professional Reporter, certify
11 that the facts stated in the foregoing pages are
12 transcribed to the best of my ability.

13 I further certify that I am neither
14 attorney or counsel for, related to, nor employed by
15 any parties to the action in which this testimony is
16 taken and, further, that I am not a relative or
17 employee of any counsel employed by the parties
18 hereto or financially interested in the action.

19 SUBSCRIBED AND SWORN TO under my hand and
20 seal of office on this 25 day of June, 2023.

21

22



A large, stylized watermark reading 'Confidential' is oriented diagonally across the page, partially overlapping the signature and other text.

23

Michelle Hartman, CSR, RPR
Texas CSR 7093
Expiration: 12/31/23

24

25

EXHIBIT 020

At **FILED**
2:58 P M

JUL - 7 2015

ANDREA STROM THOMPSON
Clerk District Court Collin County, Texas
By [Signature]

NO. 416-81913-2015

THE STATE OF TEXAS

V.

WARREN KENNETH PAXTON, JR.

IN THE 416TH JUDICIAL DISTRICT COURT
OF COLLIN COUNTY, TEXAS

BOND: _____

OFFENSE: Acting as an investment adviser representative without being registered by the Texas Securities Board in violation of Texas Securities Act, Section 29(I).

INDICTMENT

IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:

THE GRAND JURY for the County of Collin, State of Texas, duly selected, impaneled, sworn, charged and organized as such by the 416th District Court for the said County at the July Term, A.D. 2015 of the said Court, upon their oaths present in and to said Court that **WARREN KENNETH PAXTON, JR.**, hereinafter styled Defendant, on or about the 18th day of July, 2012 and before the presentment of this indictment, in the County and State aforesaid, did then and there knowingly and intentionally render services as an investment advisor representative to



James and Freddie Henry and the aforesaid **WARREN KENNETH PAXTON, JR.**, was then and there not duly registered as an investment adviser representative by and with the Securities Commissioner of the State of Texas,

AGAINST THE PEACE AND DIGNITY OF THE STATE.

Ray S. Mull

FOREMAN OF THE GRAND JURY

7/7/15

DATE



NO. 416-81914-2015

FILED
At 4:15 PM

JUL 28 2015

ANDREA STROH THOMPSON
Clerk District Court Collin County, Texas
By D. [Signature]

THE STATE OF TEXAS

V.

WARREN KENNETH PAXTON, JR.

IN THE 416TH JUDICIAL DISTRICT COURT
OF COLLIN COUNTY, TEXAS

BOND: _____

OFFENSE: In connection with the sale, offering for sale or delivery of, the purchase, offer to purchase, invitation of offers to purchase, invitations of offers to sell, or dealing in any other manner in any security or securities, engaging in fraud or fraudulent practice in violation of Texas Securities Act, Section 29(C)(Byron Cook).

INDICTMENT

IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:

THE GRAND JURY for the County of Collin, State of Texas, duly selected, impaneled, sworn, charged and organized as such by the 416th District Court for the said County at the July Term, A.D. 2015 of the said Court, upon their oaths present in and to said Court that **WARREN KENNETH PAXTON, JR.**, hereinafter styled Defendant, on or about the 26th day of July, 2011, and before the presentment of this indictment, in the County and State aforesaid, did then and there engage in fraud in



connection with the offer for sale and sale of common stock of SERVERGY, INC., being a security to wit: stock, to JOEL HOCHBERG, hereinafter styled the complainant, in an amount involving \$100,000 or more, by intentionally failing to disclose to the complainant, to wit: that **WARREN KENNETH PAXTON, JR.** had not, in fact, personally invested in SERVERGY, INC., and that **WARREN KENNETH PAXTON, JR.** would be compensated, and had, in fact, received compensation from SERVERGY, INC., in the form of 100,000 shares of SERVERGY, INC. stock, the said information being material fact,
AGAINST THE PEACE AND DIGNITY OF THE STATE.



FOREMAN OF THE GRAND JURY



DATE



NO. 416-81915-2015

FILED
At 4:15 PM
JUL 28 2015
ANDREA STROH THOMPSON
Clerk District Court, Collin County, Texas
By [Signature]

THE STATE OF TEXAS

V.

WARREN KENNETH PAXTON, JR.

IN THE 416TH JUDICIAL DISTRICT COURT
OF COLLIN COUNTY, TEXAS

BOND: _____

OFFENSE: In connection with the sale, offering for sale or delivery of, the purchase, offer to purchase, invitation of offers to purchase, invitations of offers to sell, or dealing in any other manner in any security or securities, engaging in fraud or fraudulent practice in violation of Texas Securities Act, Section 29(C)(Joel Hochberg).

INDICTMENT

IN THE NAME AND BY AUTHORITY OF THE STATE OF TEXAS:

THE GRAND JURY for the County of Collin, State of Texas, duly selected, impaneled, sworn, charged and organized as such by the 416th District Court for the said County at the July Term, A.D. 2015 of the said Court, upon their oaths present in and to said Court that **WARREN KENNETH PAXTON, JR.**, hereinafter styled Defendant, on or about the 26th day of July, 2011, and before the presentment of this indictment, in the County and State aforesaid, did then and there engage in fraud in



connection with the offer for sale and sale of common stock of SERVERGY, INC., being a security to wit: stock, to BYRON COOK, hereinafter styled the complainant, in an amount involving \$100,000 or more, by intentionally failing to disclose to the complainant, to wit: that **WARREN KENNETH PAXTON, JR.** had not, in fact, personally invested in SERVERGY, INC., and that **WARREN KENNETH PAXTON, JR.** would be compensated, and had, in fact, received compensation from SERVERGY, INC., in the form of 100,000 shares of SERVERGY, INC. stock, the said information being material fact,
AGAINST THE PEACE AND DIGNITY OF THE STATE.



FOREMAN OF THE GRAND JURY



DATE



EXHIBIT 021

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

FILED

AUG 12 2019

CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
BY AP
DEPUTY CLERK

SEALED

In the Matter of the Search of
7800 Cava Place, Austin, TX 78735

§
§
§
§
§
§

Number: 1:19-MJ-431(3)-ML

ORDER

Before the Court is the Government's Motion to Seal the Search Warrant Application and Search Warrant in the above-referenced case, and after considering the same, the Court is of the opinion that it should be granted in the interest of law enforcement. Accordingly,

IT IS ORDERED that the Clerk of the Court file the Search Warrant Application and Affidavit and the Search Warrant UNDER SEAL for a period of 30 days. Should the government wish the warrant documents to remain sealed thereafter, it must file a motion seeking that relief in a manner consistent with the Standing Order of this Division on the sealing of warrants. Failure to seek the continuation of sealing will result in the warrant documents being unsealed.

IT IS FURTHER ORDERED that the Government's Motion to Seal, as well as this order shall remain sealed until such time as the remaining warrant documents are unsealed.

SIGNED this 12th day of August, 2019.



UNITED STATES MAGISTRATE JUDGE

AO 93 (Rev. 11/13) Search and Seizure Warrant

UNITED STATES DISTRICT COURT

for the
Western District of Texas

In the Matter of the Search of
(Briefly describe the property to be searched
or identify the person by name and address)

7800 Cava Place, Austin, TX 78735

Case No. 1:19-MJ-431(3)-ML

SEARCH AND SEIZURE WARRANT

To: Any authorized law enforcement officer

An application by a federal law enforcement officer or an attorney for the government requests the search
of the following person or property located in the Western District of Texas
(identify the person or describe the property to be searched and give its location):

See Attachment A.

I find that the affidavit(s), or any recorded testimony, establish probable cause to search and seize the person or property
described above, and that such search will reveal (identify the person or describe the property to be seized):

See Attachment B.

YOU ARE COMMANDED to execute this warrant on or before 8-26-2019 (not to exceed 14 days)
in the daytime 6:00 a.m. to 10:00 p.m. at any time in the day or night because good cause has been established.

Unless delayed notice is authorized below, you must give a copy of the warrant and a receipt for the property taken to the
person from whom, or from whose premises, the property was taken, or leave the copy and receipt at the place where the
property was taken.

The officer executing this warrant, or an officer present during the execution of the warrant, must prepare an inventory
as required by law and promptly return this warrant and inventory to Judge Mark Lane
(United States Magistrate Judge)

Pursuant to 18 U.S.C. § 3103a(b), I find that immediate notification may have an adverse result listed in 18 U.S.C.
§ 2705 (except for delay of trial), and authorize the officer executing this warrant to delay notice to the person who, or whose
property, will be searched or seized (check the appropriate box)

for days (not to exceed 30) until, the facts justifying, the later specific date of

Date and time issued: 8-12-2019 10:00 AM

Magistrate's signature

City and state: Austin, Texas

Mark Lane, U.S. Magistrate Judge
Printed name and title

ATTACHMENT A

Property to be Searched

The property to be searched is 7800 Cava Place, Austin, Texas 78735, the residence of Natin "Nate" Paul, including the residential structure, any storage buildings, and any vehicles on the curtilage.



The main structure is a multi-story, single-family residence, pictured below:



ATTACHMENT B

Items to be Seized

a. All evidence and instruments at the place described in Attachment A that relate to violations of 18 U.S.C. § 1343 (Wire Fraud), 18 U.S.C. § 1344 (Bank Fraud), 15 U.S.C. § 78j(b) (Securities Fraud), or 26 U.S.C. § 7206 (False Statements) involving Nate Paul, [REDACTED] [REDACTED] since 2007.

b. These materials include paper and electronic records and documents reflecting information about past and present criminal activity, including disposition of proceeds and efforts to conceal the offenses, including but not limited to: financial and accounting and audit records; bank records and communications; loan/credit applications and agreements; lender records and communications; interest and repayment records; agreements and records regarding equity investments; offering and promotional materials; communications with investors and potential investors; leases and other records pertaining to the acquisition and operation of real estate investments; valuation and appraisal documents; information submitted to and relating to valuations and appraisals; corporate and personal credit card records; records of expenditure; corporate and personal tax returns and tax records; communications with co-conspirators, victims, employees, associates, investors, potential investors, banks, lenders, potential lenders, appraisal and valuation entities; hiring and termination records; group presentations such as slides, charts, videos, and other audio and visual depictions; spreadsheets and lists and summaries of investors, investments, lenders, debt, ownership; business organization and registration and licensing documents; communications with government entities and regulators; investment and debt related filings; contracts and draft contracts; travel records; brokerage

records and investment advisory agreements; diaries, journals, and calendars; social media messages.

c. Computer and electronic account information, including account names, passwords, access telephone numbers, computer host names and Internet addresses, IP addresses, password files, and other information about computer systems, users, accounts and related topics; technical documentation and material (about computers, routers, and related systems) which aid in gaining access to computer systems; personal notations related to the means and methods of gaining access to computer systems and Internet communication records, logs and contents.

d. All electronic devices and computer items which are reasonably capable of containing any of the above items, including laptops, desktops, tablets, servers, software, phones, hard drives, optical disks such as CDs or DVDs, USB flash or thumb drives, memory cards, and other electronic media storage devices. Evidence of who used, owned, or controlled the device or computer at the time the above items were created, edited, or deleted.

e. Evidence of state of mind relating to the crimes under investigation.

If law enforcement personnel encounter any devices that are subject to seizure pursuant to this warrant and may be unlocked using a biometric feature such as fingerprint/thumbprint or facial characteristics, this warrant permits law enforcement personnel to obtain from Nate Paul,

the display of any physical biometric characteristics necessary to unlock any devices, including to (1) press or swipe the fingers (including thumbs) of the relevant person(s) to the fingerprint scanner of the devices; (2) hold the devices in front of the face of the relevant person(s) to

activate the facial recognition feature; and/or (3) hold the devices in front of the face of the relevant person(s) to activate the iris recognition feature, for the purpose of attempting to unlock the devices in order to search the contents as authorized by this warrant. The warrant does not authorize law enforcement to require that the person(s) state or otherwise provide the password, or identify specific biometric characteristics (including the unique finger(s) or other physical features) that may be used to unlock or access the devices. However, the voluntary disclosure of such information by the person(s) is permitted, so long as agents do not state or otherwise imply that the warrant requires the person to provide such information, and make clear that providing any such information is voluntary and that the person is free to refuse the request.

EXHIBIT 022

UNITED STATES DISTRICT COURT

for the
Western District of Texas

In the Matter of the Search of
(Briefly describe the property to be searched
or identify the person by name and address)

World Class Holdings Office, 320/322 Congress Avenue,
2nd Floor, Austin, TX 78701

Case No. 1:19-MJ-431(2)-ML

SEARCH AND SEIZURE WARRANT

To: Any authorized law enforcement officer

An application by a federal law enforcement officer or an attorney for the government requests the search
of the following person or property located in the Western District of Texas
(identify the person or describe the property to be searched and give its location):

See Attachment A.

I find that the affidavit(s), or any recorded testimony, establish probable cause to search and seize the person or property
described above, and that such search will reveal (identify the person or describe the property to be seized):

See Attachment B.

YOU ARE COMMANDED to execute this warrant on or before 8-26-2019 (not to exceed 14 days)
[checked] in the daytime 6:00 a.m. to 10:00 p.m. [] at any time in the day or night because good cause has been established.

Unless delayed notice is authorized below, you must give a copy of the warrant and a receipt for the property taken to the
person from whom, or from whose premises, the property was taken, or leave the copy and receipt at the place where the
property was taken.

The officer executing this warrant, or an officer present during the execution of the warrant, must prepare an inventory
as required by law and promptly return this warrant and inventory to Judge Mark Lane
(United States Magistrate Judge)

[] Pursuant to 18 U.S.C. § 3103a(b), I find that immediate notification may have an adverse result listed in 18 U.S.C.
§ 2705 (except for delay of trial), and authorize the officer executing this warrant to delay notice to the person who, or whose
property, will be searched or seized (check the appropriate box)

[] for ___ days (not to exceed 30) [] until, the facts justifying, the later specific date of

Date and time issued: 8-12-2019 10am

[Handwritten signature of Mark Lane]

City and state: Austin, Texas

Mark Lane, U.S. Magistrate Judge

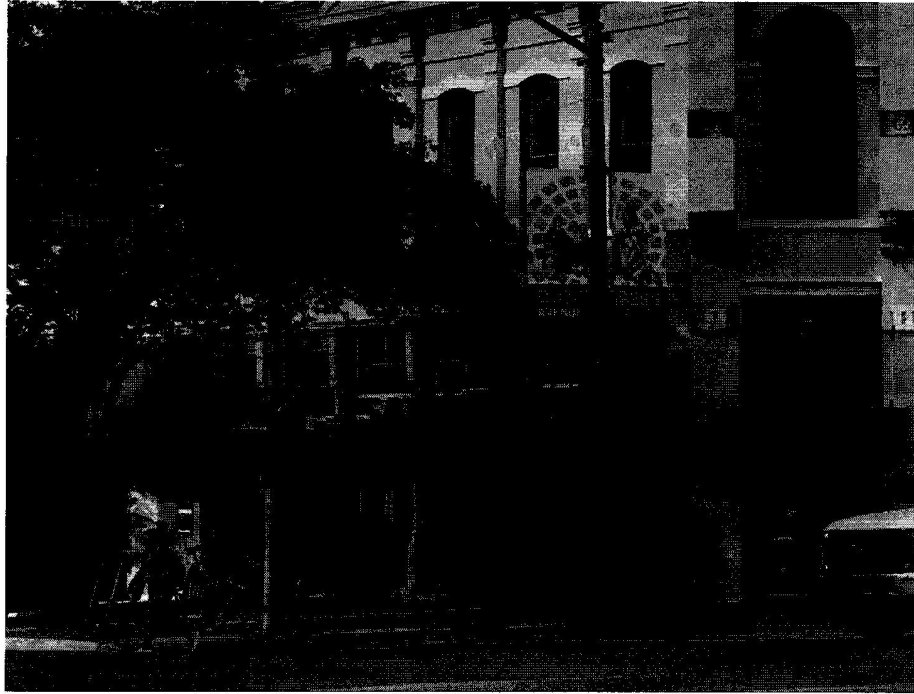
SEALED BY COURT ORDER

ATTACHMENT A

Property to be Searched

The property to be searched is the office World Class Holdings on the second floor of 320/322 Congress Avenue, Austin, Texas 78701. The structure, which appears in the photograph below, contains a retail clothing store on the ground level. World Class Holdings uses office space on the second level for storing and operating a computer server. Entry to the second-floor space is through a door on Congress Avenue, south of the entrance to the clothing store, and up a flight of stairs. The address posted on the door (pictured on the following page) is "322 Congress Ave." The building address, according to the Travis County Central Appraisal district records, is 320 Congress Avenue, Austin, Texas 78701.





ATTACHMENT B

Items to be Seized

a. All evidence and instruments at the place described in Attachment A that relate to violations of 18 U.S.C. § 1343 (Wire Fraud), 18 U.S.C. § 1344 (Bank Fraud), 15 U.S.C. § 78j(b) (Securities Fraud), or 26 U.S.C. § 7206 (False Statements) involving [REDACTED] [REDACTED] since 2007.

b. These materials include paper and electronic records and documents reflecting information about past and present criminal activity, including disposition of proceeds and efforts to conceal the offenses, including but not limited to: financial and accounting and audit records; bank records and communications; loan/credit applications and agreements; lender records and communications; interest and repayment records; agreements and records regarding equity investments; offering and promotional materials; communications with investors and potential investors; leases and other records pertaining to the acquisition and operation of real estate investments; valuation and appraisal documents; information submitted to and relating to valuations and appraisals; corporate and personal credit card records; records of expenditure; corporate and personal tax returns and tax records; communications with co-conspirators, victims, employees, associates, investors, potential investors, banks, lenders, potential lenders, appraisal and valuation entities; hiring and termination records; group presentations such as slides, charts, videos, and other audio and visual depictions; spreadsheets and lists and summaries of investors, investments, lenders, debt, ownership; business organization and registration and licensing documents; communications with government entities and regulators; investment and debt related filings; contracts and draft contracts; travel records; brokerage

records and investment advisory agreements; diaries, journals, and calendars; social media messages.

c. Computer and electronic account information, including account names, passwords, access telephone numbers, computer host names and Internet addresses, IP addresses, password files, and other information about computer systems, users, accounts and related topics; technical documentation and material (about computers, routers, and related systems) which aid in gaining access to computer systems; personal notations related to the means and methods of gaining access to computer systems and Internet communication records, logs and contents.

d. All electronic devices and computer items which are reasonably capable of containing any of the above items, including laptops, desktops, tablets, servers, software, phones, hard drives, optical disks such as CDs or DVDs, USB flash or thumb drives, memory cards, and other electronic media storage devices. Evidence of who used, owned, or controlled the device or computer at the time the above items were created, edited, or deleted.

e. Evidence of state of mind relating to the crimes under investigation.

If law enforcement personnel encounter any devices that are subject to seizure pursuant to this warrant and may be unlocked using a biometric feature such as fingerprint/thumbprint or facial characteristics, this warrant permits law enforcement personnel to obtain from [REDACTED]

[REDACTED]

the display of any physical biometric characteristics necessary to unlock any devices, including to (1) press or swipe the fingers (including thumbs) of the relevant person(s) to the fingerprint scanner of the devices; (2) hold the devices in front of the face of the relevant person(s) to

activate the facial recognition feature; and/or (3) hold the devices in front of the face of the relevant person(s) to activate the iris recognition feature, for the purpose of attempting to unlock the devices in order to search the contents as authorized by this warrant. The warrant does not authorize law enforcement to require that the person(s) state or otherwise provide the password, or identify specific biometric characteristics (including the unique finger(s) or other physical features) that may be used to unlock or access the devices. However, the voluntary disclosure of such information by the person(s) is permitted, so long as agents do not state or otherwise imply that the warrant requires the person to provide such information, and make clear that providing any such information is voluntary and that the person is free to refuse the request.

EXHIBIT 023

— MCGINNIS LOCHRIDGE —

Ray Chester
rchester@mcginnislaw.com
(512) 495-6051 o
(512) 505-6351 f

August 21, 2019

Jack A. Simms, Jr.
Wittliff Cutter, PLLC
1803 West Avenue
Austin, Texas 78703

Via Email (jack@wittliffcutter.com)
and Via Courier

Re: Case No. 01-19-0000-5347; *WC 1st and Trinity, LP, et al v. The Roy F. & Joann Cole Mitte Foundation*

Election to Declare Settlement Agreement Null and Void and to Continue Arbitration

Dear Jack:

As you know, our respective clients entered into a Settlement Agreement dated July 1, 2019 (the "Settlement Agreement") to resolve the matters in dispute in the above referenced arbitration (the "Arbitration"), as well as in the lawsuit styled Cause No. D-1-GN-18-007636, *The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP and World Class Capital Group, LLC* (the "Lawsuit"). A copy of the Settlement Agreement is attached for your reference.

The Settlement Agreement and its attachments provided for your clients, WC 1st and Trinity, LP and WC 3rd and Congress, LP to make payments to my client, The Roy F. & Joann Cole Mitte Foundation (the "Foundation"), totaling \$10,500,000 (collectively the "Settlement Payments") no later than by 5:00 p.m. central time yesterday, August 20, 2019. As you also know, those payments did not occur.

Consequently, and in accordance with its rights under Section E.3(y) of the Settlement Agreement, the Foundation hereby exercises its right to declare the Settlement Agreement null and void and to continue the Arbitration.

As described in the Settlement Agreement, the "Claimant Parties" (as defined in the Settlement Agreement) are now required to immediately take all necessary steps to transfer partnership interests in WC 3rd and Congress, LP such that the Foundation owns six and eighty-three hundredths (6.83%) of the total partnership interests in WC 3rd and Congress, LP. Please have your clients send to me any documentation confirming or otherwise needed for such transfer immediately.

Feel free to contact me with any questions.



600 Congress Avenue, Suite 2100, Austin, TX 78701 | 512.495.6000 | mcginnislaw.com

Jack Simms
August 21, 2019
Page 2

Sincerely,



Ray Chester

Attachment: Settlement Agreement

cc: Sheena Paul (via email: spaul@world-class.com)
Maryann Norwood (via email: mnorwood@world-class.com)
Maria Amelia Calaf (via email: mac@witliffcutter.com)
Michael Shaunessy (of the firm, via email: mshaunessy@mcginnislaw.com)
Coleith Molstad (via email: cmolstad@mittefoundation.org)

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement Agreement”) is made by and between WC 1st and Trinity, LP, WC 1st and Trinity, GP, LLC, WC 3rd and Congress, LP and WC 3rd and Congress, GP (“Claimants”), and The Roy F. & Joann Cole Mitte Foundation (“Respondent”). This Settlement Agreement is made effective on July 1, 2019, (the “Effective Date”). Claimants and Respondent may be referred to herein individually as a “Party” or collectively as the “Parties.”

RECITALS

WHEREAS, the Parties have an ongoing legal dispute which is currently pending at the American Arbitration Association, AAA CASE NO. 01-19-0000-5347, before Arbitrator Suzanne Covington, (the “Arbitration”);

Whereas the Parties have an ongoing legal dispute styled as Cause No. D-1-GN-18-007636; *The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP and World Class Capital Group, LLC* (the “Lawsuit”);

Whereas the legal disputes above are related to certain matters with respect to the affairs of WC 1st and Trinity, LP and WC 3rd and Congress, LP (“The Dispute”), and the Parties desire to settle all matters and controversy between and among them and their affiliates (as further defined below) relating to the subject matter of The Dispute and otherwise;

Whereas, Respondent owns certain partnership interests in WC 1st and Trinity, LP (the “1st and Trinity Interests”);

Whereas, Respondent owns certain partnership interests in WC 3rd and Congress, LP, (the “3rd and Congress Interests”);

Whereas, Claimant and Respondent desire to effectuate the sale of the 1st and Trinity Interests and the 3rd and Congress Interests on or before the Payment Date (as defined below);

NOW, THEREFORE, in consideration of all the representations, promises, and covenants described below, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Claimants and Respondent agree as follows:

A. DEFINITIONS

1. “Claimants” are WC 1st and Trinity, LP, WC 1st and Trinity, GP, LLC, WC 3rd and Congress, LP and WC 3rd and Congress, GP.
2. “Respondent” is The Roy F. & Joann Cole Mitte Foundation.
3. “Claimant Parties” shall be the “1st and Trinity Parties” and the “3rd and Congress Parties”, as each is defined in the Assignment Agreements attached hereto.
4. “Respondent Parties” shall mean the Mitte Parties, as defined in the Assignment Agreements attached hereto.

5. "Claims" means any and all actions, causes of action, liabilities, obligations, promises, agreements, suits controversies, liens, rights, complaints, damages, costs, expenses, losses, debts, penalties, judgments, and demands of any nature whatsoever, for or by reason of any matter, cause or thing whatsoever, that such person ever had, now has, or may ever have, whether known or unknown, fixed or contingent, accrued or unaccrued, in contract or tort, under common or statutory law, at law or in equity, relating to the Dispute, the 1st and Trinity Interests or the 3rd and Congress Interests.

B. REPRESENTATIONS AND WARRANTIES

1. Each of the Parties represents and warrants that the person executing this Settlement Agreement on its behalf has full authority, competence, and power to bind it to this Settlement Agreement and all of the terms hereof.

2. Each of the Parties represents and warrants that it has not assigned, transferred, or conveyed any Claims to any third parties.

3. Claimants represent and warrant to Respondent that (a) the maturity date for the loan relating to the property owned by WC 1st and Trinity, LP has been extended to July 1, 2019 and (b) Claimants are in good faith negotiations with the lender of WC 1st and Trinity, LP to extend such maturity date past the Payment Date. If the lender for either WC 1st and Trinity, LP or WC 3rd and Congress, LP posts a notice of foreclosure with respect to any of the properties owned by WC 1st and Trinity, LP or WC 3rd and Congress, LP at any time prior to the Payment Date, Respondent may, at its sole discretion, declare the Settlement Agreement null and void and continue with the Arbitration. In the event Respondent makes such election, Barbie Lee as corporate representative of WC 1st and Trinity, LP and WC 3rd and Congress, LP shall appear for her deposition at 10:00 a.m. on the day that is five (5) business days after the date Respondent notifies Claimants of its election, which deposition shall be treated by the parties as a continuation of the arbitrator-ordered deposition currently scheduled for July 1, 2019 at 10:00 a.m.

4. Respondent represents and warrants to Claimants that as of the Effective Date, neither Respondent nor any member of its board of directors, nor its officers, agents, employees and/or advisors in their representative or individual capacity, have previously disclosed or otherwise disseminated to any third party (including any former partners of WC 1st and Trinity, LP or WC 3rd and Congress, LP) (other than such Respondent's attorneys and/or accountants) any of the terms of this Settlement Agreement.

C. ASSIGNMENT AGREEMENTS

1. The Parties will execute the assignments attached hereto as "Addendum A" (the "Assignments") which will provide for the conveyance of the 1st and Trinity Interests and the 3rd and Congress Interests. The Assignments will be held in escrow by counsel for the Parties and released concurrently upon remittance of the payment of the sums outlined therein (the "Assignment Payments"), which such payment and release from escrow of the Assignments shall occur no later than 5:00 p.m. central time on August 20, 2019 ("Payment Date").

2. The Assignments, including without limitation any releases contained therein, will become effective upon receipt Assignment Payments by Respondent.

3. Once in effect, this Settlement Agreement shall not be construed to preclude enforcement of the Assignment Agreements.

D. INTENTIONALLY OMITTED.

E. PENDING MATTERS AND OBLIGATIONS PENDING THE PAYMENT DATE

1. The Parties agree that the Arbitration will be stayed pending completion of the Assignment Payments outlined in Section C. The Parties further agree that all existing deadlines in that action shall, upon execution of this Settlement Agreement, be suspended pending payment and transfer of interests pursuant to the Assignment.

2. The Parties agree that the Lawsuit will be stayed pending completion of the Assignment Payments outlined in Section C. The Parties further agree that all existing deadlines in that action shall, upon execution of this Settlement Agreement, be suspended pending payment and transfer of interests pursuant to the Assignment.

3. The parties agree that if the Assignment Payments do not take place on or before 5:00 p.m. central time on August 20, 2019, Respondent shall have the option to either (x) sue for breach of the Settlement Agreement in a court of competent jurisdiction in Travis County, Texas, or (y) solely at Respondent's option, declare the Settlement Agreement null and void and continue with the Arbitration. Such election shall be made by 5:00 p.m. on August 21, 2019. Following such election:

a) In the event that Respondent opts to sue for breach of the Settlement Agreement in a court of competent jurisdiction in Travis County, Texas, the Parties thereafter will notify the Arbitrator and request the Arbitrator execute and enter the Agreed Dismissal, attached hereto as "Addendum B".

b) In the event that Respondent opts to declare the Settlement Agreement null and void and elects to continue with the Arbitration:

(1) Barbie Lee as corporate representative of WC 1st and Trinity, LP and WC 3rd and Congress, LP shall appear for her deposition at 10:00 a.m. on August 22, 2019, which deposition shall be treated by the parties as a continuation of the arbitrator-ordered deposition currently scheduled for July 1, 2019 at 10:00 a.m.;

(2) Claimants shall then immediately take all necessary steps to cause one or more Claimant Parties to transfer a one and seventy-five hundredths percent (1.75%) Class A Limited Partnership Interest in WC 3rd and Congress, LP to Respondent, such that Respondent shall own six and eighty-three hundredths percent (6.83%) of the total partnership interests in WC 3rd and Congress, LP.

4. Obligations Pending and after the Payment Date. As a material condition of this Settlement Agreement, the Parties agree and covenant that from and after the Effective Date hereof and through the Payment Date (and after the Payment Date so long as the Payments are received by Respondents):

a) Neither the Claimant Parties nor the Respondent Parties will commence, file, join, or maintain any lawsuit or other legal proceeding, at law or in equity, for any actions, omissions, injury, or damages arising from sue or assert any Claims (whether in arbitration, litigation or otherwise) against any other Party, the Claimant Parties or the Respondent Parties, for any cause of action that relates in any way to or arises in any way from The Dispute, 1st and Trinity Interests or the 3rd and Congress Interests, provided however, that this Section 4(a) shall in no way limit the Parties rights with respect to breaches under this Settlement Agreement or the Assignments;

b) neither the Claimant Parties nor the Respondent Parties shall file any papers or enforce any deadlines either in the Arbitration (except relating to a dispute arising under this Settlement Agreement) or the Lawsuit, nor make any public statements or remarks concerning The Dispute, this Settlement Agreement or the Assignments.

5. The Parties agree that if the Assignments are released from escrow and the Payments are made to Respondent on or before 5:00 p.m. August 20, 2019, the Parties will notify the Arbitrator and request the Arbitrator execute and enter the Agreed Dismissal, attached hereto as "Addendum B".

6. The Parties agree that if the Assignments are released from escrow and the Payments are made to Respondent on or before 5:00 p.m. August 20, 2019; the Parties will file an agreed order stipulating to the dismissal with prejudice of the Lawsuit, attached hereto as "Addendum C".

F. CONFIDENTIALITY

1. The Parties hereby acknowledge that this Settlement Agreement (including the Assignment Agreements attached hereto) is confidential and all correspondence relating to this Settlement Agreement is confidential. Effective as of the date hereof, the Parties shall, and shall cause their respective board of directors, officers, agents, employees and/or advisors, in their representative or individual capacity, to, keep this Settlement Agreement strictly confidential, and no Party shall at any time disclose such terms of this Settlement Agreement to any third-party except: (a) with the prior written consent of the other Party, with such consent not being unreasonably withheld, (b) as may be required by applicable law, subpoena, regulation, or order of a governmental authority of competent jurisdiction, or (c) in confidence to the professional legal, accounting and financial counsel representing such Party. With respect to the foregoing subsection (b) of this paragraph, such disclosing Party shall, to the extent legally permissible, provide the other Party with prior written notice of such applicable law, subpoena, regulation, or order and, at the request of the other Party, reasonably cooperate with the other Party's efforts to limit the disclosure of the terms and conditions of this Settlement Agreement. Where failure to disclose will place the Party in violation of a court order, such court order shall govern, and compliance with such court order shall not be a breach of this Section F.

2. Further, Respondent covenants and agrees that any confidentiality orders currently in place in the above referenced arbitration and in the lawsuit styled as Cause No. D-1-GN-18-007636; *The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP and World Class Capital Group, LLC*, will continue to be

honored and that Respondent will not seek to vacate any such order in the future (unless Respondent elects to declare the Settlement Agreement null and void pursuant to its rights under Sections B.3 or E.3 above).

G. DISPUTE RESOLUTION

1. The Parties agree to refer any dispute arising under or related in any way to this Settlement Agreement as follows: (1) if arising during the pendency of the Arbitration, specifically prior to the dismissal of the Arbitration, the dispute shall be brought within the confines of that Arbitration (except where Respondent has elected to sue for breach of this Settlement Agreement in a court of competent jurisdiction in Travis County, Texas and the Parties have jointly dismissed the Arbitration in accordance with Section E.3); (2) if arising after the entry of the Agreed Dismissal, the dispute shall be brought before a Court of competent jurisdiction in Travis County. Notwithstanding the foregoing, any claimed breach of this Settlement Agreement prior to the Payment Date shall not affect the obligation of the Parties to consummate the transactions described in the Assignments (and to transfer the 1st and Trinity Interests and 3rd and Congress Interests, and to make the Assignment Payments), unless the arbitrator in the Arbitration determines following a hearing that such breach actually occurred and is so material that it justifies setting aside the Settlement Agreement, in which case this Settlement Agreement shall be deemed null and void as of the date of such determination.

2. The provisions of this Section G shall not prohibit any party or person from pursuing a claim against any other party or person that does not involve Claimants or any property owned by Claimants.

H. MISCELLANEOUS

1. Except as expressly provided in this Settlement Agreement, each Party shall bear its own attorneys' fees, arbitration costs and any other costs incurred in the prosecution, defense, and/or settlement of The Dispute.

2. Texas Law will control this Settlement Agreement.

3. This Settlement Agreement may not be amended, modified, terminated, or waived, in whole or in part, without the prior written and authorized consent of all of the Parties.

4. If any provision of this Settlement Agreement (other than the obligation to pay the Payments and to release the Assignment Agreements from escrow) is held to be illegal or unenforceable, such provision shall be limited or eliminated to the minimum extent necessary so that the remainder of this Settlement Agreement will continue in full force and effect and be enforceable.

5. The Parties acknowledge that they have been represented by and have relied upon all desired counsel, legal and otherwise, in the negotiations and preparation of this Settlement Agreement, that they have read this Settlement Agreement, have had the opportunity to have its contents fully explained to them by counsel, and that they are fully aware of and understand all of its terms and legal consequences and agree to be bound thereto.

6. This Settlement Agreement shall not be construed against the Party preparing it, but shall be construed as if all Parties jointly prepared this Settlement Agreement without any uncertainty or ambiguity being interpreted against any particular Party due to that Party's having written, modified, changed, or deleted any portion of this Settlement Agreement. This Settlement Agreement is binding on and inures to the benefit of the Parties and their respective subsidiaries, parents, affiliates, agents, licensees, successors, and assigns. The inclusion of headings in this Settlement Agreement is for convenience only and shall not affect the construction or interpretation of the Settlement Agreement.

7. This Settlement Agreement may be executed in counterparts with the same force and effect as if executed in one complete document. If one or more counterparts of this Settlement Agreement are executed, each such counterpart shall constitute a duplicate original hereof.

8. The Parties acknowledge that there is a risk that after the execution of this Settlement Agreement they will discover, incur, or suffer claims or damages that were unknown or unanticipated at the time of this Settlement Agreement, including, but not limited to, unknown or unanticipated claims that arise from, are based upon, or are related to this Settlement Agreement. Each party to this Settlement Agreement expressly assumes the risk of such unknown and unanticipated claims, and agrees that this Settlement Agreement and the releases provided apply to all such unknowns or potential claims and damages.

9. Any notice required or permitted to be given pursuant to the terms of this Settlement Agreement shall be addressed to the Parties at their addresses of record, shall be delivered by Federal Express or other nationally recognized carrier, and shall be deemed effective when received.

IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by the Parties to be effective as of the Effective Date.

[SIGNATURE PAGES FOLLOW]

AGREED TO AS OF THE EFFECTIVE DATE:

CLAIMANTS

WC 1st and Trinity, LP, a Texas limited partnership

By: WC 1st and Trinity GP, LLC, a Texas limited liability company, its General Partner

By: Nate Paul
Name: NATE PAUL
Title: AUTHORIZED AGENT

WC 1st and Trinity GP, LLC, a Texas limited liability company

By: Nate Paul
Name: NATE PAUL
Title: AUTHORIZED AGENT

WC 3rd and Congress, LP, a Texas limited partnership

By: WC 3rd and Congress GP, LLC, a Texas limited liability company, its General Partner

By: Nate Paul
Name: NATE PAUL
Title: AUTHORIZED AGENT

WC 3rd and Congress GP, LLC, a Texas limited liability company

By: Nate Paul
Name: AUTHORIZED AGENT NATE PAUL
Title: _____

Claimants Signature Page to Settlement Agreement

AGREED TO AS OF THE EFFECTIVE DATE:

RESPONDENT:

THE ROY F. AND JOANN COLE MITTE FOUNDATION

By: 

Name: Dilum Chandrasoma

Title: President

Respondent Signature Page to Settlement Agreement

ADDENDUM A
ASSIGNMENTS AND MUTUAL RELEASES

ASSIGNMENT AND PURCHASE OF PARTNERSHIP INTERESTS

Relating to Partnership Interests in WC 1st and Trinity, LP,

a Texas limited partnership

This Assignment of Partnership Interests (this "Assignment") is executed and delivered on July 1, 2019 to be effective as of the Effective Date (as defined below) by and between The Roy F. and Joann Cole Mitte Foundation, a Texas nonprofit corporation ("Assignor"), and WC 1st and Trinity GP, LLC, a Texas limited liability company ("Assignee").

I. Recitals.

WHEREAS, Assignor desires to transfer on the Effective Date (as defined herein) all of its limited partnership interests (collectively, the "Partnership Interests") in WC 1st and Trinity, LP ("Partnership"), to Assignee; and Assignee desires to receive said Partnership Interests on the terms and for the consideration hereinafter set forth.

NOW THEREFORE, in consideration of the premises and the respective covenants and obligations of the parties hereto set forth herein, Assignor and Assignee do hereby agree as follows.

II. Terms of Assignment

1. **Transfer of Partnership Interests.** For and in consideration of the payment of Eight Million Five Hundred Thousand and No/100 Dollars (\$8,500,000.00) paid in cash or other good and available funds in accordance with written instructions provided by Assignor (the "Payment") by Assignee to Assignor upon execution hereunder (the date Payment is received by Assignor, the "Effective Date"), the sufficiency of which is hereby acknowledged, Assignor hereby as of the Effective Date assigns, transfers and conveys to Assignee the Partnership Interests, including all of Assignor's right, title, and interest in and to all profits, returns of capital, surplus, proceeds, properties, distributions, or income of or arising from or in connection with the Partnership Interests through the Effective Date to the extent not yet paid as of the Effective Date.

2. **Assumption of Obligations.** By execution of this Assignment, Assignee expressly assumes as of the Effective Date all liabilities and obligations attributable to the Partnership Interests and all liabilities and obligations of Assignor under the limited partnership agreement for the Partnership (the "Partnership Agreement"), including capital accounts thereto, arising from and after the Effective Date. Assignee hereby agrees to be bound by the terms of the Partnership Agreement as a Partner thereof as of the Effective Date.

3. **Execution of Documents.** Assignee agrees, whether before or after the Effective Date, to execute all and any necessary documents reasonably required to effectuate this Assignment, including any joinders to the Partnership Agreement.

4. **Intentionally Omitted.**

5. **Assignor Representations and Warranties.** Assignor hereby warrants, represents, and agrees to and with the other parties hereto as follows:

a. Ownership of Partnership Interests. Assignor is the sole owner of the Partnership Interests, and possesses the power to enter into this Assignment.

b. Absence of Liens. Assignor's Partnership Interests are on the date hereof and will be on the Effective Date free and clear of any liens, charges or encumbrances aside from any established by this Assignment, and by purchase of the Partnership Interests hereunder, Assignee will on the Effective Date receive good and absolute title thereto, free from any liens, charges or encumbrances thereon.

6. Assignee Representations and Warranties. Assignee has and will continue to have on the Effective Date full authorization and right to enter into this Assignment and to perform all of its terms. All necessary Partnership action has been taken, or prior to the Effective Date will be taken, to authorize this Assignment and the transactions contemplated herein.

7. Binding Agreement. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective assigns and legal representatives.

8. Governing Law. This Assignment is made and delivered in, and will be governed by, and construed in accordance with, the applicable laws of the State of Texas.

9. Releases. In connection with this Assignment, Assignor shall execute and deliver a counterpart of the Mutual General Release of Claims attached hereto as Exhibit "A" (the "Release") to each of the parties designated as the "WC Parties" in the Release, and each of the parties designated as the "WC Parties" in the Release shall execute and deliver a counterpart of the Release to Assignor.

10. Hold Harmless. The Assignor understands that the value of the Partnership Interest is subject to market conditions and represents that he has consulted WITH ITS OWN INDEPENDENT ACCOUNTANTS AND ATTORNEYS PRIOR TO ENTERING INTO THIS ASSIGNMENT, AND HEREBY AGREES TO, FROM AND AFTER THE EFFECTIVE DATE, HOLD THE ASSIGNEE AND THE PARTNERSHIP HARMLESS FROM ANY AND ALL CLAIMS RELATED TO THE VALUE OF THE PARTNERSHIP INTEREST AT ANY TIME.

11. Confidentiality. As material consideration for this Assignment, the parties hereto agree that the confidentiality provision set forth in Section F of that certain Settlement Agreement dated July 1, 2019 by and between WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP and WC 3rd and Congress GP, LLC and Assignor shall apply to this Assignment.

12. Entire Agreement. This Assignment contains the entire agreement and understanding among the parties hereto pertaining to the subject of this Assignment, and there are no prior or contemporaneous representations, warranties or commitments except as provided herein. The parties each expressly disclaim reliance on any representation, warranty or commitment not provided herein. This Assignment may be modified only by a writing signed by the parties hereto.

13. Execution in Counterparts. This Assignment may be executed and transmitted by facsimile or email in any number of counterparts, each of which shall be an original, but all of which together shall be deemed to constitute one instrument.

14. Headings. The descriptive headings that are used in this Assignment are for convenience only and shall not affect the meaning of any provision in the Assignment.

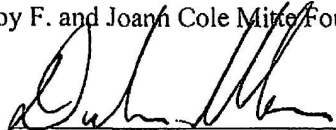
15. Severability. In the event any one or more of the provisions contained in this Assignment shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assignment.

16. Attorneys' Fees. In any action or proceeding brought to enforce this Assignment, the prevailing party to such litigation is entitled to recover its costs and reasonable attorneys' fees.

[Signature Page Follows]

ASSIGNOR:

The Roy F. and Joan Cole Mite Foundation

By: 
Name: Dilum Chandrasoma
Title: President

ASSIGNEE:

WC 1st and Trinity GP, LLC,
a Texas limited liability company

By: _____
Name: _____
Title: _____

Agreed to and accepted by the
General Partner of the Partnership

WC 1st and Trinity GP, LLC

By: _____
Name: Natin Paul
Title: President

ASSIGNOR:

The Roy F. and Joann Cole Mitte Foundation

By: _____
Name: Dilum Chandrasoma
Title: President

ASSIGNEE:

WC 1st and Trinity GP, LLC,
a Texas limited liability company

By: *Mate Paul*
Name: MATE PAUL
Title: AUTHORIZED AGENT

Agreed to and accepted by the
General Partner of the Partnership

WC 1st and Trinity GP, LLC

By: *Mate Paul*
Name: Matein Paul
Title: President

Exhibit A: Mutual General Release of Claims

MUTUAL GENERAL RELEASE OF CLAIMS

*Relating to WC 1st and Trinity LP,
a Texas limited partnership*

This Mutual General Release of Claims (this "Release") is executed and delivered as of the "Effective Date" as set forth in the Assignment (as defined below) ("Effective Date") by **THE ROY F. AND JOANN COLE MITTE FOUNDATION**, a Texas nonprofit corporation ("Mitte"), and **WC 1st and Trinity LP**, a Texas limited partnership (the "Partnership"), **WC 1st and Trinity GP, LLC**, a Texas limited liability company ("Assignee"), and **World Class Capital Group, LLC**, a Texas limited liability company ("WCCG") (the Partnership, Assignee and WCCG being referred to herein collectively as the "WC Parties").

I. Recitals

WHEREAS, Mitte is, as of the Effective Date, no longer a partner in the Partnership;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of Mitte and the Partnership hereby agrees as set forth below.

II. Release

1. Defined Terms.

(a) "1st and Trinity Parties" means each of the WC Parties, any other limited partner of the Partnership controlled by any of the WC Parties, and each of their respective affiliates, subsidiaries and parent companies, and each of their respective principals, officers, directors, employees, shareholders, partners, members, representatives, agents, attorneys, insurers, sureties, subcontractors, guarantors, successors, heirs and assigns.

(b) "Mitte Parties" means Mitte and its affiliates, subsidiaries, board of directors and each of their respective principals, officers, directors, employees, shareholders, partners, members, representatives, agents, attorneys, insurers, sureties, subcontractors, guarantors, successors, heirs and assigns.

(c) "Assignment" means that certain Assignment and Purchase of Partnership Interests by and between Mitte and Assignee, dated of even date herewith.

(d) "Released Claims" means any and all claims, debts, demands, causes of action, obligations, damages and/or liabilities of any kind whatsoever, whether legal or equitable, whether known or unknown, that the 1st and Trinity Parties or the Mitte Parties, as applicable, ever had or now have or may have against any or all of the Mitte Parties or the 1st and Trinity Parties, as applicable, arising prior to the Effective Date, and that arise from or relate to the Partnership and/or the property owned by the Partnership, including without limitation (i) distributions from the Partnership, including without limitation distributions pursuant to the Assignment; (ii) any matters related to Mitte's investment in the Partnership, including without limitation any action taken by any of the 1st and Trinity Parties or any of the Mitte Parties with respect to the Partnership

(for the avoidance of doubt, this section (d)(ii) shall include any and all matters related to any potential assignment of interests or buyout offers of Mitte's investment in the Partnership); and (iii) Mitte's ownership interest in the Partnership. "Released Claims" specifically do not include any claims, debts, demands, causes of action, obligations, damages and/or liabilities of any kind whatsoever, whether legal or equitable, whether known or unknown, unrelated to the Partnership and/or the property owned by the Partnership (including without limitation any claims with respect to any other entity or property). "Released Claims" also specifically do not include any claims, debts, demands, causes of action, obligations, damages and/or liabilities of any kind whatsoever, whether legal or equitable, whether known or unknown, that the 1st and Trinity Parties or the Mitte Parties have with respect to any breach of the Assignment.

2. Release.

(a) Release by Mitte Parties. Conditioned upon payment for Mitte's limited partnership interests in the Partnership pursuant to the Assignment, as of the Effective Date, the Mitte Parties release and forever discharge the 1st and Trinity Parties from the Released Claims.

(b) Release by 1st and Trinity Parties. Conditioned upon Mitte's execution and delivery of this Release, as of the Effective Date, the 1st and Trinity Parties release and forever discharge the Mitte Parties from the Released Claims.

3. Hold Harmless. Mitte understands that the value of its limited partnership interest is subject to market conditions and represents that it has consulted WITH ITS OWN INDEPENDENT ACCOUNTANTS AND ATTORNEYS PRIOR TO ENTERING INTO THIS RELEASE, AND HEREBY AGREES TO, FROM AND AFTER THE EFFECTIVE DATE, HOLD THE PARTNERSHIP AND THE RELEASED PARTIES HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS RELATED TO THE VALUE OF ITS LIMITED PARTNERSHIP INTEREST AT ANY TIME.

4. Indemnity. The 1st and Trinity Parties shall indemnify, defend and hold harmless the Mitte Parties from and against any and all liabilities, obligations, or losses (including without limitation attorneys' fees and court costs), and any and all claims or actions arising out of or relating to the 1st and Trinity Parties, the operations of the 1st and Trinity Parties, the properties owned by the 1st and Trinity Parties, or any ownership by Mitte of any interest in the 1st and Trinity Parties (other than claims relating to a breach by Mitte of this Release).

5. Binding Release. This Release shall be binding upon the Mitte Parties and the 1st and Trinity Parties as releasors, and shall inure to the benefit of the 1st and Trinity Parties and the Mitte Parties and their respective successors, assigns and/or legal representatives, as releasees.

6. Governing Law. This Release is made and delivered in, and will be governed by, and construed in accordance with, the applicable laws of the State of Texas.

7. Consideration. This Release, along with the Settlement Agreement and the Assignment, sets forth the entire consideration for this Release and the terms thereof. The consideration for this Release is contractual and not a mere recital. No promise or inducement has been offered other than as set forth in this Release, the Settlement Agreement and the Assignment.

8. Interpretation. This Release was the result of negotiations between the parties hereto and may not be construed as having been prepared by any one party.

9. Survival. All recitals, representations, warranties and releases contained in this Release shall survive its execution and delivery and the execution and delivery of any other document or instrument referred to in this Release.

10. Headings. The descriptive headings that are used in this Release are for convenience only and shall not affect the meaning of any provision in the Release.

11. Severability. In the event any one or more of the provisions contained in this Release shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Release.

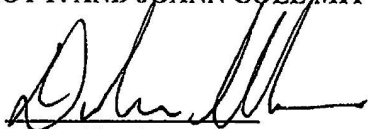
12. Attorneys' Fees. In any action or proceeding brought to enforce this Release, the prevailing party to such litigation is entitled to recover its costs and reasonable attorneys' fees.

13. Acknowledgement Regarding Irreparable Harm. The parties acknowledge that the parties' breach of any of its/their obligations under this Release will cause the other parties to suffer irreparable harm for which there is no adequate legal remedy. The parties acknowledge that, in addition to damages and any other remedies available at law or in equity, performance of this Release may be specifically enforced or ordered or a breach hereof may be enjoined by temporary, preliminary and permanent injunctive relief from any court of competent jurisdiction without the necessity of proving an amount of actual damages, or both. The parties agree that such rights to seek specific performance and/or injunctive relief shall be cumulative and in addition to, and not in lieu of, any other remedies at law or in equity, including without limitation an action for damages.

IN WITNESS WHEREOF, each of Mitte and the Partnership has executed this Release as of the day and year first hereinabove written.

MITTE:

THE ROY F. AND JOANN COLE MITTE FOUNDATION

By: 
Name: Dilum Chandrasoma
Title: President

WC PARTIES:

WC 1st and Trinity, LP, a Texas limited partnership

By: **WC 1st and Trinity GP, LLC, a Texas limited liability company, its General Partner**

By: _____
Name: _____
Title: _____

WC 1st and Trinity GP, LLC, a Texas limited liability company

By: _____
Name: _____
Title: _____

World Class Capital Group, LLC, a Texas limited liability company

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, each of Mitte and the Partnership has executed this Release as of the day and year first hereinabove written.

MITTE:

THE ROY F. AND JOANN COLE MITTE FOUNDATION

By: _____
Name: Dilum Chandrasoma
Title: President

WC PARTIES:

WC 1st and Trinity, LP, a Texas limited partnership

By: WC 1st and Trinity GP, LLC, a Texas limited liability company, its General Partner

By: Nate Paul
Name: NATE PAUL
Title: AUTHORIZED AGENT

WC 1st and Trinity GP, LLC, a Texas limited liability company

By: Nate Paul
Name: NATE PAUL
Title: AUTHORIZED AGENT

World Class Capital Group, LLC, a Texas limited liability company

By: Nate Paul
Name: NATE PAUL
Title: AUTHORIZED AGENT

ASSIGNMENT AND PURCHASE OF PARTNERSHIP INTERESTS

Relating to Partnership Interests in WC 3rd and Congress, LP,

a Texas limited partnership

This Assignment of Partnership Interests (this "Assignment") is executed and delivered on July 1, 2019 to be effective as of the Effective Date (as defined below) by and between The Roy F. and Joann Cole Mitte Foundation, a Texas nonprofit corporation ("Assignor"), and WC 3rd and Congress GP, LLC, a Texas limited liability company ("Assignee").

I. Recitals.

WHEREAS, Assignor desires to transfer on the Effective Date (as defined herein) all of its limited partnership interests (collectively, the "Partnership Interests") in WC 3rd and Congress, LP ("Partnership"), to Assignee; and Assignee desires to receive said Partnership Interests on the terms and for the consideration hereinafter set forth.

NOW THEREFORE, in consideration of the premises and the respective covenants and obligations of the parties hereto set forth herein, Assignor and Assignee do hereby agree as follows.

II. Terms of Assignment

1. Transfer of Partnership Interests. For and in consideration of the payment of Two Million and No/100 Dollars (\$2,000,000.00) paid in cash or other good and available funds in accordance with written instructions provided by Assignor (the "Payment") by Assignee to Assignor upon execution hereunder (the date Payment is received by Assignor, the "Effective Date"), the sufficiency of which is hereby acknowledged, Assignor hereby as of the Effective Date assigns, transfers and conveys to Assignee the Partnership Interests, including all of Assignor's right, title, and interest in and to all profits, returns of capital, surplus, proceeds, properties, distributions, or income of or arising from or in connection with the Partnership Interests through the Effective Date to the extent not yet paid as of the Effective Date.

2. Assumption of Obligations. By execution of this Assignment, Assignee expressly assumes as of the Effective Date all liabilities and obligations attributable to the Partnership Interests and all liabilities and obligations of Assignor under the limited partnership agreement for the Partnership (the "Partnership Agreement"), including capital accounts thereto, arising from and after the Effective Date. Assignee hereby agrees to be bound by the terms of the Partnership Agreement as a Partner thereof as of the Effective Date.

3. Execution of Documents. Assignee agrees, whether before or after the Effective Date, to execute all and any necessary documents reasonably required to effectuate this Assignment, including any joinders to the Partnership Agreement.

4. Intentionally Omitted.

5. Assignor Representations and Warranties. Assignor hereby warrants, represents, and agrees to and with the other parties hereto as follows:

a. Ownership of Partnership Interests. Assignor is the sole owner of the Partnership Interests, and possesses the power to enter into this Assignment.

b. Absence of Liens. Assignor's Partnership Interests are on the date hereof and will be on the Effective Date free and clear of any liens, charges or encumbrances aside from any established by this Assignment, and by purchase of the Partnership Interests hereunder, Assignee will on the Effective Date receive good and absolute title thereto, free from any liens, charges or encumbrances thereon.

6. Assignee Representations and Warranties. Assignee has and will continue to have on the Effective Date full authorization and right to enter into this Assignment and to perform all of its terms. All necessary Partnership action has been taken, or prior to the Effective Date will be taken, to authorize this Assignment and the transactions contemplated herein.

7. Binding Agreement. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective assigns and legal representatives.

8. Governing Law. This Assignment is made and delivered in, and will be governed by, and construed in accordance with, the applicable laws of the State of Texas.

9. Releases. In connection with this Assignment, Assignor shall execute and deliver a counterpart of the Mutual General Release of Claims attached hereto as Exhibit "A" (the "Release") to each of the parties designated as the "WC Parties" in the Release, and each of the parties designated as the "WC Parties" in the Release shall execute and deliver a counterpart of the Release to Assignor.

10. Hold Harmless. The Assignor understands that the value of the Partnership Interest is subject to market conditions and represents that he has consulted WITH ITS OWN INDEPENDENT ACCOUNTANTS AND ATTORNEYS PRIOR TO ENTERING INTO THIS ASSIGNMENT, AND HEREBY AGREES TO, FROM AND AFTER THE EFFECTIVE DATE, HOLD THE ASSIGNEE AND THE PARTNERSHIP HARMLESS FROM ANY AND ALL CLAIMS RELATED TO THE VALUE OF THE PARTNERSHIP INTEREST AT ANY TIME.

11. Confidentiality. As material consideration for this Assignment, the parties hereto agree that the confidentiality provision set forth in Section F of that certain Settlement Agreement dated July 1, 2019 by and between WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP and WC 3rd and Congress GP, LLC and Assignor shall apply to this Assignment.

12. Entire Agreement. This Assignment contains the entire agreement and understanding among the parties hereto pertaining to the subject of this Assignment, and there are no prior or contemporaneous representations, warranties or commitments except as provided herein. The parties each expressly disclaim reliance on any representation, warranty or commitment not provided herein. This Assignment may be modified only by a writing signed by the parties hereto.

13. Execution in Counterparts. This Assignment may be executed and transmitted by facsimile or email in any number of counterparts, each of which shall be an original, but all of which together shall be deemed to constitute one instrument.

14. Headings. The descriptive headings that are used in this Assignment are for convenience only and shall not affect the meaning of any provision in the Assignment.

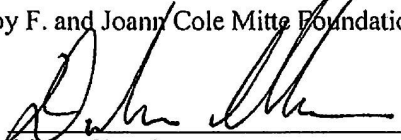
15. Severability. In the event any one or more of the provisions contained in this Assignment shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assignment.

16. Attorneys' Fees. In any action or proceeding brought to enforce this Assignment, the prevailing party to such litigation is entitled to recover its costs and reasonable attorneys' fees.

[Signature Page Follows]

ASSIGNOR:

The Roy F. and Joann Cole Mitte Foundation

By: 
Name: Dilum Chandrasoma
Title: President

ASSIGNEE:

WC 3rd and Congress GP, LLC,
a Texas limited liability company

By: _____
Name: _____
Title: _____

Agreed to and accepted by the
General Partner of the Partnership

WC 3rd and Congress GP, LLC

By: _____
Name: Natin Paul
Title: President

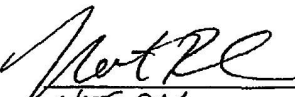
ASSIGNOR:

The Roy F. and Joann Cole Mitte Foundation

By: _____
Name: Dilum Chandrasoma
Title: President

ASSIGNEE:

WC 3rd and Congress GP, LLC,
a Texas limited liability company

By: 
Name: NATIN PAUL
Title: ATTORNEY AT LAW

Agreed to and accepted by the
General Partner of the Partnership

WC 3rd and Congress GP, LLC


By: 
Name: Natin Paul
Title: President

Exhibit A: Mutual General Release of Claims

MUTUAL GENERAL RELEASE OF CLAIMS

*Relating to WC 3rd and Congress LP,
a Texas limited partnership*

This Mutual General Release of Claims (this "Release") is executed and delivered as of the "Effective Date" as set forth in the Assignment (as defined below) ("Effective Date") by **THE ROY F. AND JOANN COLE MITTE FOUNDATION**, a Texas nonprofit corporation ("Mitte"), and **WC 3rd and Congress LP**, a Texas limited partnership (the "Partnership"), **WC 3rd and Congress GP, LLC**, a Texas limited liability company ("Assignee"), and **World Class Capital Group, LLC**, a Texas limited liability company ("WCCG") (the Partnership, Assignee and WCCG being referred to herein collectively as the "WC Parties").

I. Recitals

WHEREAS, Mitte is, as of the Effective Date, no longer a partner in the Partnership;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of Mitte and the Partnership hereby agrees as set forth below.

II. Release

1. Defined Terms.

(a) "3rd and Congress Parties" means each of the WC Parties, any other limited partner of the Partnership controlled by any of the WC Parties, and each of their respective affiliates, subsidiaries and parent companies, and each of their respective principals, officers, directors, employees, shareholders, partners, members, representatives, agents, attorneys, insurers, sureties, subcontractors, guarantors, successors, heirs and assigns.

(b) "Mitte Parties" means Mitte and its affiliates, subsidiaries, board of directors and each of their respective principals, officers, directors, employees, shareholders, partners, members, representatives, agents, attorneys, insurers, sureties, subcontractors, guarantors, successors, heirs and assigns.

(c) "Assignment" means that certain Assignment and Purchase of Partnership Interests by and between Mitte and Assignee, dated of even date herewith.

(d) "Released Claims" means any and all claims, debts, demands, causes of action, obligations, damages and/or liabilities of any kind whatsoever, whether legal or equitable, whether known or unknown, that the 3rd and Congress Parties or the Mitte Parties, as applicable, ever had or now have or may have against any or all of the Mitte Parties or the 3rd and Congress Parties, as applicable, arising prior to the Effective Date, and that arise from or relate to the Partnership and/or the property owned by the Partnership, including without limitation (i) distributions from the Partnership, including without limitation distributions pursuant to the Assignment; (ii) any matters related to Mitte's investment in the Partnership, including without limitation any action taken by any of the 3rd and Congress Parties or any of the Mitte Parties with

respect to the Partnership (for the avoidance of doubt, this section (d)(ii) shall include any and all matters related to any potential assignment of interests or buyout offers of Mitte's investment in the Partnership); and (iii) Mitte's ownership interest in the Partnership. "Released Claims" specifically do not include any claims, debts, demands, causes of action, obligations, damages and/or liabilities of any kind whatsoever, whether legal or equitable, whether known or unknown, unrelated to the Partnership and/or the property owned by the Partnership (including without limitation any claims with respect to any other entity or property). "Released Claims" also specifically do not include any claims, debts, demands, causes of action, obligations, damages and/or liabilities of any kind whatsoever, whether legal or equitable, whether known or unknown, that the 3rd and Congress Parties or the Mitte Parties have with respect to any breach of the Assignment.

2. Release.

(a) Release by Mitte Parties. Conditioned upon payment for Mitte's limited partnership interests in the Partnership pursuant to the Assignment, as of the Effective Date, the Mitte Parties release and forever discharge the 3rd and Congress Parties from the Released Claims.

(b) Release by 3rd and Congress Parties. Conditioned upon Mitte's execution and delivery of this Release, as of the Effective Date, the 3rd and Congress Parties release and forever discharge the Mitte Parties from the Released Claims.

3. Hold Harmless. Mitte understands that the value of its limited partnership interest is subject to market conditions and represents that it has consulted WITH ITS OWN INDEPENDENT ACCOUNTANTS AND ATTORNEYS PRIOR TO ENTERING INTO THIS RELEASE, AND HEREBY AGREES TO, FROM AND AFTER THE EFFECTIVE DATE, HOLD THE PARTNERSHIP AND THE RELEASED PARTIES HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS RELATED TO THE VALUE OF ITS LIMITED PARTNERSHIP INTEREST AT ANY TIME.

4. Indemnity. The 3rd and Congress Parties shall indemnify, defend and hold harmless the Mitte Parties from and against any and all liabilities, obligations, or losses (including without limitation attorneys' fees and court costs), and any and all claims or actions arising out of or relating to the 3rd and Congress Parties, the operations of the 3rd and Congress Parties, the properties owned by the 3rd and Congress Parties, or any ownership by Mitte of any interest in the 3rd and Congress Parties (other than claims relating to a breach by Mitte of this Release).

5. Binding Release. This Release shall be binding upon the Mitte Parties and the 3rd and Congress Parties as releasors, and shall inure to the benefit of the 3rd and Congress Parties and the Mitte Parties and their respective successors, assigns and/or legal representatives, as releasees.

6. Governing Law. This Release is made and delivered in, and will be governed by, and construed in accordance with, the applicable laws of the State of Texas.

7. Consideration. This Release, along with the Settlement Agreement and the Assignment, sets forth the entire consideration for this Release and the terms thereof. The

consideration for this Release is contractual and not a mere recital. No promise or inducement has been offered other than as set forth in this Release, the Settlement Agreement and the Assignment.

8. Interpretation. This Release was the result of negotiations between the parties hereto and may not be construed as having been prepared by any one party.

9. Survival. All recitals, representations, warranties and releases contained in this Release shall survive its execution and delivery and the execution and delivery of any other document or instrument referred to in this Release.

10. Headings. The descriptive headings that are used in this Release are for convenience only and shall not affect the meaning of any provision in the Release.

11. Severability. In the event any one or more of the provisions contained in this Release shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Release.

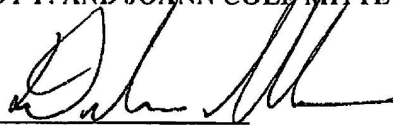
12. Attorneys' Fees. In any action or proceeding brought to enforce this Release, the prevailing party to such litigation is entitled to recover its costs and reasonable attorneys' fees.

13. Acknowledgement Regarding Irreparable Harm. The parties acknowledge that the parties' breach of any of its/their obligations under this Release will cause the other parties to suffer irreparable harm for which there is no adequate legal remedy. The parties acknowledge that, in addition to damages and any other remedies available at law or in equity, performance of this Release may be specifically enforced or ordered or a breach hereof may be enjoined by temporary, preliminary and permanent injunctive relief from any court of competent jurisdiction without the necessity of proving an amount of actual damages, or both. The parties agree that such rights to seek specific performance and/or injunctive relief shall be cumulative and in addition to, and not in lieu of, any other remedies at law or in equity, including without limitation an action for damages.

IN WITNESS WHEREOF, each of Mitte and the Partnership has executed this Release as of the day and year first hereinabove written.

MITTE:

THE ROY F. AND JOANN COLE MITTE FOUNDATION

By: 

Name: Dilum Chandrasoma

Title: President

WC PARTIES:

WC 3rd and Congress, LP, a Texas limited partnership

By: WC 3rd and Congress GP, LLC, a Texas limited liability company, its General Partner

By: _____

Name: _____

Title: _____

WC 3rd and Congress GP, LLC, a Texas limited liability company

By: _____

Name: _____

Title: _____

World Class Capital Group, LLC, a Texas limited liability company

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, each of Mitte and the Partnership has executed this Release as of the day and year first hereinabove written.

MITTE:

THE ROY F. AND JOANN COLE MITTE FOUNDATION

By: _____
Name: Dilum Chandrasoma
Title: President

WC PARTIES:

WC 3rd and Congress, LP, a Texas limited partnership

By: **WC 3rd and Congress GP, LLC, a Texas limited liability company, its General Partner**

By: *[Signature]*
Name: MITTE PART
Title: AUTHORIZED AGENT

WC 3rd and Congress GP, LLC, a Texas limited liability company

By: *[Signature]*
Name: MITTE PART
Title: AUTHORIZED AGENT

World Class Capital Group, LLC, a Texas limited liability company

By: *[Signature]*
Name: MITTE PART
Title: AUTHORIZED AGENT

ADDENDUM B
FORM OF AGREED DISMISSAL OF ARBITRATION

AMERICAN ARBITRATION ASSOCIATION

WC 1 st and TRINITY, LP, WC 1 st AND	§	
TRINITY GP, LLC, WC 3 rd AND	§	
CONGRESS, LP AND WC 3 rd AND	§	
CONGRESS GP, LLC	§	
Claimants	§	AAA CASE NO. 01-19-0000-5347
	§	
- against -	§	
	§	
	§	
THE ROY F. & JOANN COLE MITTE	§	
FOUNDATION,	§	
	§	
Respondent.	§	

**DISMISSAL
OF ALL CLAIMS AND
COUNTERCLAIMS**

DISMISSAL OF ALL CLAIMS AND COUNTERCLAIMS

Pursuant to the Settlement Agreement, executed by Claimants and Respondents on June __, 2019, the parties to the above-captioned action agree to hereby dismiss all claims and counterclaims asserted in this arbitration. The parties jointly stipulate to the dismissal of all claims and counterclaims with prejudice, thereby concluding this matter.

Signed on the _____ day of _____, 2019.

ADDENDUM C
FORM OF AGREED DISMISSAL OF LAWSUIT

CAUSE NO. D-1-GN-18-007636

THE ROY F. & JOANN COLE MITTE	§	IN THE DISTRICT COURT
FOUNDATION,	§	
	§	
<i>Plaintiff</i>	§	
v.	§	
	§	126 TH JUDICIAL DISTRICT
WC 1ST AND TRINITY, L.P.	§	
WC 1ST AND TRINITY GP, LLC,	§	
WC 3RD AND CONGRESS, LP AND	§	
WORLD CLASS CAPITAL GROUP, LLC	§	
	§	
<i>Defendants.</i>	§	TRAVIS COUNTY, TEXAS

AGREED ORDER OF DISMISSAL WITH PREJUDICE

On this day came on to be heard the above-styled and numbered cause. The parties having made their appearance and informed the Court that they have agreed to dismiss this matter, and it is therefore ORDERED, ADJUDGED AND DECREED that all of Plaintiff's pending claims and causes of action are hereby dismissed with prejudice. It is further ORDERED, ADJUDGED, AND DECREED that each party bear its own costs and attorneys' fees.

SIGNED on this the ____ day of _____, 2019.

JUDGE PRESIDING

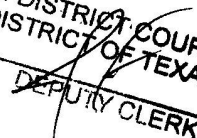
AGREED AS TO FORM AND SUBSTANCE:

RAY CHESTER
ATTORNEY FOR PLAINTIFF

JOHN D. SABA, JR.
ATTORNEY FOR DEFENDANTS

EXHIBIT 024

United States District Court
Western District of Texas
Austin Division

FILED
SEP 05 2019
CLERK, U.S. DISTRICT COURT
WESTERN DISTRICT OF TEXAS
BY  DEPUTY CLERK

In the Matter of the Search of
Contego Information Management
2112 Rutland Drive #141
Austin, Texas 78758

No. A-19-MJ-450-ML

UNDER SEAL

Order

Before the Court is the government's Motion for Leave to Disclose Sealed Search Warrant, and after considering the same, the Court is of the opinion that it is meritorious and should be granted.

ACCORDINGLY, it is hereby ORDERED that the United States Attorney's Office shall disclose the sealed search warrant and inventory in this matter to counsel for World Class Holdings and its affiliated entities, as well as counsel for Natin Paul, to be used and disclosed only as necessary for counsel's representation of their respective clients.

SIGNED this 5th day of September 2019.



MARK LANE
UNITED STATES MAGISTRATE JUDGE

UNITED STATES DISTRICT COURT

for the
Western District of Texas

In the Matter of the Search of
(Briefly describe the property to be searched
or identify the person by name and address)
CONTEGO INFORMATION MANAGEMENT
2112 RUTLAND DRIVE #141
AUSTIN, TEXAS 78758

Case No. 1:19-MJ-450-ML

SEARCH AND SEIZURE WARRANT

To: Any authorized law enforcement officer

An application by a federal law enforcement officer or an attorney for the government requests the search
of the following person or property located in the Western District of Texas
(identify the person or describe the property to be searched and give its location):

See Attachment A.

I find that the affidavit(s), or any recorded testimony, establish probable cause to search and seize the person or property
described above, and that such search will reveal (identify the person or describe the property to be seized):

See Attachment B.

YOU ARE COMMANDED to execute this warrant on or before 8-30-2019 (not to exceed 14 days)
in the daytime 6:00 a.m. to 10:00 p.m. at any time in the day or night because good cause has been established.

Unless delayed notice is authorized below, you must give a copy of the warrant and a receipt for the property taken to the
person from whom, or from whose premises, the property was taken, or leave the copy and receipt at the place where the
property was taken.

The officer executing this warrant, or an officer present during the execution of the warrant, must prepare an inventory
as required by law and promptly return this warrant and inventory to Judge Mark Lane
(United States Magistrate Judge)

Pursuant to 18 U.S.C. § 3103a(b), I find that immediate notification may have an adverse result listed in 18 U.S.C.
§ 2705 (except for delay of trial), and authorize the officer executing this warrant to delay notice to the person who, or whose
property, will be searched or seized (check the appropriate box)

for days (not to exceed 30) until, the facts justifying, the later specific date of

Date and time issued: 8-16-2019 1:30 pm

Handwritten signature of Mark Lane

City and state: Austin, Texas

Mark Lane, U.S. Magistrate Judge
Print name and title

ATTACHMENT A

Property to be Searched

The property to be searched is Contego Information Management, at 2112 Rutland Drive #141, Austin, Texas, 78758, in the Western District of Texas.

ATTACHMENT B

Items to be Seized

a. All evidence and instruments at the place described in Attachment A that relate to violations of 18 U.S.C. § 1343 (Wire Fraud), 18 U.S.C. § 1344 (Bank Fraud), 15 U.S.C. § 78j(b) (Securities Fraud), or 26 U.S.C. § 7206 (False Statements) involving Nate Paul, Love Paul, Sheena Paul, Jeremy Stoler, Barbie Lee, or Narsimharaju Sagiraju (aka Raj Kumar), since 2007.

b. These materials include paper and electronic records and documents reflecting information about past and present criminal activity, including disposition of proceeds and efforts to conceal the offenses, including but not limited to: financial and accounting and audit records; bank records and communications; loan/credit applications and agreements; lender records and communications; interest and repayment records; agreements and records regarding equity investments; offering and promotional materials; communications with investors and potential investors; leases and other records pertaining to the acquisition and operation of real estate investments; valuation and appraisal documents; information submitted to and relating to valuations and appraisals; corporate and personal credit card records; records of expenditure; corporate and personal tax returns and tax records; communications with co-conspirators, victims, employees, associates, investors, potential investors, banks, lenders, potential lenders, appraisal and valuation entities; hiring and termination records; group presentations such as slides, charts, videos, and other audio and visual depictions; spreadsheets and lists and summaries of investors, investments, lenders, debt, ownership; business organization and registration and licensing documents; communications with government entities and regulators; investment and debt related filings; contracts and draft contracts; travel records; brokerage

records and investment advisory agreements; diaries, journals, and calendars; social media messages.

c. Computer and electronic account information, including account names, passwords, access telephone numbers, computer host names and Internet addresses, IP addresses, password files, and other information about computer systems, users, accounts and related topics; technical documentation and material (about computers, routers, and related systems) which aid in gaining access to computer systems; personal notations related to the means and methods of gaining access to computer systems and Internet communication records, logs and contents.

d. All electronic devices and computer items which are reasonably capable of containing any of the above items, including laptops, desktops, tablets, servers, software, phones, hard drives, optical disks such as CDs or DVDs, USB flash or thumb drives, memory cards, and other electronic media storage devices. Evidence of who used, owned, or controlled the device or computer at the time the above items were created, edited, or deleted.

e. Evidence of state of mind relating to the crimes under investigation.

If law enforcement personnel encounter any devices that are subject to seizure pursuant to this warrant and may be unlocked using a biometric feature such as fingerprint/thumbprint or facial characteristics, this warrant permits law enforcement personnel to obtain from Nate Paul, Love Paul, Sheena Paul, Jeremy Stoler, Barbie Lee, or Narsimharaju Sagiraju (aka Raj Kumar) the display of any physical biometric characteristics necessary to unlock any devices, including to (1) press or swipe the fingers (including thumbs) of the relevant person(s) to the fingerprint scanner of the devices; (2) hold the devices in front of the face of the relevant person(s) to

activate the facial recognition feature; and/or (3) hold the devices in front of the face of the relevant person(s) to activate the iris recognition feature, for the purpose of attempting to unlock the devices in order to search the contents as authorized by this warrant. The warrant does not authorize law enforcement to require that the person(s) state or otherwise provide the password, or identify specific biometric characteristics (including the unique finger(s) or other physical features) that may be used to unlock or access the devices. However, the voluntary disclosure of such information by the person(s) is permitted, so long as agents do not state or otherwise imply that the warrant requires the person to provide such information, and make clear that providing any such information is voluntary and that the person is free to refuse the request.

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property

Case ID: 318B-SA-4624092

On (date) 08/22/2019

item (s) listed below were:

- Collected/Seized
- Received From
- Returned To
- Released To

(Name) Kevin Knobel, CEO CONTEGOWA INFO. MGT.


(Street Address) 2112 Rutland Drive, Suite 141

(City) AUSTIN, TX 78758

Phone # 512 551-0371

Description of Item (s): 82 Banker Boxes of Business Records & Documents

[A large diagonal line is drawn across the remaining lined area of the form.]

Received By: 
(Signature)

Printed Name/Title: Kevin Knobel / CEO

Received From: 
(Signature)

Printed Name/Title: Thomas P. Jay Jr. / FBI

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

File # 318B-SA-4624092

On (date) 8/27/2018 2:40pm

- item(s) listed below were:
- Received From
 - Returned To
 - Released To
 - Seized

(Name) KEVIN KNEBEL - CONTECO HIM, INC.

(Street Address) 2112 BUTLAND DR, SUITE 141

(City) AUSTIN, TX 78758

Description of Item(s): 18 Banker Boxes containing WCG documents

[A large diagonal line is drawn across the remaining lines of the form, indicating that no further items were listed.]

Received By: [Signature]
(Signature)

Received From: [Signature]
(Signature)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION
Receipt for Property Received/Returned/Released/Seized

File # 318B-SA-462409Z

On (date) 8/30/2019

item(s) listed below were:

- Received From
- Returned To
- Released To
- Seized

(Name) Kevin Knobel, CEO Contego IM

(Street Address) 2112 Rutland Dr. #141

(City) AUSTIN, TX 78758

Description of Item(s):

1 BOX OF DOCUMENTS WITH Barcode # 28747
labeled as BOX 70.

Received By: [Signature]
(Signature)

Received From: [Signature]
(Signature)

EXHIBIT 025

NOTE: submission also includes copies
of requestor's 304 briefs



MEADOWS COLLIER

ATTORNEYS AT LAW

MEADOWS, COLLIER, REED, COUSINS, CROUCH & UNGERMAN, L.L.P.

A REGISTERED LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

901 MAIN STREET, SUITE 3700
DALLAS, TEXAS 75202
(214) 744-3700
www.meadowscollier.com

December 17, 2019

Via Texas Attorney General Public Information Act Electronic Filing System

The Honorable Ken Paxton
Attorney General of Texas
209 W. 14th Street, 6th Floor
Austin, TX 78701
ATTN: Open Records Division

**Re: *Request for Reconsideration of Information Submitted in Connection With
OR2019-33291***

Dear General Paxton:

Please reconsider the decision reached in open records letter OR2019-33291, which was issued to Ms. Cheryn L. Netz of the Texas State Securities Board on November 25, 2019 by Assistant Attorney General Blake Brennan. The letter appears to be primarily copied from prior open records letters that did not involve the unique circumstances at issue in this matter.

In addition, the letter concludes that the requested records must be withheld under Texas Government Code section 552.101 in conjunction with article 581-28 of the Texas Securities Act and federal law without any discussion or analysis of the counter arguments we made in response to these legal arguments in our October 4, 2019 response to the Texas State Security Board's request and in our October 30, 2019 response to the Texas State Board's supplemental request. For your convenience, a copy of the November 25, 2019 open records letter, our October 4, 2019 response and our October 30, 2019 response to the response to the supplemental request are enclosed.

Sincerely,

/s/ Aaron P. Borden
Aaron P. Borden

The Honorable Ken Paxton
December 17, 2019

cc: Cheryn L. Netz
Enclosures

#510007

Page 2

EXHIBIT 026

iMessage
12/26/2019 6:57:47 PM

How about Campisi's for lunch in north Plano?

I love Campisi's. Sounds good.
Which one in Plano?
8100 Dallas Parkway? Or 4709 West Parker road?
Noon?

It is at intersection of 121 and North Dallas Tollway

Great. Thanks

Awesome . See you at noon



12/27/2019 12:00:49 PM

Stuck at the bank but not far away

No prob. I am here at entrance

12/27/2019 4:03:41 PM

REDACTED

Thanks for lunch today. Excited about joining your team and doing many exciting things to move the ball forward. Thank you for the opportunity.

Forgot to show you today but this is my crew - who are all excited to be back in Texas.

12/27/2019 5:19:31 PM

I am very looking forward to you joining us. I think we can make a difference together!

EXHIBIT 027

From: Mateer, Jeff </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=1EE53E80C86541A69526C6FDEA0C886A-JCM8>
To: Bangert, Ryan
CC: Hacker, David
Sent: 1/1/2020 9:01:18 AM
Subject: Fwd: Request for Reconsideration of OR2019-33291
Attachments: ATT00001.htm; Letter to AG Paxton 12 17 2019 with enclosures.pdf

We've been asked to take a closer look at this one. We can discuss tomorrow.

Sent from my iPad

Begin forwarded message:

From: "Borden, Aaron P." <aborden@meadowscollier.com>
Date: December 31, 2019 at 5:20:45 PM CST
To: "Mateer, Jeff" <Jeff.Mateer@oag.texas.gov>
Cc: "Meadows, Jr., Charles M." <cmeadows@meadowscollier.com>
Subject: Request for Reconsideration of OR2019-33291

Message

From: Bangert, Ryan [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=75B41FA611A646D9B458F5B74D826CAB-RLB5]
Sent: 1/2/2020 6:50:33 AM
To: Gordon, Justin [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=1de49522abf0469a902dd47432537850-JDG1]
Subject: Fwd: Request for Reconsideration of OR2019-33291
Attachments: Letter to AG Paxton 12 17 2019 with enclosures.pdf; ATT00001.htm

Justin, FYI, let's discuss this morning.

Sent from my iPhone

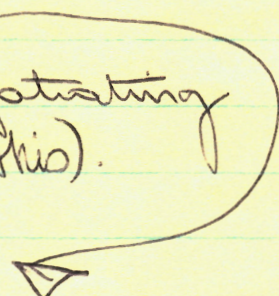
Begin forwarded message:

From: "Mateer, Jeff" <Jeff.Mateer@oag.texas.gov>
Date: January 1, 2020 at 9:01:29 AM CST
To: "Bangert, Ryan" <Ryan.Bangert@oag.texas.gov>
Cc: "Hacker, David" <David.Hacker@oag.texas.gov>
Subject: **Fwd: Request for Reconsideration of OR2019-33291**

EXHIBIT 028

Google EC Meeting 1/2/20

- ⊛ Mike Mitchell - Freewheel
- DOH (negotiating w/ Google on this).



Week of 27th

Angela
Koch

1/6/20 ORD Meeting

- ⊛ Natoli Paul - why the policy change? law enforcement doesn't normally anticipate disclosure of PC off. "Outing" of victims, juveniles, etc. Why would PIA provide greater access? O22 super public excepts. What about sealed material? Not an O22 doc. How are PC off. treated in TX? No short lock for Natoli Paul's team

Nicholas
Make report to agency
Raised BC code section

- ⊛ Fed. agency taking over ~~responsibility~~ responsibility for conducting spin investigations from OPM.
- Meeting Feb 3-6 in San Marcos

- ⊛ Skimmer files - ~~108~~ files from Houston and SA

EXHIBIT 029

Message

From: Gordon, Justin [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=1DE49522ABF0469A902DD47432537850-JDG1]
Sent: 1/14/2020 5:29:06 PM
To: Bangert, Ryan [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=75b41fa611a646d9b458f5b74d826cab-RLB5]
Subject: Draft: OR2019-33291 Reconsideration - Follow Up

Ryan, pasted below is a draft of the breakdown you requested on the OR2019-33291 reconsideration request involving the Texas State Securities Board.

- Justin

1) Timeline:

- 9/9/19: Request received by Texas State Securities Board (the "Board").
- 9/20/19: Board released some information to requestor, requested an OAG ruling on some information, and notified the requestor that other information was withheld pursuant to a previous determination.*
- 9/20/19: Board's initial decision request and briefing received by ORD.
- 9/27/19: Board follow up brief received by ORD.
- 10/4/19: Requestor's first brief received by ORD.
- 10/4/19: Requestor's second request, which specifically sought FBI NDA, received by Board.
- 10/16/19: Board's third brief received by ORD.
- 10/16/19: Board's brief regarding second request received by ORD and added to pending file.
- 10/30/19: Requestor's second brief received.
- 10/30/19: FBI brief regarding requested NDA received.
- 11/25/19: ORD issues ruling concluding information must be withheld.
- Link to ruling: <https://www2.texasattorneygeneral.gov/opinions/openrecords/51paxton/orl/2019/pdf/or201933291.pdf>
- We concluded that the information identified by the Board was confidential under its broad confidentiality provision in Article 581-28(A) of the Texas Securities Act. We also concluded that the FBI NDA must be withheld under 552.101 in conjunction with federal law (552.(b)(5) of FOIA).
- 12/17/19: Request for reconsideration from requestor received by ORD.

*Note: In 2004 the Board was granted a previous determination that permits it to withhold information "obtained" by the board in connection with an investigation to prevent or detect a violation of the Texas Securities Act or a board rule or order. That previous determination is linked below:

[i.or200400239.pdf](https://www2.texasattorneygeneral.gov/opinions/openrecords/51paxton/orl/2004/or200400239.pdf)

2) Search warrant background: Our office generally treats executed search warrants as public court records that are "super-public" information under Government Code section 552.022(a)(17). However, based on a determination made in 2007, we distinguish between the search warrants and the related search warrant affidavits. Beginning in 2007, our office stopped identifying search warrant affidavits as public court records subject to section 552.022(a)(17). This distinction is important because a document subject to section 552.022(a)(17) cannot be withheld under the 552.108 law enforcement exception (552.108 is a discretionary exception as opposed to a mandatory exception). Of note in this instance, we will not call out a search warrant or search warrant affidavit under section 552.022(a)(17) if it is sealed. Additionally, because information subject to section 552.022 can still be withheld under confidentiality exceptions, even if 552.022(a)(17) information cannot be withheld under 552.108, we will address the applicability of confidentiality provisions to 552.022(a)(17) information. The search warrants and affidavits we typically see are from state courts. However, I do not believe the above analyses would differ in the context of federal warrants.

a. Example of files where 552.022(a)(17) is raised for a search warrant and thus information cannot be withheld under section 552.108:

<https://www2.texasattorneygeneral.gov/opinions/openrecords/51paxton/orl/2019/pdf/or201934113.pdf>

<https://www2.texasattorneygeneral.gov/opinions/openrecords/51paxton/orl/2019/pdf/or201931522.pdf>

3) Approach for release of search warrant affidavit: As noted above, the Board submitted representative samples of information in its decision request. The submitted representative sample did not include a search warrant or search warrant affidavit. So, our office has not reviewed these records and we have no indication of what they contain. It also appears many of the records filed in this case are under seal. However, the federal court required release of the search warrant to the requestor, and it appears the requestor has access to the warrant itself. The unsealing order does not reference the affidavit. The Board's arguments apply generally to almost all of the submitted information. Only the Board's NDA with the FBI was excluded from its arguments. Thus, we can assume that the Board asserts all of the above listed arguments for the search warrant affidavit. Release of the affidavit would then require a pour out for each raised exception. Because the Board made broadly applicable arguments for the raised exceptions and submitted representative sample, but did not specifically apply them to the affidavit, the best approach would be to generally conclude that the broad arguments fail to establish the raised exceptions are applicable to the specific affidavit. This is the approach our office typically takes when an entity asserts a broadly applicable provision, but does not specifically apply the provision to the documents at issue. This conclusion would put the burden back onto the Board, which would then be required to file suit challenging this determination. Note that this approach does not take into account the possibility that the affidavit contains information that is confidential, and that our office is not aware of because we have not reviewed the document. This approach would also be complicated if the Board withheld the affidavit information under its 2004 previous determination.

4) Based on the procedural posture of this case there are numerous potential paths that it could take. Three potential paths are summarized below:

1. Deny reconsideration. Requestor files mandamus against Board.

a. The requestor's reconsideration is currently pending and denial of the reconsideration would confirm that that the Board can continue to rely on our determination in OR19-33291.

b. The requestor does not have a deadline to file suit, and can assert his interest at any time. The requestor could assert any arguments against the Board.

c. Subject to section 552.326(b), the Board could only assert the exceptions it raised in its briefing to our office.

d. The OAG would not be a party to this lawsuit, but would likely represent the Board.

e. If the requestor substantially prevails, he would be entitled to attorney's fees.

2. Requestor submits new request for search warrant affidavit (or other specific records that were not part of representative sample).

a. Assuming the Board believes its representative sample in OR2019-33291 was accurate, the Board may decide to deny any subsequent request for information covered by the representative sample by relying on OR19-33291 as a previous determination pursuant to 552.301(a). It is also possible that the Board withheld the warrant materials based on the previous determination in OR2004-0239

i. In this instance, the requestor could file a mandamus action against the board under section 552.321, file a formal complaint with the Travis County District Attorney under section 552.3215, or file an informal complaint with our office.

b. If the Board does submit a new ruling, then our office would have the opportunity to review the document and determine whether the raised exceptions apply to the specific record.

c. If we order release, then the Board, or any other interested third party (ie: the FBI), could sue our office under sections 552.324 and 552.325.

d. If we order the information withheld, then the requestor could sue the Board as described in Path 1.

3. Grant reconsideration request and order Board to release specific records.

a. If we decide to reverse our earlier determination, we would need to amend OR2019-33291 by issuing an "A" ruling. This ruling could follow the approach listed above and would be issued to the Board and requestor.

b. Before issuing an amended ruling that orders the release of information, our office would likely have to review the information to ensure the released records do not contain confidential information. This would require our office to ask the Board to submit the information at issue to our office.

c. If the Board does not agree with the amended ruling, the Board would have 30 calendar days to file suit against our office. Any other interested third party could also file suit against our office. Administrative Law would defend our ruling and Financial Litigation would likely represent the Board.

EXHIBIT 030



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

This memorandum may be confidential and privileged pursuant to Texas Government Code sections 552.101, 552.103, 552.107 & 552.111, and should not be disclosed without the express authorization of the Attorney General.

MEMORANDUM

To: Mary T. Henderson, Senior Attorney
From: Cat Day, Assistant Attorney General
Date: January 28, 2020
Subject: Recommendation to Waive Attorney General's Interest
Mitte Fdn; Cause No. D-1-GN-18-007636; *The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP and World Class Capital Group, LLC*; In the 126th Judicial District Court of Travis County, Texas

I recommend waiving the Attorney General's interest in this matter regarding a private real estate company's breach of fiduciary duties to its investors, one of which is a charitable trust, The Roy F. & Joann Cole Mitte Foundation ("Trust").

Roy F. and Joann Cole Mitte created the Trust in 1994. The Trust has been operating and making distributions since its inception, primarily through private grants to nonprofit organizations and scholarships for qualified students to Texas higher education institutions.¹ Presently, the corpus of the Trust is approximately \$13,000,000.² In 2017, the Trust distributed almost \$700,000 in charitable grants.

World Class Capital Group ("World Class") is a privately-owned investment firm in Austin, Texas that focuses on commercial real estate. In 2016, World Class was the 24th top commercial property owner in the United States.

The Trust invested \$3,000,000 with two of World Class's entities: WC 1st and Trinity, LP and WC 3rd and Congress, LP. The Trust and World Class (the "Parties") initiated a binding arbitration on February 19, 2019.³ The Parties agreed to settle all claims in the arbitration on July 1, 2019, where World Class was to pay the Trust \$10.5 million in exchange for release of all claims. On August 14, 2019, the FBI raided World Class, its affiliates, and the home of World Class's owner, Nate Paul. As a result, World Class defaulted on its settlement with the Trust.

¹ The Attorney General filed suit against the Trust in 2008. Among other things, Scott Mitte, son of the Trust's settlors, improperly used the Trust's credit cards for personal benefit, authorized excessive compensation for himself, and improperly used Trust property. As a result of the suit, Scott Mitte resigned from his position as Chairman and CEO of Trust and has a lifetime prohibition from working with the Trust.

² This amount excludes the \$3,000,000 invested with World Class.

³ The arbitration is confidential; therefore, I have not reviewed any documents from the arbitration.

The Trust filed a Third Amended Petition (“Petition”) in Travis County. The Petition asks the Court to:

1. Find World Class breached at least eight different fiduciary duties;
2. Gain access to the books and records at WC 1st and Trinity, LP and WC 3rd and Congress, LP.

In my opinion, this office does not have a role in this matter. The Trust is zealously represented by counsel. Counsel stated that once the Receiver sells the 1st and Trinity, LP and WC 3rd and Congress, LP, the Trust will likely make a massive return on its investment due to the inflated price of real estate in downtown Austin.

Also, only eighteen percent (18%), or \$3,000,000, of the Trust’s assets were invested with World Class. The other \$13,000,000 is diversified in publicly traded securities. Counsel stated that this lawsuit will not impact the Trust’s ability to make charitable distributions.

I recommend the Attorney General file a waiver for the following reasons:

- 1) The Trust is represented by counsel;
- 2) The Trust’s assets are diversified; and
- 3) The litigation will not critically impact the Trust’s 2020 distributions to charities and students.

EXHIBIT 031

CAUSE NO. D-1-GN-18-007636

THE ROY F & JOANN COLE MITTE	§	IN THE DISTRICT COURT OF
FOUNDATION,	§	
Plaintiff,	§	
	§	
V.	§	
	§	TRAVIS COUNTY, TEXAS
WC 1st AND TRINITY, LP, WC 1st AND	§	
TRINITY GP, LLC, WC 3rd AND	§	
CONGRESS, LP AND WORLD CLASS	§	
CAPITAL GROUP, LLC	§	126 TH JUDICIAL DISTRICT

ATTORNEY GENERAL’S WAIVER

TO THE HONORABLE JUDGE OF SAID COURT:

NOW COMES Ken Paxton, Attorney General for the State of Texas (referred to herein as the “Attorney General”), and files this Waiver in the above-referenced cause of action and respectfully shows the Court as follows:

I.

Pursuant to §123.002 of the Texas Property Code and the common law, the Attorney General is a proper party and may intervene in a proceeding involving a charitable trust on behalf of the interest of the general public.

II.

Based upon the pleadings that have been provided to him to date, the Attorney General has determined not to intervene and by this Waiver declines in writing to be a party to the proceeding in its current state, pursuant to §123.004(b)(1) of the Property Code. Accordingly, the Attorney General waives further notice of the proceedings in this case as it is currently constituted.

III.

If any pleading is filed herein that adds additional parties or causes of action, such pleading would constitute a new or additional proceeding involving a charitable trust, which will require additional notice to the Attorney General pursuant to §123.003 of the Property Code. This Waiver

is not intended to constitute a declination in writing to be a party to any such new proceeding.

Respectfully submitted,

KEN PAXTON
Attorney General of Texas

JEFFREY C. MATEER
First Assistant Attorney General

DARREN L. McCARTY
Deputy Attorney General for Civil Litigation

JOSHUA R. GODBEY
Division Chief
Financial Litigation and Charitable Trusts Division

/s/ Cathleen M. Day
Cathleen M. Day
Assistant Attorney General
State Bar No. 24105783
Financial Litigation and Charitable Trusts Division
P.O. Box 12548
Austin, Texas 78711-2548
(512) 463-9507 - Direct Line
(512) 477-2348 - Fax
cathleen.day@oag.texas.gov

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing *Attorney General's Waiver* was served on January 31, 2020, via e-service to the following:

Ray C. Chester
Michael A. Shaunessy
MCGINNIS LOCHRIDGE, LLP
600 Congress Ave., Ste. 2100
Austin, TX 78701
rchester@mcginnislaw.com
mshaunessy@mcginnislaw.com

Edward F. Fernandes
Katherine Stein
KING & SPALDING, LLP
500 W. 2nd St., Ste. 1800
Austin, TX 78701
efernandes@kslaw.com
kstein@kslaw.com

/s/ Cathleen M. Day
Cathleen M. Day



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

January 31, 2020

Velva L. Price
Travis County District Clerk
P.O. Box 1748
Austin, TX 78767

Re: Cause No. D-1-GN-18-007636; *The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP and World Class Capital Group, LLC*; In the 126th Judicial District Court of Travis County, Texas; ***Attorney General's Waiver***

Dear Ms. Price:

The following pleadings have been received by this office relating to the above-referenced cause:

- *Plaintiff's Original Petition*;
- *Plaintiff's Third Amended Original Petition*;
- *Defendants' Memorandum on Remand for Determination of Adequacy of Supersedeas or Other Order under Tex. R. App. P.24*;
- *Order Appointing Receiver*;
- *Applicant's Notice of Filing of Applicant's Bond*;
- *Bond Securing Appointment of Receiver*;
- *Receiver's Interim Report*; and
- *Receiver's Quarterly Report for the Period December 10, 2019 to December 31, 2019*.

This *Waiver* is a waiver of the right to intervene in this case only as it is currently constituted. If any pleading is filed herein that adds additional parties or causes of action, such pleading will constitute a new or additional proceeding involving a charitable trust, which will require additional notice to the Attorney General pursuant to §123.003 of the Property Code. This Waiver is not intended to constitute a declination in writing to be a party to any such new proceeding.

Sincerely,

/s/ Cathleen M. Day

Cathleen M. Day
Assistant Attorney General
State Bar No. 24105783
Financial Litigation and Charitable Trusts Division
P.O. Box 12548

Post Office Box 12548, Austin, Texas 78711-2548 • (512) 463-2100 • www.texasattorneygeneral.gov

CONFIDENTIAL

OAG_SUB-00068493

HBOM00250991

Velva L. Price
Cause No. D-1-GN-18-007636
January 31, 2020
Page 2 of 2

Austin, Texas 78711-2548
(512) 463-9507 - Direct Line
cathleen.day@oag.texas.gov

CMD/did
Enclosure

cc: Ray C. Chester
Michael A. Shaunessy
MCGINNIS LOCHRIDGE, LLP
600 Congress Ave., Ste. 2100
Austin, TX 78701
rchester@mcginnislaw.com
mshaunessy@mcginnislaw.com

Edward F. Fernandes
Katherine Stein
KING & SPALDING, LLP
500 W. 2nd St., Ste. 1800
Austin, TX 78701
efernandes@kslaw.com
kstein@kslaw.com

EXHIBIT 032



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

April 11, 2020

The Honorable James B. Frank
Chair, Committee on Human Services
Texas House of Representatives
Post Office Box 2910
Austin, Texas 78768-2910

Re: Whether golf courses may remain open during the COVID-19 disaster if local authorities require social distancing protocols and compliance with public health instructions

Dear Chairman Frank:

You ask for guidance on the interpretation of the Governor's Executive Order GA-14 and its impact on certain essential services and activities in Texas. In particular, you ask whether "golf courses, which serve as a forum for essential activity such as exercise, may remain open if local authorities require social distancing protocols and public health instructions be followed."¹

Some elements of golf course businesses may provide "essential services" under GA-14 and the federal CISA Guidance it adopts.² For example, restaurants at golf courses provide an essential service and may continue to provide take-out or delivery options.³ Landscapers and other workers who are necessary to maintain

¹ Letter from Honorable James B. Frank, Chair, House Committee on Human Services, to Honorable Ken Paxton, Tex. Att'y Gen. (Apr. 8, 2020).

² GA-14 adopts as essential services "everything listed by the U.S. Department of Homeland Security in its Guidance on the Essential Critical Infrastructure Workforce, Version 2.0." Exec. Order No. GA-14 (Mar. 31, 2020) (hereafter "Exec. Order GA-14").

³ See Cybersecurity and Infrastructure Security Agency, Memorandum on Identification of Essential Critical Infrastructure Workers During COVID-19 Response, *available at* <https://www.cisa.gov/publication/guidance-essential-critical-infrastructure-workforce> ("CISA Guidance"). CISA Guidance provides that "essential services" include "restaurant, carry-out and quick serve food operations, including dark kitchen and food prep centers, and carry-out and delivery food employees."

the safety and sanitation of the business are likewise essential.⁴ Such services may continue to operate, and employees performing those services may go to work at the golf course. Yet even when providing an essential service, golf courses “should follow the Guidelines from the President and the CDC by practicing good hygiene, environmental cleanliness, and sanitation, implementing social distancing, and working from home if possible.”⁵

However, other elements of golf course operations that do not involve services identified under GA-14 or the CISA guidance are not essential services. For example, golf course personnel, such as starters, marshals, and pro-shop staff, who do not provide essential services, must follow GA-14’s general rule: “minimize social gatherings and minimize in-person contact with people who are not in the same household.”⁶ These personnel may work remotely from home if possible, performing functions like taking tee times, monitoring the course, or posting instructions or updates on a web site. Thus, ongoing non-essential services of golf courses should be conducted remotely.

With regard to individuals that desire to play golf, GA-14 expressly allows “engaging in physical activity.”⁷ Golf is defined as a sport involving physical activity.⁸ While GA-14 expressly prohibits “visiting gyms,” it permits activities like “jogging and bicycling, so long as the necessary precautions are maintained to reduce the transmission of COVID-19 and to minimize in-person contact with people who are not in the same household.”⁹ Similarly, a person is not prohibited from playing or practicing golf on property that remains open to the person (such as by holding a membership and/or reserving a tee time), but the person should follow the CDC guidelines pursuant to GA-14.

⁴ The CISA Guidance identifies landscapers and other service providers who are “necessary to maintaining the safety, sanitation, and essential operation of residences and businesses.” Such personnel could include groundskeepers and employees who maintain the safety, sanitation, and usability of the outdoor surfaces of the golf course grounds used for practice or play.

⁵ Exec. Order GA-14.

⁶ *Id.*

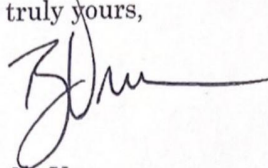
⁷ *Id.*

⁸ *Sport*, *Dictionary.com*, at <https://www.dictionary.com/browse/sport>. Golfing is defined as “the activity of playing golf[.]” *Golfing*, *Collins English Dict.*, available at <https://www.collinsdictionary.com/dictionary/english/golfing>; see also *Golf*, WIKIPEDIA, at <https://en.wikipedia.org/wiki/Golf> (last visited Apr. 10, 2020); *Sport*, WIKIPEDIA, at <https://en.wikipedia.org/wiki/Golf> (last visited Apr. 10, 2020).

⁹ Exec. Order GA-14.

Please note that this response is not an official opinion of the Office of the Attorney General issued under section 402.042 of the Texas Government Code, nor is it an exhaustive memorandum of law; rather, it is an informal letter of legal advice offered for the purpose of general guidance.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Vassar", with a long horizontal flourish extending to the right.

Ryan M. Vassar
Deputy Attorney General for Legal Counsel



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

April 14, 2020

The Honorable Stephanie Klick
Chair, Committee on Elections
Texas House of Representatives
Post Office Box 2910
Austin, Texas 78768-2910

Dear Chairwoman Klick:

You have asked us for guidance on whether a qualified voter who wishes to avoid voting in-person because the voter fears contracting COVID-19 may claim a disability entitling the voter to receive a ballot by mail regardless of whether the voter would need personal assistance to vote in-person or risk injuring their health because of a sickness or physical condition.¹ We conclude that, based on the plain language of the relevant statutory text, fear of contracting COVID-19 unaccompanied by a qualifying sickness or physical condition does not constitute a disability under the Election Code for purposes of receiving a ballot by mail.

The Election Code establishes specific eligibility requirements to obtain a ballot by mail for early voting. TEX. ELEC. CODE §§ 82.001-.004. While any qualified voter is eligible to early vote by personal appearance, the Legislature has provided limited access to early voting by mail for individuals who meet specific qualifications. Section 82.002 of the Election Code, titled "Disability," allows a qualified voter to early vote by mail "if the voter has a sickness or physical condition that prevents the voter from appearing at the polling place on election day without a likelihood of needing personal assistance or of injuring the voter's health." *See id.* § 82.002(a). Thus, we must construe this provision to determine whether the

¹ Related to this request, we understand that you have received correspondence in your capacity as Chair of the Texas House of Representatives Committee on Elections from other State lawmakers advocating that you support use of the early voting by mail option for such voters. We also understand that some voters have been encouraged by third parties to apply for a ballot by mail by identifying as disabled based on fear of COVID-19, and without reference to the voters' health or physical condition. As a general rule, we do not opine through the formal opinion process on questions, such as these, that are the subject of pending litigation. *See Tex. Democratic Party, et al., v. Debeauvoir*, No. D-1-GN-001610 (201st Dist. Ct., Travis Cnty., Tex.). However, given the time-sensitive nature of your request and the urgency presented by the present COVID-19 crisis, we are providing this informal guidance to assist you.

Legislature intended to include within the population of individuals eligible to vote by mail those with a fear of contracting a disease—in this instance COVID-19—but without a then-present sickness or physical condition that would limit their ability to vote in-person.

Our objective in construing a statute is to give effect to the Legislature's intent, which requires us to first look to the statute's plain language. *Leland v. Brandal*, 257 S.W.3d 204, 206 (Tex. 2008). We presume the Legislature included each word in the statute for a purpose and that words not included were purposefully omitted. *In re M.N.*, 262 S.W.3d 799, 802 (Tex. 2008). In determining the plain meaning of undefined words in a statute, we typically first consult dictionary definitions. *Fort Worth Transp. Auth. v. Rodriguez*, 547 S.W.3d 830, 838 (Tex. 2018).

The Legislature has defined "disability" for purposes of voting by mail as a "sickness or physical condition" that prevents a person from voting in-person on election day without a likelihood of needing personal assistance or of injuring the voter's health. TEX. ELEC. CODE § 82.002(a). Thus, we look to the common meaning of those words to determine the Legislature's intent as to who qualifies to vote by mail by reason of disability. See Tex. Att'y Gen. Op. KP-0009 (2015) (concluding that to be able to vote by mail, a voter must satisfy the standard of disability established under section 82.002, and that standards of disability set in other unrelated statutes are not determinative). The common understanding of the term "sickness" is "the state of being ill" or "having a particular type of illness or disease." NEW OXFORD AM. DICTIONARY 1623 (3d ed. 2010).² A person ill with COVID-19 would certainly qualify as having a sickness. However, a reasonable fear of contracting the virus is a normal emotional reaction to the current pandemic and does not, by itself, amount to a "sickness," much less the type of sickness that qualifies a voter to vote a mail-in ballot under Texas Election Code section 82.002.

In addition to "sickness," the Legislature has allowed voters having a physical condition that prevents them from appearing at the polling place without assistance or without injury to their health to vote by mail. TEX. ELEC. CODE § 82.002(a). "Physical" is defined as "of or relating to the body as opposed to the mind." NEW OXFORD AM. DICTIONARY 1341 (3d ed. 2010). "Condition" is defined as "an illness or other medical problem." *Id.* at 362. Combining the two words, a physical condition is an illness or medical problem relating to the body as opposed to the mind. To the extent that a fear of contracting COVID-19, without more, could be described as a condition, it would at most amount to a mental or emotional condition and not a physical condition as required by the Legislature to vote by mail. Thus, under the specifications established by the Legislature in section 82.002

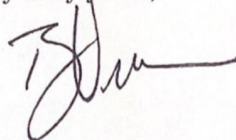
² See also Tex. Att'y Gen. Op. KP-0149 (2017) (noting that a behavioral abnormality of a sexually violent predator sufficient to result in civil commitment qualifies as a sickness, understood as an "unsound condition" or disease of the mind, under section 82.002(a)).

of the Election Code, an individual's fear of contracting COVID-19 is not, by itself, sufficient to meet the definition of disability for purposes of eligibility to vote a mail-in ballot.

Finally, to the extent third parties advise voters to apply for a mail-in ballot based solely on fear of contracting COVID-19, such activity could subject those third parties to criminal sanctions imposed by Election Code section 84.0041. TEX. ELEC. CODE § 84.0041 (providing that a person commits an offense if the person "intentionally causes false information to be provided on an application for ballot by mail"); *see also id.* § 276.013 (providing that a person commits election fraud if the person knowingly or intentionally causes a ballot to be obtained under false pretenses, or a misleading statement to be provided on an application for ballot by mail). However, whether specific activity constitutes an offense under these provisions will depend upon the facts and circumstances of each individual case.

Please note that as discussed above this response is not an official opinion of the Office of the Attorney General issued under section 402.042 of the Texas Government Code, nor is it an exhaustive memorandum of law; rather, it is an informal letter of legal advice offered for the purpose of general guidance.

Very truly yours,



Ryan M. Vassar
Deputy Attorney General for Legal Counsel



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

April 20, 2020

Via e-mail (commissioner@tea.texas.gov)

The Honorable Mike Morath
Commissioner of Education
Texas Education Agency
1701 N. Congress Avenue
Austin, Texas, 78701

Dear Commissioner Morath:

This letter provides informal guidance in response to your question concerning the extent to which cities and counties may restrict essential services allowed under the Governor's executive order issued in response to the novel coronavirus disease 2019 (COVID-19). See Executive Order GA-16 (Apr. 17, 2020) (hereafter GA-16). In particular, your question asks whether local shelter-in-place orders may prohibit teachers and staff from accessing public school buildings to perform essential services. We conclude that the Governor's order supersedes conflicting local orders that restrict essential services, including those performed by teachers and school staff.

On March 13, 2020, Governor Abbott declared a state of disaster in all Texas counties in response to the novel coronavirus disease 2019 (COVID-19), authorizing the use of all available State and local resources that are reasonably necessary to cope with the disaster. The Governor of the State Texas, Proc. of Mar. 13, 2020. On April 12, 2020, Governor Abbott extended his disaster declaration for all Texas counties. The Governor of the State of Texas, Proc. of Apr. 12, 2020. Subsequently, Governor Abbott issued an executive order to enable the safe, strategic reopening of select services in response to the COVID-19 disaster. GA-16 (Apr. 17, 2020). Importantly, this order provides that it "shall supersede any conflicting local order . . . to the extent that such a local order restricts essential services or reopened services allowed by [GA-16] or allows gatherings prohibited by [GA-16]." *Id.* at 4.

The Texas Disaster Act of 1975 (the Act) authorizes the Governor to declare a state of disaster if a disaster has occurred or the threat or occurrence of a disaster is imminent. TEX. GOV'T CODE § 418.014(a). The Act expressly permits the Governor

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to “issue executive orders, proclamations, and regulations, and amend or rescind them.” *Id.* § 418.012. Importantly, the Act provides that the Governor’s “orders, proclamations, and regulations have the force and effect of law.” *Id.*; see also *In re Abbott*, No. 20-50264, 2020 WL 1685929, at *7 (5th Cir. Apr. 7, 2020) (recognizing state authority to implement emergency measures during a public health crisis).

Generally, local action cannot be inconsistent with the Texas Constitution or general law. See TEX. CONST. art. XI, § 5(a); see also *City of Laredo, Tex. v. Laredo Merchants Assoc.*, 550 S.W.3d 586, 592 (Tex. 2018) (recognizing municipal ordinances may not be inconsistent with the Constitution or state law); Tex. Att’y Gen. Op. KP-0296 (2020) (concluding municipal and county officials lack emergency authority to regulate or restrict the sale of firearms). Limitations on local authority may be express or implied. *City of Laredo*, 550 S.W.3d at 593. Yet a local restriction “ancillary to and in harmony with the general scope and purpose of the state enactment, is acceptable.” *City of Brookside Village v. Comeau*, 633 S.W.2d 790, 796 (Tex. 1982). “Absent an express limitation, if the general law and local regulation can coexist peacefully without stepping on each other’s toes, both will be given effect or the latter will be invalid only to the extent of any inconsistency.” *City of Laredo*, 550 S.W.3d at 593.

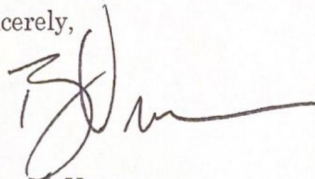
GA-16 expressly limits local authority. The order provides that it “shall supersede any conflicting local order issued by local officials in response to the COVID-19 disaster, but only to the extent that such a local order restricts essential services or reopened service allowed by this executive order or allows gatherings prohibited by this executive order.” GA-16 at 4. As an express limitation on local restrictions involving essential or reopened services and gatherings, a court would likely conclude that GA-16 controls. Thus, GA-16 forbids conflicting local orders that restrict essential or reopened services or allow prohibited gatherings. See *City of Laredo*, 550 S.W.3d at 598 (recognizing that local governments are forbidden from regulating subject matter where local control has been rescinded). Nevertheless, GA-16 does not supersede local restrictions that do not conflict with the order. See GA-16 at 4. Thus, local restrictions that are adopted pursuant to lawful authority and consistent with GA-16 may be enforced.

Here, GA-16 recognizes that teachers and school staff provide essential services. The order further provides that these individuals “may return to schools to conduct remote video instruction, as well as perform administrative duties, under the strict terms required by the Texas Education Agency.” GA-16 at 4. In addition, GA-16 incorporates the federal guidance that identifies critical infrastructure and essential workers, GA-16 at 3, which includes “[e]ducators supporting public and private K–12 schools, colleges, and universities for purposes of facilitating distance learning or performing other essential functions.” U.S. Dep’t of Homeland Security, Cybersecurity & Infrastructure Security Agency, *Advisory Memorandum on Identification of Essential Critical Infrastructure Workers During COVID-19*

Response, Apr. 17, 2020, at https://www.cisa.gov/sites/default/files/publications/Version_3.0_CISA_Guidance_on_Essential_Critical_Infrastructure_Workers_2.pdf. Therefore, to the extent teachers and school staff are performing essential services, such as conducting remote video instruction or performing other essential administrative duties, GA-16 supersedes conflicting local orders that restrict these services.

Please note that this response is not an official opinion of the Office of the Attorney General issued under section 402.042 of the Texas Government Code, nor is it an exhaustive memorandum of law; rather, it is an informal letter of legal advice offered for the purpose of general guidance.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ryan M. Vassar', with a long horizontal flourish extending to the right.

Ryan M. Vassar
Deputy Attorney General for Legal Counsel



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

April 30, 2020

Via e-mail (MattS@brazoria-county.com)

Mr. Matt Sebesta
County Judge, Brazoria County

Dear Judge Sebesta:

This letter responds to your question, submitted pursuant to Texas Government Code section 418.193, asking whether local governments may allow businesses to reopen if they are not essential or reopened services defined under Governor Abbott's executive order. *See* Exec. Order GA-18 (Apr. 27, 2020) (relating to safely and strategically reopening Texas businesses). Your question concerns numerous public reports suggesting that the Governor's order is vague and unenforceable. As explained below, the Governor's order is neither vague nor unenforceable, and local governments are prohibited from allowing businesses to reopen unless they are recognized as essential or reopened services under the Governor's order.

Executive Order GA-18 requires all Texans to "minimize in-person contact with people" who do not live in the same household, "except where necessary to provide or obtain essential services or reopened services[.]" *Id.* at 3. Essential services are defined as religious services and "everything listed by the U.S. Department of Homeland Security (DHS) in its Guidance on the Essential Critical Infrastructure Workforce, Version 3.0." *Id.* And reopened services are those services listed in the Governor's order that are not already essential services. *See id.* at 3-4 (listing reopened services, including retail to-go, restaurants, theaters, malls, museums, and libraries, with certain exceptions).

Some services are neither essential nor reopened services for purposes of GA-18. These include "bars, gyms, public swimming pools, interactive amusement venues such as bowling alleys and video arcades, massage establishments, tattoo studios, piercing studios, or cosmetology salons." *Id.* at 4. GA-18 prohibits people from "visiting" these businesses. News reports have suggested that GA-18 does not prohibit these businesses from opening their doors to the public. We disagree.

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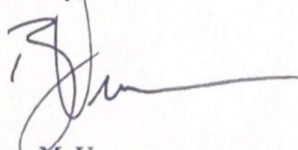
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Under Executive Order GA-18, all Texans must “minimize in-person contact with people” who do not live in the same household, “except where necessary to provide or obtain *essential services or reopened services*[.]” *Id.* at 3 (emphasis added). Services provided by “bars, gyms, public swimming pools, interactive amusement venues . . . , massage establishments, tattoo studios, piercing studios, or cosmetology salons” are not defined as either essential or reopened services under GA-18. *See id.* at 3–4. The nature of these services requires in-person contact between customers and service providers. Those customer-to-employee contacts are affirmatively precluded by GA-18, which instructs that “[p]eople shall avoid visiting” those establishments for such business purposes. *See id.* at 4. A local order purporting to allow establishments providing these services to open for business, therefore, would conflict with the Governor’s order.

Executive Order GA-18 expressly provides that it supersedes “any conflicting order issued by local officials” to the extent such order “expands the list of essential services or the list or scope of reopened services as set forth in this executive order.” Exec. Order GA-18 at 5. A local order that purports to allow businesses that are neither essential services nor reopened services under GA-18 to reopen would “expand the list of essential services or the list or scope of reopened services.” Therefore, such an order would be superseded by GA-18 and would be invalid. *See* Exec. Order GA-18 at 5; *see also* TEX. CONST. art. XI, § 5(a) (providing that local regulation may not be inconsistent with the State Constitution or laws); TEX. GOV’T CODE § 418.012 (providing that the Governor’s executive orders “have the force and effect of law”); *City of Laredo, Tex. v. Laredo Merchants Assoc.*, 550 S.W.3d 586, 592 (Tex. 2018) (recognizing municipal ordinances may not be inconsistent with the Constitution or state law); Tex. Att’y Gen. Op. KP-0296 (2020) (concluding municipal and county officials lack emergency authority to regulate or restrict the sale of firearms).

We trust that this guidance answers your question. If it does not, please feel free to contact this office.

Sincerely,



Ryan M. Vassar
Deputy Attorney General for Legal Counsel



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

August 1, 2020

Honorable Bryan Hughes
Texas Senate
P.O. Box 12068
Capitol Station
Austin, TX 78711

Dear Senator Hughes,

You ask whether local governmental bodies have authority to limit in-person attendance at a judicial or non-judicial foreclosure sale to 10 persons or fewer. Your question concerns local emergency orders restricting or delaying such sales during the current COVID-19 pandemic. We conclude that a foreclosure sale of residential or commercial real property that is conducted outdoors is subject to the limitation on outdoor gatherings in excess of 10 persons imposed by Executive Order GA-28. Accordingly, an outdoor foreclosure sale may not proceed with more than 10 persons in attendance unless approved by the mayor in whose jurisdiction the sale occurs, or if in an unincorporated area, the county judge. However, to the extent a sale is so limited, and willing bidders who wish to attend are not allowed to do so as a result, the sale should not proceed as it may not constitute a "public sale" as required by the Texas Property Code.

When a mortgage loan is in default, a mortgagee may elect to institute either a judicial foreclosure or, when permitted by the deed of trust, a non-judicial foreclosure.¹ A judicial foreclosure begins with a lawsuit to establish the debt and fix the lien.² The judgment in a foreclosure lawsuit generally provides that an order of sale issue to any sheriff or constable directing them to seize the property and sell it under execution in satisfaction of the judgment.³ After the sale is completed, the sheriff or other officer must provide to the new buyer possession of the property within 30 days.⁴

¹ *Bonilla v. Roberson*, 918 S.W.2d 17, 21 (Tex. App.—Corpus Christi 1996, no writ).

² *Id.* at 21.

³ TEX. R. CIV. P. 309; *but see id.* (excepting judgments against executors, administrators, and guardians from orders of sale). The procedures for the sale under judicial foreclosure generally follow the same procedures as sales under non-judicial foreclosures. *Compare id.* 646a–648 with TEX. PROP. CODE § 51.002.

⁴ TEX. R. CIV. P. 310.

A non-judicial foreclosure, in turn, must be expressly authorized in a deed of trust.⁵ The Property Code prescribes the minimum requirements for a non-judicial sale of real property under a power of sale conferred by a deed of trust or other contract lien.⁶ The Code requires that a sale under a non-judicial foreclosure be “a public sale at auction held between 10 a.m. and 4 p.m. of the first Tuesday of a month,” unless that day is January 1 or July 4, in which cases the sale must be held on the first Wednesday of the month.⁷ The deed of trust or other loan document can establish additional requirements, and if such requirements are established, those requirements must likewise be satisfied in order for there to be a valid foreclosure sale.⁸

We understand that many foreclosure sales in Texas, both judicial and non-judicial, are held outdoors. Frequently, such sales occur on the steps of a courthouse.

With this background in mind, we address your question concerning attendance limitations. Governor Abbott ordered in Executive Order GA-28 that “every business in Texas shall operate at no more than 50 percent of the total listed occupancy of the establishment.”⁹ This general limitation, however, is subject to several exceptions. One such exception is found in paragraph five of the order, which limits outdoor gatherings to 10 persons or fewer without approval by the mayor or, in the case of unincorporated territory, the county judge in whose jurisdiction the gathering occurs.¹⁰ Accordingly, to the extent a foreclosure sale occurs outdoors, attendance at the sale is limited to 10 persons or fewer unless greater attendance is approved by the relevant mayor or county judge.

While certain services are exempt from the outdoor gathering limitation in Executive Order GA-28, we do not conclude that foreclosure sales are included within them. Executive Order GA-28 exempts from its limitations on outdoor gatherings services described in paragraphs 1, 2, and 4 of the order. Relevant here, paragraph 1 exempts from capacity limitations, *inter alia*, “any services listed by the U.S. Department of Homeland Security’s Cybersecurity and Infrastructure Workforce, Version 3.1 or any subsequent version.”¹¹ (CISA Guidance). Among the services listed in version 3.1 of

⁵ See TEX. PROP. CODE § 51.002.

⁶ See *id.* § 51.002.

⁷ *Id.* §§ 51.002(a), (a-1); see also *id.* § 51.002(h) (requiring a sale to be held on or after the 90th day after the date the commissioners court records a designation of a sale at an area other than an area at the county courthouse).

⁸ See *Bonilla*, 918 S.W.2d at 21.

⁹ Gov. Greg Abbott Exec. Order GA-28.

¹⁰ *Id.* at 3 (as amended by Gov. Greg Abbott Proc. of July 2, 2020).

¹¹ *Id.* at 2.

the CISA Guidance are “[r]esidential and commercial real estate services, including settlement services.”¹²

A court’s main objective in construing the law is to give effect to the intent of its provisions.¹³ And there is no better indication of that intent than the words that are chosen.¹⁴ One dictionary defines a “service” as “[w]ork that is done for others as an occupation or business.”¹⁵ A periodic foreclosure auction conducted at a courthouse—whether by an officer of the court, an attorney, an auction professional, or another person serving as trustee¹⁶—does not constitute the type of dedicated real estate service work contemplated by the CISA Guidance. Accordingly, we conclude that outdoor foreclosure sales are not exempted from the 10-person attendance limitation imposed by paragraph 5 of Executive Order GA-28.

If a foreclosure sale is subject to, and not exempted from, the 10-person attendance limit imposed in Executive Order GA-28, it should not proceed if one or more willing bidders are unable to participate because of the attendance limit. “[A] sale of real property under a power of sale conferred by a deed of trust or other contract lien must be a *public sale* at auction held between 10 a.m. and 4 p.m. of the first Tuesday of a month.”¹⁷ The purpose of the public sale requirement is to “secure the attendance of purchasers and obtain a fair price for the property.”¹⁸ Strict compliance with the Property Code is required for a trustee to properly make a foreclosure sale.¹⁹ If an attendance limit precludes the conduct of a public sale for the purpose of securing sufficient bidders to obtain a fair price, the propriety of a foreclosure auction may be called into question. Accordingly, to the extent attendance at a foreclosure sale is limited to ten or fewer persons, and that limit precludes the attendance of one or more willing bidders who otherwise would have appeared in person, the sale should not go forward as it likely would not comport with the Property Code requirement that the sale be a “public sale.”

¹² See Guidance on the Essential Critical Infrastructure Workforce: Ensuring Community and National Resilience in COVID-19 Response, at 16, available at https://www.cisa.gov/sites/default/files/publications/Version_3.1_CISA_Guidance_on_Essential_Critical_Infrastructure_Workers.pdf.

¹³ See *Summers*, 282 S.W.3d at 437.

¹⁴ See *id.* (“Where text is clear, text is determinative of that intent.”).

¹⁵ Am. Heritage Dictionary (5th ed. 2020), available at <https://www.ahdictionary.com/word/search.html?q=service>; see also *Greater Houston P’ship v. Paxton*, 468 S.W.3d 51, 58 (Tex. 2015) (applying an undefined term’s ordinary meaning, unless the context of the law in which the term appears suggests a different or more precise definition).

¹⁶ The Texas Property Code does not set forth specific professional requirements for a foreclosure trustee, providing only that “[o]ne or more persons may be authorized to exercise the power of sale under a security instrument.” TEX. PROP. CODE § 51.007(a).

¹⁷ TEX. PROP. CODE § 51.002(a) (emphasis added).

¹⁸ *Reisenberg v. Hankins*, 258 S.W. 904, 910 (Tex. Civ. App.—Amarillo 1924, writ dismissed w.o.j.).

¹⁹ *Myrad Props. v. LaSalle Bank Nat’l Assoc.*, 252 S.W.3d 605, 615 (Tex. App.—Austin 2008), *rev’d on other grounds*, 300 S.W.3d 746 (Tex. 2009).

We trust this letter provides you with the advice you were seeking. Please note this letter is not a formal Attorney General opinion under section 402.042 of the Texas Government Code; rather, it is intended only to convey informal legal guidance.

Sincerely,

Ryan Bangert
Deputy First Assistant Attorney General



Guidance for Houses of Worship During the COVID-19 Crisis

During these challenging times, government and faith communities throughout Texas need to work together to love our neighbors and slow the spread of Coronavirus. To facilitate this collaboration, State and local governments must clearly articulate their directives aimed at mitigating spread of the virus. This updated joint guidance from the Office of the Attorney General and the Office of the Governor is the official guidance regarding the effect of Executive Order GA 18 on religious services conducted in churches, congregations, and houses of worship.

The government must give special consideration to houses of worship when issuing orders related to the COVID-19 crisis.

The First Amendment to the United States Constitution and Article I of the Texas Constitution protect the right of Texans to worship and freely exercise their religion according to the dictates of their own consciences. In addition, the Texas Religious Freedom Restoration Act ("RFRA") provides additional protections to faith communities, and government must ensure that it complies with RFRA when it acts, even during a disaster. Thus, when state or local governments issue orders prohibiting people from providing or obtaining certain services, they must ensure that these orders do not violate these constitutional and statutory rights.

Houses of worship provide "essential services."

By executive order, Governor Abbott has defined essential services to include "religious services conducted in churches, congregations, and houses of worship."¹ Institutions providing these essential services can provide them under certain conditions described in Executive Order GA 18 and local orders by counties or municipalities that are consistent with GA 18. To the extent there is conflict between Executive Order GA 18 and local orders, GA 18 controls. Local governments may not order houses of worship to close.

Houses of worship should conduct as many activities as possible remotely, and should follow the minimum health protocols listed in these guidelines when providing services in person.

Houses of worship should conduct as many of their activities as possible remotely. Services that houses of worship do not conduct remotely should be conducted in accordance with the following minimum health protocols described in this document

¹ Exec. Order No. GA 18 at 3 (Apr. 27, 2020).

April 27, 2020

and guidance from the White House and the Centers for Disease Control and Prevention (“CDC”).²

Minimum Health Protocols for Houses of Worship

In accordance with Governor Abbott’s executive order GA-18, the following are the minimum recommended health protocols for all churches, congregations, and houses of worship in Texas. Churches, congregations, and houses of worship may adopt additional protocols consistent with their specific needs and circumstances to help protect the health and safety of all Texans. The same minimum standard health protocols would apply to funeral services, burials, and memorials.

We know now that the virus that causes COVID-19 can be spread to others by infected persons who have few or no symptoms. Even if an infected person is only mildly ill, the people they spread it to may become seriously ill or even die, especially if that person is 65 or older with pre-existing health conditions that place them at higher risk. Because of the hidden nature of this threat, everyone should rigorously follow the practices specified in these protocols, all of which facilitate a safe and measured reopening of Texas. The virus that causes COVID-19 is still circulating in our communities. We should continue to observe practices that protect everyone, including those who are most vulnerable.

Please note, public health guidance cannot anticipate every unique situation. Churches, congregations, and places of worship should stay informed and take actions based on common sense and wise judgment that will protect health and support economic revitalization. Churches, congregations, and places of worship should also be mindful of federal and state employment laws and workplace safety standards.

Health protocols for serving your attendees:

1. Strongly encourage the at-risk population³ to watch or participate in the service remotely.
2. Designate an area inside the facility reserved for the at-risk population, or offer a service for at-risk population attendees only.

² Ctr. for Disease Control, Interim Guidance for Businesses and Employers to Plan and Respond to Coronavirus Disease 2019 (COVID-19) (Apr. 9, 2020), <https://www.cdc.gov/coronavirus/2019-ncov/community/guidance-business-response.html>; The President’s Coronavirus Guidelines for America, 30 Days to Slow the Spread (Mar. 31, 2020), https://www.whitehouse.gov/wp-content/uploads/2020/03/03.16.20_coronavirus-guidance_8.5x11_315PM.pdf.

³ At-risk population are those who are 65 or older, especially those with chronic lung disease; moderate to severe asthma; chronic heart disease; severe obesity; diabetes; chronic kidney disease undergoing dialysis; liver disease; or weakened immune system.

3. Ensure proper spacing between attendees:
 - a. Keep at least two empty seats (or six feet separation) between parties in any row, except as follows:
 - i. Two or more members of the same household can sit adjacent to one another, with two seats (or six feet separation) empty on either side.
 - ii. Two individuals who are not members of the same household but who are attending together can sit adjacent to one another, with two seats (or six feet separation) empty on either side.
 - b. Alternate rows between attendees (every other row left empty).

Health protocols for your employees and volunteers:

1. Train all employees and volunteers on appropriate cleaning and disinfection, hand hygiene, and respiratory etiquette.
2. Screen employees and volunteers before coming into the church, congregation, or place of worship:
 - a. Send home any employee or volunteer who has any of the following new or worsening signs or symptoms of possible COVID-19:
 - i. cough,
 - ii. shortness of breath or difficulty breathing,
 - iii. chills,
 - iv. repeated shaking with chills,
 - v. muscle pain,
 - vi. headache,
 - vii. sore throat,
 - viii. loss of taste or smell,
 - ix. diarrhea,
 - x. feeling feverish or a measured temperature greater than or equal to 100.0 degrees Fahrenheit, or

- xi. known close contact with a person who is lab confirmed to have COVID-19.
- b. Do not allow employees or volunteers with the new or worsening signs or symptoms listed above to return to work until:
 - i. in the case of an employee or volunteer who was diagnosed with COVID-19, the individual may return to work when all three of the following criteria are met: at least 3 days (72 hours) have passed *since recovery* (resolution of fever without the use of fever-reducing medications); and the individual has improvement in respiratory symptoms (e.g., cough, shortness of breath); and at least 7 days have passed *since symptoms first appeared*; or
 - ii. in the case of an employee or volunteer who has symptoms that could be COVID-19 and does not get evaluated by a medical professional or tested for COVID-19, the individual is assumed to have COVID-19, and the individual may not return to work until the individual has completed the same three-step criteria listed above; or
 - iii. if the employee or volunteer has symptoms that could be COVID-19 and wants to return to work before completing the above self-isolation period, the individual must obtain a medical professional's note clearing the individual for return based on an alternative diagnosis.
 - c. Do not allow an employee or volunteer with known close contact to a person who is lab-confirmed to have COVID-19 to return to work until the end of the 14-day self-quarantine period from the last date of exposure (with an exception granted for healthcare workers and critical infrastructure workers).
3. Have employees or volunteers wash or sanitize their hands upon entering.
 4. Have employees or volunteers maintain at least 6 feet separation from other individuals. If such distancing is not feasible, then other measures including face covering, hand hygiene, cough etiquette, cleanliness, and sanitation should be rigorously practiced.
 5. Consistent with the actions taken by many churches, congregations, and places of worship across the state, consider having employees, volunteers, and attendees wear cloth face coverings (over the nose and mouth). If available, they should consider wearing non-medical grade face masks.

Health protocols for your facilities:

1. Regularly and frequently clean and disinfect any regularly touched surfaces, such as doorknobs, tables, chairs, and restrooms.
2. Disinfect seats between services.
3. Disinfect any items that come into contact with attendees.
4. Make hand sanitizer, disinfecting wipes, soap and water, or similar disinfectant readily available.
5. Place readily visible signage to remind everyone of best hygiene practices.
6. If a church or place of worship provides meals for employees, volunteers, or attendees, they are recommended to have the meals individually packed for each employee, volunteer, or attendee.
7. Maintain rigorous sanitation practices like disinfection, handwashing, and cleanliness when preparing or serving anything edible.

Houses of worship should help slow the spread of the virus.

Houses of worship play an important role in slowing the spread of COVID-19, and can use their creativity to help protect their communities. For example, a church could hold “drive-in” style services. Or because Executive Order GA 18 permits drive-thrus to provide goods and services, a house of worship may, according to their faith practices, provide communion or a blessing through a similar drive-up service.

These guidelines do not violate the religious liberty of houses of worship.

Under the extraordinary circumstances in which we temporarily live, these guidelines provide that houses of worship may remain open. The guidelines make only recommendations to houses of worship. They do not violate the religious liberty of houses of worship because the government has a compelling interest in recommending this guidance (stopping contagion) and the guidance is the least restrictive means of serving that compelling interest (allowing houses of worship to stay open for ministry, but suggesting ways that help slow the spread of COVID-19).



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

May 8, 2020

The Honorable Mayes Middleton
Co-Chair, Joint Interim Committee to Study a Coastal Barrier System
Texas House of Representatives
Post Office Box 2910
Austin, Texas 78768-2910

Opinion No. KP-0307

Re: Procedures for conducting appraisal review board hearings during the COVID-19 disaster (RQ-0351-KP)

Dear Representative Middleton:

You ask multiple questions about the appraisal review procedures available for property owners to protest changes in an appraisal record that adversely impact the property owner.¹ You question whether under the current public health emergency, property owners will “be afforded true due process and not be dissuaded from availing themselves of their statutory and Constitutional right to protest an action that increases their tax liability.” Request Letter at 1. You therefore seek advice about potential modifications to the appraisal review procedures during the COVID-19 disaster. *See id.* at 1–4.

You first ask whether subsection 41.45(o) of the Tax Code and subsection 9.805(d) in title 34 of the Administrative Code authorize appraisal review boards to conduct protest hearings by videoconference in lieu of in-person hearings when a property owner requests an in-person hearing.² *Id.* at 3. Subsection 41.45(b) of the Tax Code entitles “[a] property owner initiating a protest . . . to appear [before the appraisal review board] to offer evidence or argument.” TEX. TAX CODE § 41.45(b). When the property owner files a notice of protest, the appraisal review board “shall schedule” the hearing. *Id.* § 41.45(a). If the property owner does not wish to personally appear, the property owner “may offer evidence or argument by affidavit,” and he may also offer

¹*See* Letter from Honorable Mayes Middleton, Co-Chair, House Joint Interim Comm. to Study a Coastal Barrier Sys., to Honorable Ken Paxton, Tex. Att’y Gen. at 3–4 (Apr. 7, 2020), <https://www2.texasattorneygeneral.gov/opinions/opinions/51paxton/rq/2020/pdf/RQ0351KP.pdf> (“Request Letter”).

²You explain that most appraisal districts provide an opportunity for an informal process where a property owner and appraiser resolve disputes by agreement before reaching the protest hearing stage. *See id.* at 2; *see also* TEX. TAX CODE § 41.47(f). We do not read your question to ask about specific technology that appraisers may or may not use during this initial process, prior to a formal protest hearing under section 41.45 of the Tax Code.

argument through an appearance “by telephone call.” *Id.* § 41.45(b). Appraisal review boards must hold a hearing by telephone if the property owner either requests to appear by telephone or agrees to the board’s proposal to hold the hearing in that manner. *Id.* § 41.45(b-1)(1)–(2). But even if the property owner submits an affidavit to the board or chooses to appear by telephone conference call, “[a] property owner does not waive the right to appear in person at a protest hearing.” *Id.* § 41.45(n). The statute provides no other alternative methods for conducting a hearing if a property owner insists on an in-person hearing.³

Your question implies that the “in person” requirement might be met by holding a hearing by videoconference, which allows the property owner to view the appraisal review board and be viewed by its members. However, the common understanding of the phrase “in person” is “involving someone’s physical presence rather than communication by phone or email.”⁴ *See Jaster v. Comet II Const., Inc.*, 438 S.W.3d 556, 563 (Tex. 2014) (explaining that courts give undefined terms their common, ordinary meaning, as determined by dictionary definitions and other sources). Thus, a court is unlikely to conclude that an appearance by videoconference satisfies a requirement that a property owner appear “in person” when the property owner requests to do so.

Subsection 41.45(o), which you suggest may allow for videoconferencing, manifests the intent to ensure fairness at a protest hearing but does not reference any ability to teleconference or videoconference, nor does it waive the right to an in-person appearance by the property owner. *See id.* § 41.45(o); *see also* Request Letter at 3. It provides:

If the chief appraiser uses audiovisual equipment at a hearing on a protest, the appraisal office shall provide audiovisual equipment of the same general type, kind, and character, as prescribed by comptroller rule, for use during the hearing by the property owner or the property owner’s agent.

TEX. TAX CODE § 41.45(o). When this provision was added in 2015, the bill analysis explained that “chief appraisers often use audiovisual presentations to display evidence during a protest hearing” and that the bill required “an appraisal office to provide taxpayers with audiovisual

³Subsection 5.103(a) of the Tax Code requires the Comptroller to “prepare model hearing procedures for appraisal review boards,” which subsection 5.103(d) requires appraisal review boards to follow when they establish their hearing procedures. TEX. TAX CODE § 5.103(a), (d). The Comptroller’s model hearing procedures must address, among other things, the process for conducting a hearing, the notices required, a party’s right to offer evidence and argument, and “any other matter related to fair and efficient appraisal review board hearings.” *Id.* § 5.103(b). The Comptroller issues this information for appraisal review boards through an appraisal review board manual, available here: <https://comptroller.texas.gov/taxes/property-tax/docs/96-308.pdf>. *See also id.* § 5.06 (requiring the Comptroller to prepare and electronically publish a pamphlet for taxpayers explaining protest procedures).

⁴“In person” is commonly defined as “meeting with someone rather than talking on the phone, e-mailing, or writing the person.” CAMBRIDGE DICTIONARY ONLINE, <https://dictionary.cambridge.org/us/dictionary/english/in-person>; *see also* MACMILLAN DICTIONARY ONLINE, <https://www.macmillandictionary.com/us/dictionary/american/do-something-in-person> (defining the phrase “do something in person” as “to do something by going to a place or person rather than by writing, telephoning, or sending someone else”).

equipment comparable to the equipment used by the chief appraiser at the protest hearing.”⁵ The related administrative provision in title 34, subsection 9.805(d) of the Administrative Code details certain standards for the equipment. It must be “capable of reading and accepting” file formats, which include PDFs, Word, PowerPoint, Excel, and JPEG documents, and devices, such as USB flash drives and compact discs. 34 TEX. ADMIN. CODE § 9.805(c)–(d). The rule also provides that if the equipment requires an internet connection, the parties must supply their own. *Id.* § 9.805(d). Subsection 41.45(o) of the Tax Code and title 34, subsection 9.805(d) of the Texas Administrative Code do not address conducting a hearing by videoconference and therefore do not provide appraisal review boards with authority to require protest hearings be conducted by videoconference when a property owner requests an in-person hearing.⁶

Your third question asks whether limiting protests to certain methods affects due process. *See* Request Letter at 3. “The rule of due process requires notice of an increase in property value to the taxpayer with an opportunity to be heard before its property may be encumbered by an additional tax lien.” *Harris Cty. Appraisal Review Bd. v. Gen. Elec. Corp.*, 819 S.W.2d 915, 920 (Tex. App.—Houston [14th Dist.] 1991, writ denied). If a property owner is denied a hearing to which the property owner is entitled, the property owner has a statutory right to “bring suit against the appraisal review board by filing a petition or application in district court to compel the board to provide the hearing.” TEX. TAX CODE § 41.45(f). Thus, to the extent an appraisal review board limits protest procedures to some method that eliminates the right to appear in person, such action could be grounds for a lawsuit pursuant to subsection 41.45(f).⁷

You also ask whether an appraisal district meets the notice requirements of the Tax Code “if the protest procedure is listed on the [appraisal district] website, but not mailed to each property owner, or e-mailed to property owners who have personally opted into e-mail notices.” Request Letter at 4.

The Tax Code requires a chief appraiser to publish information concerning protest procedures in different ways. For example, a chief appraiser must annually publish information about a property owner’s right to protest, including the method to protest. TEX. TAX CODE § 41.41(b). Publishing this information on an appraisal district’s website could satisfy the notice requirement under section 41.41, if the notice is “publicize[d] in a manner reasonably designed to notify all residents” of their rights. *See id.* A chief appraiser must also annually publish notice of the appraisal district’s protest and appeal procedures. *Id.* § 41.70(a). This notice must be published between May 1 and May 15 in a newspaper of general circulation within the county in which the appraisal district is established. *Id.* § 41.70(a), (b). Thus, publishing the notice required by section

⁵*See* Senate Research Comm., Bill Analysis, Tex. S.B. 1394, 84th Leg., R.S. (2015), <https://capitol.texas.gov/tlodocs/84R/analysis/pdf/SB01394F.pdf#navpanes=0>.

⁶Because your second question is premised on the assumption that subsection 41.45(o) authorizes appraisal review boards to limit their hearings to videoconferencing, we do not address it. *See* Request Letter at 3.

⁷Your next two questions assume that an appraisal review board may require appraisal review hearings to be conducted by videoconference in lieu of in person hearings. *See* Request Letter at 3. Given our conclusion that appraisal review boards may not limit those hearings to videoconference appearances by the property owner, we do not address these questions.

41.70 only on an appraisal district's website would not be sufficient notice under the Tax Code, which requires publication in an appropriate newspaper.

A chief appraiser must also provide notice of the protest hearing procedures to property owners initiating a protest. *Id.* § 41.461(a)(3) (“At least 14 days before a hearing on a protest, the chief appraiser shall . . . deliver a copy of the hearing procedures established by the appraisal review board under Section 41.66 to the property owner.”). Unless a specific notice provision provides otherwise or the parties have agreed to a specified alternative form of notice, an official or agency required by the Property Tax Code “to deliver a notice to a property owner may deliver the notice by regular first-class mail, with postage prepaid.” *Id.* § 1.07(a). The Tax Code provides no alternative method to deliver a copy of the hearing procedures established by the appraisal review board.⁸ Furthermore, merely listing the protest procedures on the appraisal district website is insufficient to satisfy the requirement that the chief appraiser “deliver a copy” to the protesting property owner. *Id.* § 41.461(a)(3). The term “deliver” is commonly understood to mean “to send (something aimed or guided) to an intended target or destination.” WEBSTER’S THIRD NEW INTERNATIONAL DICTIONARY 597 (2002). Posting procedures on a website does not identify a specific recipient or attempt to ensure that the recipient will receive the necessary information. Thus, posting the notice requirements only on the appraisal district website does not satisfy the notice requirements in subsection 41.461(a)(3).

Your final question refers us to section 41.11(c) of the Tax Code and asks whether all appraisal increases would be nullified by the failure to satisfy any one of the statutory notice requirements. *See* Request Letter at 4. Section 41.12 of the Tax Code requires an appraisal review board, by July 20, to: “(1) hear and determine all or substantially all timely filed protests; (2) determine all timely filed challenges; (3) submit a list of its approved changes in the records to the chief appraiser; and (4) approve the records.” TEX. TAX CODE § 41.12(a). Under subsection 41.11(a), “[n]ot later than the date the appraisal board approves the appraisal records as provided by subsection 41.12,” the board must “deliver written notice to a property owner of any change in the records that is ordered by the board . . . and that will result in an increase in the tax liability of the property owner.” *Id.* § 41.11(a). Subsection 41.11(c) provides that the board’s failure “to deliver notice to a property owner as required by [section 41.11] nullifies the change in the records to the extent the change is applicable to that property owner.” *Id.* § 41.11(c).

The Tax Code requires chief appraisers and appraisal review boards to provide notice to property owners at various stages of the appraisal, review, and protest processes. *See, e.g., id.* §§ 25.19(a) (requiring the chief appraiser to deliver “written notice to a property owner of the appraised value of the property owner’s property if . . . the appraised value of the property is greater than it was in the preceding year,” or other specified circumstances); 41.461(a)(c) (requiring the

⁸A separate subsection of 41.461 requires chief appraisers to notify property owners that they are “entitled on request to a copy of the data, schedules, formulas, and all other information the chief appraiser will introduce at the hearing to establish any matter at issue.” TEX. TAX CODE § 41.461(a)(2). If a property owner requests such information, the chief appraiser may, among other options, refer the property owners to “a secure Internet website . . . maintained by the appraisal district on which the requested information is identifiable and readily available,” if the chief appraiser meets certain requirements. *Id.* § 41.461(c)(3), (d). However, this authorization to refer property owners to a website is limited to the information required by subsection (a)(2) and does not include “the hearing procedures established by the appraisal review board” required separately under subsection (a)(3). *Id.* § 41.461(a)(3), (c).

chief appraiser to send a property owner a copy of the hearing procedures established by the appraisal review board at least fourteen days before a protest hearing). However, by its express terms, the nullification of changes in the record provided by subsection 41.11(c) occurs only when an appraisal review board fails to provide the notice specifically required by that section. *Id.* § 41.11(c) (referring to “[f]ailure to deliver notice to a property owner *as required by this section . . .*” (emphasis added)). Property owners possess alternative remedies if an appraisal review board fails to provide the other notices required by the Tax Code. *See, e.g., id.* § 41.411 (“A property owner is entitled to protest before the appraisal review board the failure of the chief appraiser or the appraisal review board to provide or deliver *any* notice to which the property owner is entitled.” (emphasis added)).

S U M M A R Y

Subsection 41.41(a) of the Tax Code entitles a property owner to protest the determination of the appraised value of the owner's property, in addition to other adverse determinations made by a chief appraiser. Subsection 45.45(n) of the Tax Code gives property owners a right to appear in person at a protest hearing. Subsection 41.45(o) of the Tax Code and title 34, subsection 9.805(d) of the Texas Administrative Code do not allow appraisal review boards to require protest hearings be conducted by videoconference in lieu of in-person hearings when requested by a property owner.

Subsection 41.461(a)(3) of the Tax Code requires a chief appraiser to deliver a copy of the protest hearing procedures to property owners initiating a protest. The appraisal district does not satisfy this requirement by only posting the protest procedures on the appraisal district website.

Subsection 41.12(a) of the Tax Code requires an appraisal review board, among other things, to approve the appraisal records by July 20. No later than the date it does so, the board must also deliver written notice to a property owner of any change in the records ordered by the board pursuant to subsection 41.11(a) that will result in an increase in the tax liability of the property owner. The board's failure to deliver notice to a property owner required by section 41.11 nullifies the change in the records to the extent the change is applicable to that property owner. However, the nullification is limited to that subsection and does not apply to all failures to give notice required by the Property Tax Code.

Very truly yours,



KEN PAXTON
Attorney General of Texas

JEFFREY C. MATEER
First Assistant Attorney General

RYAN L. BANGERT
Deputy First Assistant Attorney General

RYAN M. VASSAR
Deputy Attorney General for Legal Counsel

VIRGINIA K. HOELSCHER
Chair, Opinion Committee

EXHIBIT 033

Message

From: Bangert, Ryan [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=75B41FA611A646D9B458F5B74D826CAB-RLB5]
Sent: 6/2/2020 1:51:41 PM
To: Godbey, Joshua [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b685caea779d4be3bd3465bbc7ad9784-JRG5]
Subject: RE: Roy F. & Joann Cole Mitte Foundation v. WC 1st, et al., No. D-1-GN-18-007636

Josh,

Thank you for this fast response. At your convenience, could you please give me a call regarding this file.

Ryan L. Bangert
Deputy First Assistant Attorney General

Office of the Attorney General
P.O. Box 12548
Austin, Texas 78711-2548
(512) 936-0631

-----Original Message-----

From: Godbey, Joshua <Joshua.Godbey@oag.texas.gov>
Sent: Tuesday, June 2, 2020 12:56 PM
To: Bangert, Ryan <Ryan.Bangert@oag.texas.gov>
Subject: RE: Roy F. & Joann Cole Mitte Foundation v. WC 1st, et al., No. D-1-GN-18-007636

Ryan,

Thanks for sending this along. We originally waived for a few reasons. You are correct that there were no critical state interests at play in this litigation. The trust is also well-represented by counsel in this dispute. Also, the trust was well diversified and this particular investment dispute would not critically impact the trust's charitable distributions for the coming year.

I'll pass this new information along to our charitable trusts folks and let them take a look to see if this new application changes anything.

If the OAG isn't provided with timely notice of these kinds of proceedings, there is an option, which we have exercised in the past, to unwind whatever judgment a court has issued without us being there. If it just provided late, during the pendency of the suit, we can move to delay matters, take discovery, etc. as necessary for us to be able to protect the public interest once we know of the proceeding.

Feel free to let me know if you need anything else. Thanks.

Josh

-----Original Message-----

From: Bangert, Ryan <Ryan.Bangert@oag.texas.gov>
Sent: Tuesday, June 2, 2020 12:27 PM
To: Godbey, Joshua <Joshua.Godbey@oag.texas.gov>
Subject: Roy F. & Joann Cole Mitte Foundation v. WC 1st, et al., No. D-1-GN-18-007636

Josh,

We received notice from counsel for defendants in the above-referenced charitable trust case that the plaintiff recently filed a new cause of action/application on April 29, 2020, but failed to provide statutory notice to OAG as required by Property Code 123.003(b). Defendant's counsel noted that OAG previously waived participation in the case.

Two quick questions on this: (1) why did we waive the first time around (I assume it's because the case didn't implicate any critical state interests, like many of these cases), and (2) what is the consequence to litigation for failure by a claimant/plaintiff to provide notice (i.e., is there a mandatory dismissal requirement)?

Many thanks!

Sent from my iPad

EXHIBIT 034



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

June 2, 2020

Ms. M.L. Calcote
Assistant General Counsel
Texas Department of Public Safety
P.O. Box 4087
Austin, Texas 78773-0001

Dear Ms. Calcote:

You ask whether certain information is subject to required public disclosure under the Public Information Act (the "Act"), chapter 552 of the Government Code. Your request was assigned ID# 828822 (ORR# 20-0983).

The Texas Department of Public Safety (the "department") received a request for communications regarding specified topics and a specified address. The department claims the submitted information is excepted from disclosure under section 552.108 of the Government Code. The department also states, and provides documentation showing, it notified the Federal Bureau of Investigation (the "FBI") of the department's receipt of the request for information and of the FBI's right to submit arguments to this office as to why the requested information should not be released.¹ *See* Gov't Code § 552.304 (interested party may submit comments stating why information should or should not be released). We have considered the claimed exception and reviewed the submitted information. We have also received and considered comments submitted by FBI.

We note the requested information is the subject of pending litigation in *Joseph Larsen v. Texas Department of Public Safety*, Cause No. D-1-GN-20-002155, in the 459th Judicial District, Travis County, Texas. Notwithstanding pending litigation, our office generally will issue a determination under Government Code section 552.306 where our office has not previously ruled on the precise information at issue. *See* Open Records Decision No. 687 at 3 (2011) ("Section 552.306 does not authorize [this office] to refuse to perform the duty to issue an open records ruling simply because the same disclosure question is pending before a Texas Court."). However, in this instance, we note the litigation at issue and the corresponding determination regarding applicability of the claimed exceptions involve factual questions that can be more appropriately—and conclusively—addressed through the

¹ Although the department received the request on March 12, 2020, the department did not notify the FBI of the department's receipt of the request until May 5, 2020. Our office received comments from the FBI on May 15, 2020.

judicial process where the parties may engage in discovery and more fully develop their factual claims and defenses.

Additionally, the failure of DPS to timely notify the FBI of the underlying request and the FBI's provision of substantially redacted comments to the requestor prevents our office from issuing a ruling in accordance with the statutory requirements specified in section 552.306 of the Government Code. *See Gov't Code § 552.306* (providing that the attorney general shall promptly render a requested decision "consistent with the standards of due process"). Accordingly, we are closing our file assigned ID# 828822 without issuing a decision and will allow the trial court to determine whether the information at issue must be released to the public.

Sincerely,

James L. Coggeshall
Assistant Attorney General
Open Records Division

JLC/rm

Ref: ID# 828822

Enc. Submitted documents

c: Requestor
(w/o enclosures)

EXHIBIT 035

RE: Memo of issues related to proceedings involving charitable foundation: The Roy F and JoAnn Cole Mitte Foundation

Date: June 3, 2020

WC 1st and Trinity, LP, WC 1st and Trinity, GP, LLC, WC 3rd and Congress, LP and WC 3rd and Congress GP, LLC (together, the “Claimants” or Partnerships”) have been involved since January 2019 in litigation with The Roy F and Joann Cole Mitte Foundation (the “Respondents” or “Mitte Foundation”) in American Arbitration Association Cause No. 01-19-0000-5347 and Travis County District Court Case No. D-1-GN-18-007636 (together, the “Proceedings”).

The Mitte Foundation is the owner of a 6% and 16% (approximately) minority interest in the Partnerships, which minority interest is valued by expert appraisal testimony at approximately \$3,850,000. The Claimants, by contrast, own 92% and 84% (approximately) super majority interests in the limited partnerships, which super majority interest is valued by expert appraisal at approximately \$80,000,000 (Exhibit J).

The limited partnership agreements, as is very common, do not afford minority partners the right to effectuate a sale or liquidation. Prior to the Proceedings, the former Chairman of the Mitte Foundation, Dilum Chandrasoma, attempted to conjure a sale of the investment properties, in contravention of their obligation not to participate in the management and affairs of the Partnerships, and contrary to their 501(c)3 charter which requires them not to take a controlling position in investments. The disputes and then the Proceedings then ensued.

Understanding that a decoupling was necessary between the Partnerships and the Mitte Foundation, the Partnerships have been and remain willing to, purchase the minority partner’s interest in the partnerships at the fair market value of their interests. Nonetheless, the Mitte Foundation, at the direction first of Mr. Chandrasoma, who was removed following his arrest in 2019¹, and now, at the direction of their attorney Ray Chester of McGinnis Lochridge LLP, who has insisted on a long and protracted litigation rather than equitable decoupling to effectuate the Foundation’s articulated goal: a buyout at their fair market value.

Dilum Chandrasoma served as Chairman of the Mitte Foundation from 2009 until approximately September 2019. Mr. Chandrasoma assumed the Chairman role from Scott Mitte who was forced out of the role in April 2009 by the Office of the Attorney General of Texas (“OAG”) following Scott Mitte’s arrest on charges of cocaine possession. The Mitte Foundation consented to an Agreed Judgement with the OAG in April 2009 (Exhibit A) which included new

¹ Mr. Chandrasoma was arrested and booked on July 21, 2019, during the pendency of the Proceedings, for assault causing bodily injury to a family member, his wife and child, and was subsequently placed on leave with the Mitte Foundation. Booking Number: 1921267; Booking on: 7/21/2019; County: Travis.

requirements of the Foundation based on problems with directors receiving excessive compensation and self-dealing. This included a lifetime prohibition of Scott Mitte being involved with the Foundation.

Claimants were unaware of Mr. Chandrasoma's checkered past until the relationship soured because of Claimants concerns about Mr. Chandrasoma's intention to engage in self-dealing transactions with the Foundation. Claimants discovered Mr. Chandrasoma had multiple criminal charges from 1982 to 1991 in Travis County for credit card fraud and issuance of bad checks. Mr. Chandrasoma had full control of the Board during his term and became adversarial to Claimants after they declined to do further business with him or the Foundation after learning of his intentions. This led Claimants to commence arbitration to decouple the relationship.

Given this posture over the course of the Proceedings, the Partnerships have become concerned about Chester's refusal to disclose information regarding his fee arrangement with the Mitte Foundation, as well as the structuring of certain excessive fee arrangements that will be paid through the use of public charitable funds held by the Mitte Foundation. Those issues are set forth in greater detail below.

I. Financial Status of the Mitte Foundation: Preliminary Issues

As a preliminary matter, the financial position of the Mitte Foundation that can be understood by publicly available documents is as follows:

- According to Guidestar, the Mitte Foundation in 2017 had administrative expenses of \$771,273. In contrast, it only made grants of \$627,118. According to its filed 2017 Form 990, it had negative cash flow of -\$440,794. Decreased from \$1.3 million to \$797,900. Cash remained constant at about \$150,000.
- The 2017 balance sheet in the Form 990 reflects grants payable of \$480,000. Coupled with an administrative burn approaching \$800,000, the Mitte Foundation was poised by the end of 2017 to burn through its cash. These figures show that the Mitte Foundation in 2017 was spending more in administrative expenses than it was providing in donations. Whether that actually occurred in 2018 as well is not clear as the Mitte Foundation's 2018 Form 990 does not appear to have been filed based upon the searches performed seeking that filing.
- The cash position and spend on administrative overhead is particularly troubling given previous issues at the Mitte Foundation in which former chairmen (Roy Mitte, and then later, his son, Scott Mitte) were on two occasions accused of siphoning funds from the charitable foundation. Those previous issues led to an agreed judgement in CASE No. D-1-GV -09-000624 in a dispute with the Office of the Attorney General in 2009 (Exhibit A).
- For context, the total assets of the Mitte Foundation are estimated to be approximately \$15 million currently. This can't be verified since they have not filed their required filings, which puts their tax-exempt status at risk. As of 2017, their total assets were

~\$19 million. The percentage of funds being spent on administrative expenses are excessively high when looking at the small size of the Foundation. Further, this is exacerbated by their litigation strategy where they are spending tremendous amounts on legal expenses which runs afoul of the intended use of charitable funds.

The forgoing is doubly troubling given that the Mitte Foundation has been engaged in a long and protracted and undoubtedly expensive litigation in which, as mentioned above, it has repeated opportunity to settle, generate significant profit, exit its investments, and curtail significant legal expense. During the course of the Proceedings and related negotiations, it has become clear that the strategy to protract the litigation at the direction of Chester, who has refused to disclose his fee arrangement with the Mitte Foundation, including any billings to date.

II. Mitte Foundation and Chester Refusal to disclose fee arrangement

The Partnerships have requested on multiple occasion, including in the course of formal discovery, Chester's fee arrangement and billing, dating back as early to May 10, 2019, and most recently in a motion to compel production dated May 27, 2020. Exhibit B (paragraph D.28). To date, no information at all has been produced regarding Chester's fee arrangement or the legal expenses incurred by the Mitte Foundation to date in the Proceedings.

By way of reference, Claimants have incurred over \$1.5 million in legal fees in the Proceedings, which fees are to be paid by the Partnerships which will further reduce any profits to the Mitte Foundation.

Not only has Chester refused to produce this information, he has also made false representations in Court that he and the Mitte Foundation have complied with their production obligations, including the disclosure of fees, in a hearing held January 6, 2020 (Exhibit C).

Further, in the course of informal negotiations, Chester has communicated to counsel for the Partnerships that he is fully transparent that his strategy in this litigation is to continue to protract and harass for as long as needed to attempt to obtain a "litigation premium" through any settlement.

The above circumstances seriously put into question Chester's motivations and opportunity for personal financial gain, either through a protracted litigation at an hourly rate, or a contingent fee of a settlement.

Chester's background is in Personal Injury law and it has been clear that his intentions are to enrich himself by engaging in a legal strategy that is putting the Foundation's tax-exempt status at risk. His actions have put the Foundation's assets at risk due to his gross negligence in following required procedures for a non-profit organization. This has been made clear by his failure to provide proper timely notification to the Office of the Attorney General of Texas for proceedings and causes of action under Chapter 123 of the Texas Property Code, engaging in legal positions that jeopardize their tax-exempt status, and his brazen attempts at self-dealing in using protracted litigation strategies that generate substantial legal fees for himself and diverts funds from the Foundation away from their intended purpose.

III. Collusion between Chester and Stephen Lemmon (“Lemmon”) and Gregory Milligan (“Milligan”) for excessive fee structure to Foundation and Partnerships

Chester directed the Mitte Foundation to seek the appointment of a receiver in the AAA proceeding on the basis on the basis of an FBI search occurred at the offices of the Claimants. Chester argued and has continued to argue, that due to this search, the real estate owned by the Partnerships is at risk of imminent loss or harm.

Chester proffered Gregory S. Milligan (“Milligan”) as receiver, represented by Stephen Lemmon (“Lemmon”) as his counsel. Chester, Lemmon and Milligan all knew that the appointment of a receiver was not a remedy available to the Mitte Foundation through arbitration, but proceeded to pursue the strategy anyway, again at the expense of the Mitte Foundation. For example, in early September 2019 Mr. Lemmon broached the idea that the appointment of a receiver in a private arbitration might not be plausible. Exhibit D.

The arbitrator, finding no other risk of imminent loss or harm, was convinced by Chester’s allegations that the FBI search created the need for a receivership. She then wrongfully appointed a receiver, which in and of itself was outside of her jurisdiction, and her order was then stayed by the Court of Appeals on mandamus. In executing this strategy, Mitte incurred the expense of seeking the appointment in the arbitration, attempted to enforce the appointment in district court, and which was subsequently stayed on mandamus.

After the mandamus stay, Chester, Lemmon and Milligan then colluded and collaborated to see how they could get around the Court of Appeals and related arbitrator’s stay pending mandamus (Exhibit E), and sought the appointment of a receiver directly in the district court.

During the course of the district court application, as it became clear that Chester, Lemmon and Milligan were working together, the Partnerships sought discovery from Lemmon and Milligan regarding any communications with Chester and the Mitte Foundation. This discovery was withheld from the Partnerships, and ultimately required the filing of a subpoena ducus tenum in order to retrieve the information. Exhibit F.

It became clear upon receipt of this discovery why Chester, Lemmon and Milligan went to such great lengths to obfuscate these communications, as detailed below.

The discovery showed that:

- Lemmon, Milligan and Chester began working together on a “strategy” and handsome fee structure for a receivership as early as September 2019, which conflict of interest was not disclosed to the arbitrator in seeking the appointment of Milligan.
- Chester and the Mitte Foundation presented Milligan as a “neutral third party” to the Arbitrator, when in fact he was colluding with Chester long before he was presented to the Arbitrator.

- The colluding parties worked together to establish a fee structure that allowed for wildly excessive fees to be charged by Milligan, should he effectuate a sale of the properties, getting paid at the hourly rate of \$450, and a commission based fee on both the equity and the debt in the case of a refinancing or sale:
 - 3.5% due to all equity holders (the aggregate equity for all holders is approximately \$84M, which would result in an **\$3,000,000 fee**)
 - 1.5% due to all debt holders (the aggregate debt is approximately \$20M, which would result in a **\$300,000 fee**)
- Most egregiously, even if Milligan did not effectuate a sale, refinancing or other transaction, under the orders he is still entitled to compensation based upon the appraised fair-market value of all property retained by equity holders at the conclusion of the matter. This provision results **in \$3,850,000 in fees to Milligan (and possibly Lemmon and Chester) simply to act as a receiver. That fee alone is nearly equal to the Mitte Foundation's \$3.85 million of interests.**
- Mitte also agreed to advance an additional \$150,000 of public charitable funds to the receiver under this structure.
- Milligan, Lemmon and Chester considered alternate ways Milligan could be paid a fee to enrich himself under this appointment: "I have a real estate license and might be able to negotiate a referral fee from the listing broker that comes out of their side at no additional cost to the estate/equity, which would be credited to the commissions calculated above. It's not something that is known or quantifiable at this point, but something to hold in reserve for later consideration."
(Exhibits. G and H.)

IV. Lemmon and Milligan refusal to disclose fee arrangement

In addition to the aforementioned issues related to fees being charged to the Mitte Foundation, we note that the Lemmon and Milligan have also refused to disclose the terms of the fee engagement for Lemmon's services that will be charged to the Partnerships, and therefore the Mitte Foundation. The request for information regarding these arrangements was originally sent on January 27, 2020 (Exhibit I), and has still not been produced as of the date of this correspondence.

Given that Milligan a fiduciary to the Partnerships, and all of its equity holders, there are no applicable privileges that allow for the withholding of this information from the Partnerships or the Mitte Foundation.

V. Refusal to engage in Fair Market Valuation, and Fair Market Valuation of Mitte's Interests by the District Court

Over the course of the Proceedings, Chester has repeatedly refused to engage in the retaining of experts to determine the fair market value of the Mitte Foundation's interest in the

Partnerships – the key piece of information necessary to effectuate an equitable decoupling for the Mitte Foundation.

As early as January 2019, the offer was made to engage an expert appraiser, to no conceivable rationale other than to effectuate Chester's strategy to prolong the litigation to his financial benefit. The offers continued through the course of the calendar year 2019, and at each turn Chester refused to allow for a fair market valuation.

Eventually, in February of 2020, the Third Court of Appeals remanded the matter of the fair market valuation to the trial court, and in March of 2020, an evidentiary hearing was held. At that hearing, expert testimony was proffered, and the trial court subsequently determined that the fair market value of the Mitte Foundation's interests as of December 2019 was: \$2,883,840 in WC 1st and Trinity, LP and \$991,465 in WC 3rd and Congress, LP.

Notably, Chester and Mitte did not offer expert appraisal testimony at this hearing, given that to do would be to concede that the Chester's prolonged litigation strategy and the fees incurred in connection therewith, were to the significant detriment of the public's charitable funds.

Claimants have remained steadfast in their desire to resolve this dispute by providing the Mitte Foundation with an exit at fair market value. The sole reason this has not been completed is due to the egregious conflicts of interest, self-dealing, and excessive payments being sought by the Foundation's legal counsel, Ray Chester, and his allies Stephen Lemmon and Gregory S. Milligan. They continue to siphon funds to pay their excessive fees as this litigation continues to the detriment of the public interest in charity.

EXHIBIT “A”

No. D-1-GV-09-000624

ATTORNEY GENERAL GREG
ABBOTT,
ON BEHALF OF THE PUBLIC
INTEREST IN CHARITY,

Plaintiff

v.

THE ROY F. AND JOANN COLE MITTE
FOUNDATION, A NONPROFIT
CORPORATION

Defendant

§
§
§
§
§
§
§
§

IN THE DISTRICT COURT OF

TRAVIS COUNTY, TEXAS

301 ST JUDICIAL DISTRICT

Filed in The District Court
of Travis County, Texas

JL APR 24 2009

At 9:17 A M.
Amalia Rodriguez-Mendoza, Clerk

AGREED JUDGMENT

COMES NOW, Plaintiff, Attorney General Greg Abbott, ("Attorney General"), on behalf of the public interest in charity, and Defendant, the Roy F. and Joann Cole Mitte Foundation, a Texas nonprofit corporation, and consent to the entry of the following AGREED JUDGMENT, and would show as follows

The Office of the Attorney General of Texas ("OAG") on behalf of the public interest in charity and as the enforcement authority over charitable nonprofit corporations, filed this action against the Roy F. and Joann Cole Mitte Foundation ("Mitte Foundation") to address certain issues related to the performance and breaches of duty by Scott Mitte in his role as the sole member and CEO of the Foundation. The Mitte Foundation has fully cooperated with the Attorney General in reviewing and revising its articles of incorporation, bylaws , corporate policies and corporate procedures, to address the Attorney General's concerns.

Specifically, the Mitte Foundation has voluntarily made the following changes and agrees to maintain these changes in the future:



000957533

1. Amendment of the Articles of Incorporation of the Mitte Foundation, to eliminate the member class from the corporation;
2. Amendment of the Articles of Incorporation of the Mitte Foundation to change the corporation from a member managed and controlled nonprofit corporation, to a nonprofit corporation managed and controlled by its board of directors;
3. Acceptance of the resignation of Chief Executive Officer, Lifetime Chairman of the Board of Directors, and Lifetime Board of Directors member, Michael Scott Mitte ("Scott Mitte");
3. Amendment of the Articles of Incorporation and Bylaws to remove all provisions specifically related to Scott Mitte;
4. Amendment of the Bylaws to raise the age at which Roy F. Mitte III and Lacieanne Cole Carriere shall become lifetime directors from age eighteen to twenty-one;

Mitte Foundation further agrees to:

1. Maintain a lifetime prohibition on Scott Mitte serving as:
 - (a) a member of the Mitte Foundation Board of Directors;
 - (b) a Mitte Foundation corporate officer;
 - (c) a Mitte Foundation employee;
 - (d) an honorary director of the Mitte Foundation Board of Directors; or
 - (e) a member of a committee or a committee chair;
2. The Mitte Foundation agrees to pay to Scott Mitte no more than \$8,837.32 for the purpose of reimbursement of continuing medical insurance benefits as a final settlement of any potential claims. The Board further agrees that Scott Mitte will not be the recipient of any Mitte Foundation funds now or in the future;

3. The Mitte Foundation agrees to expand the board of directors from four directors to seven directors with the addition of three additional directors to be selected within one year from the date this Judgment is signed;

4. The Mitte Foundation agrees to use its best efforts in seeking qualified outside directors to serve on the Mitte Foundation board;

5. The Mitte Foundation shall maintain no less than eight board directors at such time as all three of the lifetime directors of the Mitte Foundation have assumed their positions on the board, at the age of 21. At all times for the duration of the Mitte Foundation, the number of directors shall not be less than eight;

6. The Mitte Foundation agrees that its lifetime directors Roy F. Mitte III and Lacianna Cole Carriere shall obtain training in foundation and nonprofit management, prior to joining the board;

7. The Mitte Foundation agrees to pay the Attorney General's office \$25,000 for its Attorney's fees and costs of investigation.

All other relief sought by the CAG is dismissed with prejudice. Each party is to bear its own taxable costs.

Signed this 24th day of April, 2009.

Michelle D. Mann - Poyal
PRESIDING JUDGE

Agreed and Accepted by:

Office of the Attorney General of Texas

By: Robert J. Blech

Robert J. Blech
State Bar No. 00790320
Assistant Attorney General
Charitable Trusts Section
Consumer Protection Division
Office of the Attorney General of Texas
P.O. Box 12548
Austin, Texas 78711-2548
Phone: (512) 475-4360
Fax: (512) 322-0578

Agreed as to Form:

Attorneys for the Roy F and Joann Cole Mitte Foundation

By: Shane W. Hudson

Shane W. Hudson
State Bar No. 24042109
Fizer, Beck, Webster, Bentley & Scroggins, P.C.
1330 Post Oak Boulevard, Suite 2900
Houston, Texas 77056
Phone: (713) 840-7710
Fax: (713) 963-8469

Agreed and Accepted:

The Roy F. and Joann Cole Mitte Foundation

By: *[Signature]*

Dilum Chandrasoma
President, the Roy F. And Joann Cole Mitte Foundation

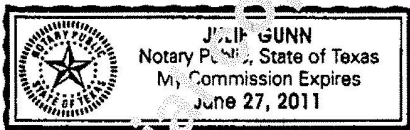
Authorized Agent for the Roy f. and Joann Cole Mitte Foundation

THE STATE OF TEXAS §
 §
COUNTY OF §

On this 21st day of April 2009, before me, the undersigned authority, personally appeared Dilum Chandrasoma, who is personally known to me and acknowledged himself/herself to be an authorized agent for the Roy F. And Joann Cole Mitte Foundation, and he, as such an agent, being authorized to do so, executed the foregoing Agreed Judgment for the purpose and consideration therein contained by signing for the Roy F. And Joann Cole Mitte Foundation by himself as an agent for such.

In witness whereof I hereunto set my hand and official seal.

[Signature]
Notary Public, State of Texas



My Commission Expires: 6/27/11

EXHIBIT “B”

**WC 1st and Trinity, LP; WC 1st and Trinity
GP, LLC; WC 3rd and Congress, LP; and
WC 3rd and Congress GP, LLC**

Claimants,

-against-

The Roy F. & Joann Cole Mitte Foundation

Respondent.

American Arbitration Association

Case No.: 01-19-0000-5347

**CLAIMANTS' MOTION TO COMPEL RESPONDENT'S DOCUMENT
PRODUCTION**

COME NOW WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP, and WC 3rd and Congress GP, LLC (collectively, "Claimants") in the above-captioned arbitration and file this Motion to Compel Respondent's Document Production (the "Motion"). In support of this Motion, Claimants respectfully state the following:

A. On April 25, 2019, the Arbitrator entered Preliminary Hearing Scheduling Order #1 (the "Scheduling Order"), which provided:

Each party will exchange initial document requests by 5/10/2019.... Each party will produce (or make available for inspection, when appropriate) any requested documents in their possession within 30 days from receipt of the request, unless the party receiving the requests provides written objections to the requesting party within 10 days. After the parties have attempted to resolve the objections, the requesting party may seek a ruling from the Arbitrator(s) as to whether the requested documents should be produced. The request must be specific as to the documents sought.

B. On May 10, 2019, Claimants' counsel of record served a proper request for production of documents pursuant to the Scheduling Order, AAA Rule R-22, and Tex. R. Civ. P. 196. A true and correct copy of the request is attached hereto as Exhibit 1, incorporated herein for all purposes.

C. On May 31, 2019, Respondent served its Objections to Claimants' Initial Requests for Production, a copy of which is attached hereto as Exhibit 2. Specifically, Respondent objected

to Claimants' definitions and instructions and Request Nos. 13 (for allegedly calling for work product), 14 (allegedly irrelevant), 16 (allegedly "nonsensical and call[ing] for marshaling of evidence"), 17 (allegedly "nonsensical and call[ing] for marshaling of evidence"), 18 (allegedly "nonsensical and call[ing] for marshaling of evidence"), 24 (allegedly overbroad), 25 (allegedly overbroad), 26 (allegedly overbroad), and 27 (allegedly calls for work product). Respondents did not assert objections to any other Request.

D. On June 10, 2019, Respondent served its Responses to Claimants' Initial Requests for Production, attached hereto as Exhibit 3. In response to each Request, Respondent stated, "Responsive documents are attached." However, in reviewing the document production, Respondent has failed to provide responsive documents to multiple Requests as set forth in more detail below. Each Request and the status of documents is outlined below, and the only ones for which Respondent objected to are italicized:

1. All documents, communications and/or information referring to, relating to or otherwise concerning the Claimants or the properties owned by the Partnerships for the period January 1, 2012 to present.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

2. All documents, communications and/or information referring to, relating to or otherwise concerning Mitte's investments in the Partnerships and the properties owned by the Partnerships. Your response should include, but not be limited to communications made by You or by Mr. Chandrasoma to any person including your donors, board, investors, contributors or others regarding Mitte's specific investment positions (*e.g.* projected rate of return, return on investment, valuation, *etc.*) in the Partnerships and any comparison of the performance of Mitte's investment position in the Partnerships measured against any other of Mitte's investments.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist. For example, the Mitte Board regularly meets to review investments, but only one set of meeting minutes has been produced (Mitte 3229). There are multiple other emails which reference draft minutes or formal minutes (Mitte 3631, 3746, 3748, 8245, and 8263); however, no such meeting minutes have been

produced. Mitte should produce all meeting minutes and agendas, along with any other documents responsive to this request.

3. All communications by or to Claimants or its officers, employees or agents for the period January 1, 2012 to present in any way relevant to the Partnerships or the properties owned by the Partnerships.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

4. All documents and/or communications referring to, relating to or otherwise concerning Mr. Craig Brockman and/or VRA Commercial Real Estate for the period January 1, 2012 to present in any way relevant to the Partnerships or the properties owned by the Partnerships.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

5. All documents and/or communications referring to, relating to or otherwise concerning David Ott and/or The Hanover Company for the period January 1, 2012 to present in any way relevant to the Partnerships or the properties owned by the Partnerships.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

6. All communications by You or Mr. Chandrasoma to any Third Party that refer to, relate to or otherwise concern Claimants and their officers, employees or agents, the properties owned by the Partnerships, or this Arbitration or the Litigation. This request includes communications from those acting on behalf of You or Mr. Chandrasoma, including any communications between You or Mr. Chandrasoma's counsel or counsel of record for Mitte to Third Parties.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

7. All documents and/or communications referring to, relating to or otherwise concerning Mr. Chandrasoma's investment and involvement in what Respondents refer to in their pleadings as the "F1 Deal" for the period January 1, 2012 to present.

Status: No documents responsive to this request have been produced.

8. All documents and/or communications that relate to, refer to or otherwise concern Mitte's conflict of interest rules, policies or processes, including with respect to disclosure

of such conflicts of interest, with respect to its officers', board members', family members' or executives' investments.

Status: Some documents that could be deemed responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist. Although Mitte produced some communications related to conflict of interest rules, the rules themselves (or document containing those rules) has not been produced.

9. All documents and/or communications referring to, relating to or otherwise concerning any actual or potential conflicts of interest between Mr. Chandrasoma's personal investments and/or related businesses that could cause a conflict of interest with Mitte or could create the appearance of a conflict of interest, whether or not disclosed to Mitte. Your response to this request should include all documents and/or communications that refer to, reference, or otherwise concern the disclosure (or non-disclosure) of any of Mr. Chandrasoma's personal investments or investments through related or affiliated companies that were disclosed to Mitte, including in the context of addressing potential or actual conflicts of interest, or where Mr. Chandrasoma requested approval from Mitte before consummating any transaction.

Status: Some documents that could be deemed responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

10. All communications by or to any other limited partner in the Partnerships for the period January 1, 2012 to present.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

11. All communications by or to any Third Party in any way relevant to the Claimants, Partnerships or the properties owned by the Partnerships, including the properties held in the Partnerships.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

12. All documents and/or communications referring to, relating to or otherwise concerning the performance, management or mismanagement Mitte's investments for the period January 1, 2012 to present, as that relates in any way to the Partnerships or the properties owned by the Partnerships.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

13. All documents and/or communications referring to, relating to, or otherwise concerning your claims for damages in this Arbitration. Your response should include all documents or communications that refer, relate to, support or otherwise concern the allegations at Page 12 of Your Responsive Pleading that: “The Mitte Foundation’s damages include, but are not limited to, profits that could have been realized had World Class sold the properties at fair market value when valid offers to purchase were received from third-parties; monies lost through World Class’s purported dilution of the Mitte Foundation’s ownership interest in WC 3rd and Congress; and lost profits from other investment opportunities that the Mitte Foundation has been unable to take advantage of as a result of having a substantial part of its endowment tied up in World Class investments for much longer than was originally promised. The Mitte Foundation therefore seeks damages in this arbitration in the amount of the fair-market value of its pre-dilution ownership position in both WC 1st and Trinity and WC 3rd and Congress.”

Status: No documents responsive to this request have been produced.

14. All documents and/or communications between You and any Third Party that refer to, relate to or otherwise concern any aspect of this Arbitration. Your response should include any documents or communications between You (including your counsel of record), Mr. Chandrasoma and/or any Third Party that discloses any information contained in Claimants’ Statement of Claims or May 2, 2019 Motion for Protective Order or attaches those documents in whole or in part. Your response should also include any documents and/or communications between You (including your counsel of record) that refer to, relate to or otherwise concern the “other litigation and arbitration filed by limited partners along these same lines” and the other “limited partners and other litigants” that you refer to in your May 2, 2019 Letter Brief at page 2. In addition, your response should include any agreement between You, Mr. Chandrasoma and/or any Third Party that concerns the subject matter of this Arbitration or the Litigation.

Status: No documents responsive to this request have been produced.

15. All documents and/or communications that refer to, relate to, support or otherwise concern Your contentions as stated in the May 2, 2019 Mitte Letter Brief at p. 2, which include the following:

- a. “Unsurprisingly, there has been other litigation and arbitration [sic] filed by limited partners along these same lines.”
- b. Claimants “make it a pattern and practice to prolong what are supposed to be short-term investments, misrepresent the actual value of the property, withhold key financial information including offers to purchase by third parties, and buy out their limited partners at below market prices.”

Your response should include all pleadings, filings and material concerning those alleged “litigation” and “arbitration” matters.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

16. All documents and/or communications that refer to, relate, support or otherwise concern your statements contained in Your Responsive Pleading that:

- a. "World Class has used and continues to use these same tactics to defraud and intimidate other investors in World Class projects." *See* Respondent's Responsive Pleading at p. 11
- b. Concerning what Respondent's refer to in their pleadings as the "F1 deal" statement that "Mr. Chandrasoma is also involved in that deal through a family business but the Mitte Foundation is not." *See id.* at p. 6.
- c. "The fact that Mr. Garlick was frustrated by Mr. Paul's delay in providing a return on investment (as is his custom and practice)." *See id.* at p. 7.
- d. "The fact of the matter is that Nate Paul uses arbitration clauses and confidentiality requirements to compartmentalize and conceal his pattern of taking advantage of limited partners." *See id.* at p. 11
- e. Any and all documents and/or communications that refer to, relate to, support or otherwise concern the specific "promise" You allege to exist. *See id.* at p. 12

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

17. *Any and all documents and/or communications that refer to, relate to, support, or concern Your contentions that Claimants breached their fiduciary duties to Respondent. Your response should include any and all documents and/or communications concerning the five specific allegations enumerated at the top of Page 12 of Respondent's Responsive Pleading:*

- a. *"Refusing to acknowledge or respond to valid letters of intent (LOIs) from third parties wishing to purchase the property of WC 1st and Trinity, LP"*
- b. *"Delaying the sale of the properties for years, contrary to the representations made initially, thereby tying up investors' funds and creating pressure to sell out at below market prices."*
- c. *"Requiring capital calls on WC 3rd and Congress without stating a valid business reason."*
- d. *"Purporting to dilute the ownership interest of the Mitte Foundation after unwarranted capital calls; and"*

e. "Refusing to allow access to the books and records of the Partnerships as required by statute and the Partnership Agreements."

Your response should also include any and all documents and/or communications that refer to, relate to, support or otherwise concern any other claim that Claimants breached their fiduciary duties to Respondent.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

18. Any and all documents and/or communications that refer to, relate, support or otherwise concern Your contentions that Claimants breached the Operating Agreements. Your response should include any and all documents and/or communications concerning the allegations enumerated on page 13 of Respondent's Responsive Pleadings where you have claimed that access to "books and records" will enable you to discover "other breaches of the partnership agreements" and identify the following "potential breaches":

a. "Section 1.8.: if, as suspected, World Class used one or both of these properties as collateral for loans to benefit World Class;"

b. "Section 2.4: not following the appropriate procedure and process for capital calls"

c. "Article 3: improper allocations of profit and loss;"

d. "Article 4: failing to make appropriate distributions;"

e. "Sections 5.4(a) and (c): improper commingling of funds; and"

f. "Sections 5.6(a) and (b): improper charging of management fees and expense reimbursements."

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

23. All documents and/or communications that refer to, relate to, support or otherwise concern any appraisal, analysis, study, valuation or examination of the Properties or Mitte's investment in the Partnerships.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

24. All documents and/or communications by, between or involving Respondent and/or Mr. Chandrasoma and any Third Party where the document or communication refers to, relates to or otherwise concerns the Partnerships, the properties owned by the Partnerships,

the Operating Agreements, or the dispute with Claimants that is now embodied in the Litigation or the Arbitration, regardless of whether the Litigation or Arbitration were formally filed at the time the dispute arose.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

25. To the extent not already produced based on another Request, please produce true and correct copies of all documents and communications that support, reflect, and/or relate to the facts and claims identified by You in Respondent's Responsive Pleading.

Status: Some documents responsive to this category have been produced; however, given the limited nature of Mitte's production, Claimants Seek confirmation that no other documents exist.

26. To the extent not already produced based on another Request, please produce all non-duplicative documents you intend to use in this Arbitration whether at any deposition preparing any witness, in motion practice, in connection with any expert report, or in any hearing in this matter, including the final hearing.

Status: No documents responsive to this request have been produced

27. To the extent not already produced based on another Request, please produce true and correct copies of all documents and communications that you reviewed and/or relied on in preparing Respondent's Responsive Pleading.

Status: No documents responsive to this request have been produced.

28. Because of Your request for attorneys' fees under Texas Civil Practice & Remedies Code § 38.001(a), produce a copy of the representation agreement between Respondent and Respondent's counsel in this Arbitration, along with any and all billing statements for work performed on this matter.

Status: No billing statements or engagement letters responsive to this request have been produced.

E. Because Respondent has not objected to the vast majority of Claimants' Requests, there is no excuse for Respondent's failure to produce responsive documents. Further, the weak objections asserted by Respondent do not support any withholding of documents.

F. Under AAA Rule R-23, the Arbitrator has the authority to issue any orders necessary to enforce the provisions of Rules R-21 and R-22 and to otherwise achieve a fair, efficient and economical resolution of the case, including without limitation issuing any

enforcement orders which the arbitrator is empowered to issue under applicable law, and in the case of willful non-compliance with any order issued by the arbitrator, drawing adverse inferences, excluding evidence and other submissions, and/or making special allocations of costs or an interim award of costs arising from such non-compliance.

G. On May 4, 2020, Claimants filed a status report requesting that the Arbitrator hold a status conference and that a new scheduling order be entered. Respondent filed a status report the following day, and although it also sought a status conference and new scheduling order, Respondent unnecessarily went to District Court to seek enforcement of Arbitrator's prior order on production. Claimants objected to that motion because the proper forum for discovery questions is before this Court, and because the order Respondent sought to enforce was effectively stale given that all Parties to this arbitration had agreed to the need for a new scheduling order, and none of the Parties had taken any action in this matter since late 2019. The fact that Respondent is now attempting to enforce an order that is over 237 days old, while Claimants have more appropriately brought the matter and the request for scheduling before your Honor, creates both inequity as well as inefficiency and parallel proceedings, which frustrate what should be a fair, efficient, and economical resolution of the case.

H. Claimants request that as part of that status conference, the Arbitrator set this Motion for hearing and at the conclusion of said hearing compel Respondent to comply with its discovery obligations, immediately produce all responsive documents, and award Claimants their costs and expenses in having to file this Motion. Further, in an effort to achieve a fair proceeding, the Arbitrator should require Respondent's production of documents by June 5, 2020, which is the same deadline imposed on Claimants to produce documents, or modify her prior order related to

Claimants' production of documents so that the Parties have the same timeline to comply with their discovery obligations.

WHEREFORE, PREMISES CONSIDERED, Claimants request that (i) Respondent be ordered to produce to Claimants on or before June 5, 2020, each and every document in compliance with the above Requests for Production, (ii) Respondent be ordered to certify that either (1) all responsive documents have been previously produced to Claimants, (2) all responsive documents not previously produced to Claimants are attached, or (3) there are no responsive documents in Respondent's possession, custody, or control, and (iii) Claimants be awarded their attorneys' fee for having to file and prosecute this Motion. Claimants respectfully request such other relief to which they may be entitled to at law or in equity.

Respectfully submitted,

HANCE SCARBOROUGH, LLP
400 W. 15th Street, Suite 950
Austin, Texas 78701
Telephone: (512) 479-8888
Facsimile: (512) 482-6891

By: /s/ Terry L. Scarborough
Terry L. Scarborough
State Bar No. 17716000
tscarborough@hslawmail.com
V. Blayre Peña
State Bar No. 24050372
bpena@hslawmail.com

ATTORNEYS FOR CLAIMANTS

CERTIFICATE OF CONFERENCE

On the ____ day of May 2020, the undersigned conferred with attorney for Respondent to discuss the relief sought in this Motion. After good faith efforts, the Parties could not resolve their dispute.

/s/ Terry L. Scarborough
Terry L. Scarborough

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document has been sent via email on May 27, 2020, to the following counsel of record:

MCGINNIS LOCHRIDGE LLP

Ray C. Chester
rchester@mcginnislaw.com
Michael A. Shaunessy
mshaunessy@mcginnislaw.com
600 Congress Avenue, Suite 2100
Austin, Texas 78701
Telephone: (512) 495-6000
Facsimile: (512) 495-6361

STREUSAND, LANDON, OZBURN &

LEMMON, LLP

Stephen W. Lemmon
lemmon@slollp.com
Rhonda B. Mates
mates@slollp.com
1801 South Mopac, Ste. 320
Austin, Texas 78746
Telephone: (512) 236-9900
Facsimile: (512) 236-9904

/s/ Terry L. Scarborough

Terry L. Scarborough

EXHIBIT “C”

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CAUSE NO. D-1-GN-18-007636

THE ROY F. & JOANN COLE)	IN THE DISTRICT COURT
MITTE FOUNDATION,)	
Plaintiff,)	
)	
vs.)	TRAVIS COUNTY, TEXAS
)	
WC 1ST AND TRINITY, L.P.,)	
WC 1ST AND TRINITY GP,)	
LLC, WC 3RD AND CONGRESS,)	
LP and WORLD CLASS CAPITAL)	
GROUP, LLC,)	
Defendants.)	126TH JUDICIAL DISTRICT

HEARING

On the 6th day of January, 2020, the following proceedings came on to be held in the above-titled and numbered cause before the Honorable Jan Soifer, Judge Presiding, held in Austin, Travis County, Texas.

Proceedings reported by computerized machine shorthand.

1 APPEARANCES

2

3 *APPEARING FOR THE PLAINTIFF:*

4 MR. RAY C. CHESTER
SBOT NO. 04189065
5 MR. MICHAEL A. SHAUNESSY
SBOT NO. 18134550
6 McGinnis Lochridge, LLP
600 Congress Avenue, Suite 2100
7 Austin, Texas 78701
Telephone: (512) 495-6051
8 E-mail: rchester@mcginnislaw.com

9 *APPEARING FOR THE DEFENDANTS:*

10 MR. EDWARD F. FERNANDES
SBOT NO. 06932700
11 MS. KATHERINE STEIN
SBOT NO. 24083980
12 King & Spalding LLP
500 W. 2nd Street
13 Suite 1800
Austin, Texas 78701
14 Telephone: (512) 457-2000
E-mail: efernandes@kslaw.com

15

APPEARING FOR THE RECEIVER:

16

17 MR. STEPHEN LEMMON
SBOT NO. 12194500
Streusand | Landon | Ozburn | Lemmon LLP
18 1801 S. MoPac Expressway, Suite 320
Austin, Texas 78746
19 Telephone: (512) 220-2688
E-mail: lemmon@slollp.com

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I N D E X
HEARING
January 6, 2020

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1 MR. CHESTER: We did that.

2 MR. FERNANDES: -- everything they're
3 supposed to get.

4 Well, there's certainly a lot of stuff
5 that we don't have that haven't been produced to us,
6 too, that we would -- we need.

7 MR. CHESTER: That's not true. We -- we
8 did full production.

9 I'm sorry. I just can't let you say stuff
10 like that.

11 MR. FERNANDES: Okay.

12 THE COURT: Well -- and I understand,
13 Mr. Fernandes, that you're --

14 MR. FERNANDES: I'll give you an example.

15 All of those e-mails that we got last time
16 from the receiver were never produced by Mitte. They
17 weren't produced by Mitte prior to the hearing in
18 connection with appointing the receiver, and they were
19 specifically relating to all the discussions in advance
20 and were pertinent to that hearing. Not any of those
21 were produced, and it was hundreds of e-mails prior to
22 the subpoena and them being produced by the receiver.
23 So to suggest that everything's been produced is simply
24 not accurate.

25 THE COURT: My understanding, what will

1 you were complaining about, is that they didn't produce
2 back to you what the receiver gathered from the banks
3 and -- I don't know what e-mails. Do you know what
4 e-mails --

5 MR. FERNANDES: No.

6 MR. SHAUNESSY: Your Honor, just so you
7 know -- and I don't know that Mr. Fernandes is actually
8 familiar with the document request that they sent out
9 because they were three lawyers ago. They did ask for a
10 set of e-mails. Okay? And we went through, did a full
11 analysis and production. Okay? There was no
12 contemplation at that time of someone asking for a
13 receiver. Okay?

14 So, no, we didn't produce any documents in
15 response to their request for production related to our
16 discussions with a receiver because we weren't -- there
17 wasn't a receiver contemplated at the time. Okay?

18 MR. CHESTER: Also, they didn't send us a
19 document request for those.

20 MR. SHAUNESSY: No. And I don't believe
21 any of their document requests relate to them.

22 But to the extent that they sent us a
23 broad document request that said anything related to the
24 properties, we did object to some of their requests and
25 we said they're overly broad. Okay?

1 Just, Judge Soifer, you've been very
2 patient with us, and I appreciate that. Okay? A prior
3 order from this district court told them to turn over
4 documents. They didn't do it. We went to
5 Judge Covington I believe on three time -- three
6 different occasions. Judge Covington literally has said
7 "There is nothing further I can do to compel them to
8 produce." Lawyers from this firm, King & Spalding,
9 represented to Judge Covington, "We are about to begin
10 production, and it's going to be a rolling production.
11 They're going to get everything they want." That's just
12 never been the case.

13 MR. FERNANDES: And that's because we did
14 ask what hadn't been produced, and they never told us.

15 MR. CHESTER: Everything hasn't been
16 produced.

17 MR. FERNANDES: That's not --

18 MR. CHESTER: Read --

19 MR. FERNANDES: -- true.

20 MR. CHESTER: -- the order.

21 MR. FERNANDES: That's simply not true.

22 MR. SHAUNESSY: Your Honor, I've got to
23 respond.

24 THE COURT: So I see an agreed order on
25 Plaintiff's Motion to Compel and For Sanctions signed by

1 STATE OF TEXAS)

2 COUNTY OF TRAVIS)

3

4 I, Michelle Williamson, Official Court Reporter in
5 and for the 345th District Court of Travis, State of
6 Texas, do hereby certify that the above and foregoing
7 contains a true and correct transcription of all
8 portions of evidence and other proceedings requested in
9 writing by counsel for the parties to be included in
10 this volume of the Reporter's Record in the above-styled
11 and numbered cause, all of which occurred in open court
12 or in chambers and were reported by me.

13 I further certify that this Reporter's Record of the
14 proceedings truly and correctly reflects the exhibits,
15 if any, offered by the respective parties.

16 WITNESS MY OFFICIAL HAND this 8th day of January,
17 2020.

18

19

20

/s/ Michelle Williamson

21

Michelle Williamson, CSR
Texas CSR #4471
Expiration Date: 01/31/2022
Official Court Reporter
345th District Court
Travis County, Texas
P.O. Box 1748
Austin, Texas 78767
Telephone: (512) 854-9373

22

23

24

25

EXHIBIT “D”

From: [Stephen Lemmon](#)
To: [Chester, Ray](#); [Gregory S. Milligan](#)
Cc: [Escobar, Manuel](#); [Rhonda Mates](#)
Subject: RE: World Class
Date: Wednesday, September 4, 2019 10:00:16 AM

We are generally available this afternoon and tomorrow. My general thoughts re this:

- I think there is no question that the arbitrator can create remedies, including a receivership
- My only concern is regarding the effect of the receivership on third parties, like the mortgage holder:
 - The general doctrine of *custodia legis* protects receivership property from acts by any person or party without court approval.
 - I am simply not sure whether that same protection applies if the receivership is imposed by an arbitrator as opposed to a court.
- Query: Would Tx Civ Prac and Rem. Code section 171.086(b) allow a parallel application in district court for appointment of a receiver? If so that would solve the potential problem.

Stephen Lemmon

STREUSAND | LONDON | OZBURN | LEMMON LLP
Spyglass Point | 1801 South MoPac Expressway | Suite 320 | Austin, Texas 78746
(d) (512) 220-2688 | (o) (512) 236-9900 | (f) (512) 236-9904
lemmon@slollp.com | www.slollp.com

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From: Chester, Ray <rchester@mcginnislaw.com>
Sent: Wednesday, September 4, 2019 9:47 AM
To: Gregory S. Milligan <gmilligan@harneypartners.com>
Cc: Escobar, Manuel <mescobar@mcginnislaw.com>; Stephen Lemmon <Lemmon@slollp.com>; Rhonda Mates <Mates@slollp.com>
Subject: Re: World Class

If you guys have time to get on a call this week to discuss this issue, please let me know. I can make myself available, and I think it would be productive.

Sent from my iPad

On Sep 4, 2019, at 9:43 AM, Gregory S. Milligan <gmilligan@harneypartners.com> wrote:

Manuel:

Thanks for the summary. I've also added Steve and Rhonda to this thread so

they can similarly help with that strategy, as we work on a first draft of the order.

Gregory S. Milligan, CTP
Executive Vice President
Cell: (512) 626-1818

<image004.png>

Austin Chicago Dallas Houston Madison

From: Escobar, Manuel <mescobar@mcginnislaw.com>
Sent: Wednesday, September 4, 2019 9:38 AM
To: Gregory S. Milligan <gmilligan@harneypartners.com>
Cc: Chester, Ray <rchester@mcginnislaw.com>
Subject: RE: World Class

Greg,

I'm looping in Ray to ensure I do not give you incorrect information, but my understanding is that there has been no order in the lawsuit impacting the arbitration. The original resolution to the lawsuit was an agreed protective order (which included an order to produce records), which specifically stated that the order did not affect the arbitration.

The arbitration initiated solely from World Class' arbitration demand made pursuant to the partnership agreement.

We filed a motion to vacate that agreed protective order in the run up to reaching the settlement agreement, but pulled down the hearing once it became clear we were going to reach a settlement.

I'm sure Ray will want to discuss further with you strategy on ensuring the enforceability of the arbitrator's order pending next week's hearing.

Thanks,
Manuel

From: Gregory S. Milligan [mailto:gmilligan@harneypartners.com]
Sent: Tuesday, September 03, 2019 8:30 PM
To: Escobar, Manuel <mescobar@mcginnislaw.com>
Subject: RE: World Class

So the current arbitration isn't court-ordered because you dismissed it voluntarily in return for some production?

We're thinking about the ability to enforce a receivership order entered in a private arbitration. We might need to file something in the District Court to

Rhonda Mates

From: Rhonda Mates
Sent: Thursday, November 7, 2019 12:05 PM
To: Ray Chester
Subject: Fwd: Receivership Statute -- Texas Business Organizations Code
Attachments: Spiritas v Davidoff.doc; ATT00001.htm

The general receivership statute (Tex. Civ. Prac. & Rem. Code ch. 64), which provides that the court may appoint a receiver when the applicant has a probable interest or right to the property and the property is in danger of being lost, removed, or materially injured. TRCP § 64.001(b). However, Tex. Bus. Org. Code § 11.401 provides: "A receiver may be appointed for a domestic entity or for a domestic entity's property or business only as provided for and on the conditions set forth in this code." (emphasis added) The bases for which a receiver can be appointed for a domestic entity under the TBOC are more strict those set forth under the general receivership statute.

Under the TBOC, a court may appoint a receiver (1) for specific property of a domestic entity located in Texas that is involved in litigation; (2) over the property and business of a domestic entity for the purpose of rehabilitating the entity; or (3) to effect a liquidation of the property and business of a domestic entity. TBOC § 11.402. A receiver can only be appointed under (1) by a court that subject matter jurisdiction of the specific property. § 11.402(a). A receiver can only be appointed under (2) and (3) by a "district court in the county in which the registered office or principal place of business of the domestic entity is located." § 11.402(b).

Receiver for Specific Property TBOC § 11.403.

A court with jurisdiction over specific property may appoint a receiver in an action "between partners or other jointly owning or interested in the property or fund." § 11.403(a)(3). It must be shown that (i) the property is in danger of being lost, removed, or materially injured, (ii) the court considers that appointment of a receiver is necessary to "conserve the property or fund and avoid damage to interested parties," (iii) all other requirements of law are complied with, and (iv) "the court determines that other available legal and equitable remedies are inadequate." § 11.403(b). This last requirement is the key difference between the TBOC and TRCP.

Receiver to Rehabilitate a Domestic Entity § 11.404

The district court in the county in which the entity has its registered office or principal place of business may appoint a receiver for the entity's property and business in an action by an owner or member of the entity if it is established (i) the entity is insolvent or in imminent danger of insolvency, (ii) the governing

person of the entity are deadlocked in the management of the entity and irreparable injury to the entity is being suffered or is threatened because of the deadlock, (iii) the actions of the governing person are illegal, oppressive, or fraudulent, or (iv) the property of the entity is being misapplied or wasted. § 11.404(a)(1). The court may appoint a receiver under this section only if (i) circumstances exist that are considered by the court to necessitate the appointment of receiver to conserve the property and business of the entity and avoid damage to interested parties, (ii) all other requirements of law are complied with, and (iii) the court determines that all other available legal and equitable remedies, including the appointment of a receiver for specific property of the domestic entity under § 11.402(a), are inadequate.

Receiver to Liquidate Domestic Entity § 11.405

This provision does not apply to the circumstances of this case so I will not address them here.

TBOC provides that that "if the condition necessitating the appointment of a receiver is remedied, the receivership shall be terminated immediately..." §§ 11.403(d), 11.404(c).

Rhonda Mates

STREUSAND | LANDON | OZBURN | LEMMON LLP
Spyglass Point | 1801 South MoPac Expressway | Suite 320 | Austin, Texas 78746
(d) (512) 220-2689 | (o) (512) 236-9900 | (f) (512) 236-9904
mates@slollp.com | www.slollp.com

From: [Stephen Lemmon](#)
To: [Chester Ray](#); [Gregory S. Milligan](#); [Rhonda Mates](#)
Subject: RE: Mitte v WC
Date: Thursday, November 7, 2019 9:00:53 AM

Works for me.

Stephen Lemmon

STREUSAND | LANDON | OZBURN | LEMMON LLP
Spyglass Point | 1801 South MoPac Expressway | Suite 320 | Austin, Texas 78746
(d) (512) 220-2688 | (o) (512) 236-9900 | (f) (512) 236-9904
lemmon@slollp.com | www.slollp.com

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From: Chester, Ray <rchester@mcginnislaw.com>
Sent: Thursday, November 7, 2019 8:49 AM
To: Gregory Milligan <gmilligan@harneypartners.com>; Stephen Lemmon <Lemmon@slollp.com>; Rhonda Mates <Mates@slollp.com>
Subject: Mitte v WC

Are you guys (especially Greg) available Monday Nov 25 for a receivership hearing?

The distant second and third choices are Dec 16 and Dec 2, in that order.

Please let me know ASAP.

Ray

Ray Chester
Board Certified Civil Trial Law and Personal Injury Trial Law
McGINNIS LOCHRIDGE
600 Congress Avenue, Suite 2100
Austin, TX 78701
o 512-495-6051 f 512-505-6351



McGINNIS LOCHRIDGE CIVIL TRIAL LAW
PERSONAL INJURY TRIAL LAW

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Stephen Lemmon

From: Chester, Ray <rchester@mcginnislaw.com>
Sent: Thursday, November 14, 2019 1:18 PM
To: Stephen Lemmon
Subject: RE: Proposed Order

It would be a stretch, but yeah, they are capable of any argument. I like your compromise, "state courts."

From: Stephen Lemmon [mailto:Lemmon@slollp.com]
Sent: Thursday, November 14, 2019 1:13 PM
To: Chester, Ray <rchester@mcginnislaw.com>
Cc: Rhonda Mates <Mates@slollp.com>
Subject: RE: Proposed Order

I agree. But read his latest. I think he is going to try to somehow argue that you cannot go forward on your new application.

Stephen Lemmon

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Spyglass Point | 1801 South MoPac Expressway | Suite 320 | Austin, Texas 78746
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From: Chester, Ray <rchester@mcginnislaw.com>
Sent: Thursday, November 14, 2019 1:12 PM
To: Stephen Lemmon <Lemmon@slollp.com>
Subject: RE: Proposed Order

Just between you and me, I don't think it matters because if the district court appoints a receiver it will be under a new order, not Covington's.

Ray Chester
Board Certified Civil Trial Law and Personal Injury Trial Law
McGINNIS LOCHRIDGE
600 Congress Avenue, Suite 2100
Austin, TX 78701
o 512-495-6051 f 512-505-6351



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From: Stephen Lemmon [<mailto:Lemmon@slollp.com>]
Sent: Thursday, November 14, 2019 1:02 PM
To: Fernandes, Ed <efernandes@kslaw.com>; Chester, Ray <rchester@mcginnislaw.com>
Cc: Gray, Adam <AGray@KSLAW.com>; Stein, Kate <KStein@kslaw.com>; Rhonda Mates <Mates@slollp.com>; Gregory S. Milligan <gmilligan@harneypartners.com>
Subject: RE: Proposed Order

Well I disagree. Mitte has filed a new application so there might be an order from a district court that would change things. How about simply "state courts"?

Stephen Lemmon

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From: Fernandes, Ed <efernandes@kslaw.com>
Sent: Thursday, November 14, 2019 11:31 AM
To: Stephen Lemmon <Lemmon@slollp.com>; Chester, Ray <rchester@mcginnislaw.com>
Cc: Gray, Adam <AGray@KSLAW.com>; Stein, Kate <KStein@kslaw.com>
Subject: Proposed Order

Attached are our proposed revisions.

As you can see we accepted all of your proposed revisions except the reference to the "State District" court.

As you may recall, the purpose of the hearing was so that Judge Covington could determine "if anything the Receiver is requesting falls outside of the [court of appeals] stay".

Please let us know if this is acceptable.

Thanks.

Edward Fernandes (Ed)
Partner

T: +1 512 457 2030 | E: efernandes@kslaw.com | www.kslaw.com

King & Spalding LLP
500 West 2nd Street
Suite 1800
Austin, Texas 78701

1100 Louisiana Street
Suite 4000
Houston, TX 77002-5213

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Stephen Lemmon

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Subject: RE: Proposed Order

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o 512-495-6051 f 512-505-6351



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Subject: RE: Proposed Order

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Stephen Lemmon

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Cc: Gray, Adam <AGray@KSLAW.com>; Stein, Kate <KStein@kslaw.com>
Subject: Proposed Order

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As you can see we accepted all of your proposed revisions except the reference to the "State District" court.

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Please let us know if this is acceptable.

Thanks.

Edward Fernandes (Ed)
Partner

T: +1 512 457 2030 | E: efernandes@kslaw.com | www.kslaw.com

King & Spalding LLP
500 West 2nd Street
Suite 1800
Austin, Texas 78701

1100 Louisiana Street
Suite 4000
Houston, TX 77002-5213

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Stephen Lemmon

From: Chester, Ray <rchester@mcginnislaw.com>
Sent: Wednesday, November 13, 2019 10:43 AM
To: Gregory S. Milligan
Cc: Stephen Lemmon; Rhonda Mates; Shaunessy, Michael A.
Subject: Re: Application for receiver

Yes to both.

Ray

On Nov 13, 2019, at 10:20 AM, Gregory S. Milligan <gmilligan@harneypartners.com> wrote:

Starting at 9:00a?

Will you send a copy of what you filed?

Thanks,

Gregory S. Milligan, CTP
Executive Vice President
Cell: (512) 626-1818

<image004.png>

Austin | Chicago | Dallas | Houston | Madison

From: Chester, Ray <rchester@mcginnislaw.com>
Sent: Wednesday, November 13, 2019 10:19 AM
To: Stephen Lemmon <Lemmon@slollp.com>
Cc: Gregory S. Milligan <gmilligan@harneypartners.com>; Rhonda Mates <Mates@slollp.com>; Shaunessy, Michael A. <MShaunessy@mcginnislaw.com>
Subject: Application for receiver

The court decided to cancel all hearings thanksgiving week so the hearing will now be Dec 2.

Ray

Ray Chester
Board Certified Civil Trial Law and Personal Injury Trial Law
McGINNIS LOCHRIDGE
600 Congress Avenue, Suite 2100
Austin, TX 78701
o 512-495-6051 f 512-505-6351

<image002.gif> <image003.gif>

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Cc: Gregory Milligan; Rhonda Mates; Shaunessy, Michael A.
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Ray

Ray Chester

Board Certified Civil Trial Law and Personal Injury Trial Law

McGINNIS LOCHRIDGE

600 Congress Avenue, Suite 2100

Austin, TX 78701

o 512-495-6051 f 512-505-6351



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EXHIBIT “F”

**“THE STATE OF TEXAS”
SUBPOENA**

CAUSE NO. D-1-GN-18-007636

THE ROY F. & JOANN COLE MITTE FOUNDATION,	§	IN THE DISTRICT COURT
	§	
Plaintiff,	§	
	§	
v.	§	126TH JUDICIAL DISTRICT
	§	
WC 1ST AND TRINITY, L.P.,	§	
WC 1ST AND TRINITY GP, LLC,	§	
WC 3RD AND CONGRESS, LP and	§	
WORLD CLASS CAPITAL GROUP, LLC,	§	
	§	
Defendants.	§	TRAVIS COUNTY, TEXAS

**SUBPOENA FOR HEARING ATTENDANCE
AND PRODUCTION OF DOCUMENTS**

To any Sheriff or Constable of the State of Texas or other person authorized to serve and execute subpoenas as provided in Texas Rule of Civil Procedure 176.

You are commanded to subpoena and summon:

Gregory S. Milligan, HMP Advisory Holdings, LLC, d/b/a Harney Partners by and through his attorney of record, Stephen Lemmon, Streusand, Landon Ozburn Lemmon, LLP, 1801 South MoPac Expressway, Suite 320, Austin, Texas 78746, to appear at the Travis County District Courthouse, 1000 Guadalupe, Austin, Texas 78701 on December 2, 2019 at 9:00 a.m. (CT) before the 126th Judicial District Court, to attend, give testimony and to produce and permit for inspection and copying of the following documents or tangible things that must be produced as described in Exhibit A attached hereto at the hearing in this case on behalf of the Defendants and to remain in attendance from day to day until lawfully discharged.

Failure by any person without adequate excuse to obey a subpoena served upon that person may be deemed a contempt of the court from which the subpoena is issued or a district court in the county in which the subpoena is served, and may be punished by fine or confinement, or both.

This subpoena was issued at the request of Defendants, whose attorneys of record are Edward F. Fernandes and Katherine Stein, King & Spalding LLP, 500 W. 2nd Street, Suite 1800, Austin, Texas 78701. You may contact Defendants' attorneys to arrange another time and date.

ISSUED this 25th day of November, 2019.

Respectfully submitted,

/s/ Edward F. Fernandes

Edward F. Fernandes
Texas Bar No. 06932700
efernandes@kslaw.com
Katherine Stein
Texas Bar No. 24083980
kstein@kslaw.com
KING & SPALDING LLP
500 W. 2nd Street, Suite 1800
Austin, Texas 78701
(512) 457-2000

Counsel for Defendants

EXHIBIT A

DEFINITIONS AND INSTRUCTIONS

1. You are instructed to produce the documents identified in this Exhibit A on or before 9:00 am on December 2, 2019.

2. “You” or “Your” refers to Gregory S. Milligan and includes his agents, attorneys, representatives, and employees, and all other persons acting on behalf of him.

3. “Document” or “Documents” mean or refer to all “documents,” “electronically stored information,” and “tangible things” to the broadest extent described the Texas Rules of Civil Procedure. The term is intended to include information stored on paper, audio tape, videotape, film, disk or any other form of electronic or magnetic storage. A draft or nonidentical document is a separate document within the meaning of this term. For the avoidance of doubt, the term “Communication” is included in the definition of “Document.”

4. “Communication” or “Communications” mean or refer to any document, oral statement, meeting, or conference, formal or informal, at any time or place, and under any circumstances whatsoever, whereby information of any kind was transmitted or received in any manner whatsoever.

5. “Partnerships” refers to WC 1st and Trinity, L.P. and WC 3rd and Congress, L.P.

6. “Properties” refers to the real property owned by WC 1st and Trinity, L.P. and WC 3rd and Congress, L.P.

7. “Plaintiff” refers to the Roy F. & Joann Cole Mitte Foundation and includes its agents, attorneys, representatives, and employees, and all other persons acting on behalf of it.

8. “Defendants” refers to WC 1st and Trinity, L.P., WC 1st and Trinity GP, LLC, WC 3rd and Congress, L.P., and WC 3rd and Congress GP, LLC and includes their agents, attorneys, representatives, and employees, and all other persons acting on behalf of them.

DOCUMENTS TO BE PRODUCED

1. All Documents that You have provided to Plaintiff.
2. All Documents reflecting Communications between You and Plaintiff.
3. All Documents reflecting Communications between You and Defendants.
4. All Documents obtained and created by You pursuant to the Order Appointing Receiver issued by Judge Covington, including but not limited to all bank statements, itemizations of transactions, communications, notices, inquiries, and letters of intent.
5. All Documents reflecting the identities of all persons and entities with whom You have communicated regarding the Partnerships or the Properties.

EXHIBIT “G”

WC 1st and Trinity, LP; WC 1st and Trinity, GP, LLC; WC 3rd and Congress, LP; and WC 3rd and Congress GP, LLC

Claimants,

-against-

The Roy F. & Joann Cole Mitte Foundation

Respondent.

American Arbitration Association

Case No.: 01-19-0000-5347

[PROPOSED] ORDER APPOINTING TEMPORARY RECEIVER

WHEREAS this matter has come before this Arbitration Tribunal upon Respondent Mitte Foundation's Motion for a Temporary Restraining Order Freezing Assets, Appointing a Temporary Receiver, and Granting Other Emergency Relief [is this the correct name of the motion or should it be First Amended Motion to Appoint Receiver?];

Commented [HK1]: (RCC) Change this to "Arbitrator"

WHEREAS Claimants WC 1st and Trinity, LP and WC 3rd and Trinity, LP (the "Partnership Claimants") possess significant assets—the full nature and extent of which are not currently known to this Arbitration Tribunal, and the value of which should be preserved during the pendency of this litigation;

Commented [HK2]: (RCC) The latter.

WHEREAS this Arbitration Tribunal finds that, based on the record in these proceedings, the appointment of a receiver in this action is necessary and appropriate for the purposes of marshaling and preserving all assets of the Partnership Claimants, and the affiliate entities of Partnership Claimants [what does this mean? Talking about the GP entities? If so, should say: "...the Partnership Claimants and WC 1st and Trinity GP, LLC and WC 3rd and Congress GP, LLC (the "GP Claimants")], as described below;

Commented [SMA3]: I would delete this as we do know the assets

WHEREAS this Arbitration Tribunal has subject matter jurisdiction over this action and personal jurisdiction over the Parties;

Commented [HK4]: (RCC) Agree

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Commented [SMA5]: Not sure its significant but by parties are we saying Mitte as well as GP Claimants and Partnership Claimants? We have not defined the term "Parties" and that is concerning.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED

THAT:

1. This Arbitration Tribunal hereby takes exclusive jurisdiction and possession of the assets, of whatever kind and wherever situated, of the Partnership Claimants and GP Claimants (collectively, the "Receivership Parties").

2. Until further Order of this Arbitration Tribunal, Gregory S. Milligan, of the firm HMP Advisory Holdings, LLC, dba Harney Partners, is hereby appointed to serve without bond as the Arbitrator's appointment receiver (the "Receiver") for the estates of the Receivership Parties.

I. Asset Freeze

3. Except as otherwise specified herein, all assets of Receivership Parties ("Receivership Assets") are frozen and may not be conveyed, transferred or in any way hypothecated until further order of this Arbitration Tribunal. "Receivership Assets" means assets of any and every kind whatsoever, including without limitation all assets described in this Order, that are: (a) owned, controlled, or held, in whole or in part, by or for the benefit of any of the Receivership Parties; (b) in the actual or constructive possession of any of the Receivership Parties, or other individual or entity acting in concert with or behalf of any of the Receivership Parties; (c) held by an agent of any of the Receivership Parties, including as a retainer for the agent's provision of services; or (d) owned, controlled, or held, in whole or in part, by, or in the actual or constructive possession of, or otherwise held for the benefit of, any corporation, partnership, trust, or other entity directly or indirectly owned, controlled, or held, in whole or in part, by any of the Receivership Parties, including assets that have been transferred to other persons or entities but as to which assets such persons or entities do not have a legitimate claim.

Accordingly, all persons, institutions, and entities with direct or indirect control over any {01472/0002/00240920.1}

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Receivership Assets— other than the Receiver or law enforcement officials acting within the course and scope of their official duties—are hereby restrained and enjoined from directly or indirectly transferring, setting off, receiving, changing, selling, pledging, assigning, liquidating or otherwise disposing of or withdrawing such Receivership Assets. This freeze shall include, but not be limited to, Receivership Assets that are on deposit with financial institutions such as banks, brokerage firms, and mutual funds, or other institutions.

II. General Powers and Duties of Receiver

4. Except as limited herein, the Receiver shall have all powers, authorities, rights, and privileges heretofore possessed by the officers, directors, managers, and general and limited partners of the Receivership Parties under applicable state and federal law, by the governing charters, by-laws, articles and/or agreements in addition to all powers and authority of a receiver at equity, and all powers conferred upon a receiver by the provisions of the Texas or Federal Rules of Civil Procedure, and this Order.

5. The trustees, directors, officers, managers, investment advisors, accountants, attorneys, and other agents of the Receivership Parties are hereby removed and dismissed; and all the powers of any partners, directors, officers, and/or managers are hereby suspended. Such persons and entities shall have no authority with respect to the Receivership Parties' operations or assets, except to the extent as hereafter may be expressly granted by the Receiver.

6. The Receiver shall assume and control the operation of the Receivership Parties and shall preserve all of their claims or interests using the powers set forth in this Order. The Receiver shall have the power to bring suits in law or in equity without further Order of this Arbitration Tribunal. The Receiver may continue and conduct the business of the Receivership Parties in such manner, to such extent and for such duration as the Receiver may deem to be necessary or appropriate, if at all.

7. No person holding or claiming any position of any sort with any of the Receivership Parties shall possess any authority to act by or on behalf of any of the Receivership Parties, unless expressly authorized, in writing, by the Receiver.

8. Subject to the specific provisions in Sections III through XIII, below, the Receiver shall have the following general powers and duties:

- A. To use reasonable efforts to determine the nature, location, and value of all property interests of the Receivership Parties, including, but not limited to, monies, funds, securities, credits, investments, savings, options, shares, cash, currencies, checks, accounts, vehicles, boats, equipment, fixtures, effects, goods, chattels, lands, premises, leases, claims, notes, membership interests in any limited liability company, partnership interests, contracts, certificates of title, instruments, inheritances, interests in any trust, art, collectibles, furnishings, jewelry, personal effects, digital currencies, virtual currencies, cryptocurrencies, digital or electronic property, casino accounts, deposits, or chips, rights, and other assets, together with all rents, profits, dividends, interest or other income attributable thereto, of whatever kind, which the Receivership Parties own, possess, have a beneficial interest in, or control directly or indirectly (the foregoing, together with all assets described in this Order collectively may be referred to as the "Receivership Assets" or the "Receivership Estates");
- B. To take custody, control, and possession of all Receivership Assets and records relevant thereto from the Receivership Parties;
- C. To manage, control, operate, and maintain the Receivership Estate and hold in his possession, custody, and control all Receivership Assets, pending further Order of this Arbitration Tribunal;
- D. To use Receivership Assets for the benefit of the Receivership Estate, making payments and disbursements and incurring expenses as may be necessary or advisable in the ordinary course of business in discharging his duties as Receiver;
- E. To take any action that, prior to the entry of this Order, could have been taken by the officers, directors, partners, managers, trustees, and agents of the Receivership Parties, except as limited by this Order;
- F. To engage and employ persons in his discretion to assist him in carrying out his duties and responsibilities hereunder, including, but not limited to, accountants, attorneys, securities traders, registered representatives, financial or business advisers, liquidating agents, real estate agents, forensic experts, brokers, traders, or auctioneers;

G. To take such action as necessary and appropriate for the preservation of Receivership Assets or to prevent the dissipation or concealment of Receivership Assets;

H. To the extent necessary to locate and identify assets, the Receiver is authorized to issue subpoenas for documents and testimony consistent with the Texas or Federal Rules of Civil Procedure;

I. To resist and defend all suits, actions, claims and demands which may now be pending or which may be brought by or asserted against the Receivership Estate; and,

J. To take such other action as may be approved by this Arbitration Tribunal.

Commented [SMA6]: Perhaps its elsewhere but the Receiver should have the right to bring suits and/or initiate arbitrations as necessary to carry out his responsibilities.

9. Unless otherwise limited by this Order, the Receiver is authorized to exercise all equitable powers under applicable law.

10. The Receiver may delegate to his agents any of the powers of the Receiver granted to him by this Order.

11. The Receiver may seek further Orders of this Arbitration Tribunal regarding standing powers of the Receiver, operations of Receivership Parties, and administration of Receivership Assets as may be deemed necessary to conserve the Receivership Assets, secure the best interests of creditors, investors, and other stakeholders of the Receivership Parties, and protect the interests of the Receiver.

III. Access to Information

12. The past and/or present officers, directors, agents, managers, general and limited partners, trustees, attorneys, accountants, and employees of the Receivership Parties, as well as those acting in their place, are hereby enjoined ordered and directed to preserve and turn over to the Receiver forthwith all paper and electronic information of, and/or relating to, the Receivership Parties and/or all Receivership Assets; such information shall include but not be limited to books, records, documents, accounts, all financial and accounting records, balance sheets, income

statements, bank records (including monthly statements, canceled checks, records of wire transfers, details of items deposited, and check registers), investor lists, title documents, writings, drawings, graphs, charts, photographs, audio and video recordings, computer records, computer files, databases and other data compilations, including any information stored by third parties or using cloud-based services, access codes, security codes, passwords, safe deposit keys, combinations, and all other instruments, papers, and electronic data or records of any kind or nature.

13. Within five (5) days of the entry of this Order, the Receivership Parties shall file with the Arbitration Tribunal and serve upon the Receiver a sworn statement, listing: (a) the identity, location and estimated value of all Receivership Assets, including contact information for the party in possession of all assets of such Receivership Party, held jointly or singly, including without limitation all assets held outside the territory of the United States; (b) all employees (and job titles thereof), other personnel, attorneys, accountants, and any other agents or contractors of the Receivership Parties; and (c) the amount and nature of all liabilities of such Receivership Party, including without limitation the names, addresses, and amounts of claims of all known creditors of the Receivership Parties. Such sworn statement shall include the names, addresses, telephone numbers, facsimile numbers, and e-mail addresses of the holders of any legal, equitable, or beneficial interests in such assets and the names, addresses, telephone numbers, facsimile numbers, and e-mail addresses of any financial institutions or other persons or entities holding such assets, along with the account numbers and balances. The sworn statements shall be accurate as of the date of this Order, shall be signed and verified as true and complete under penalty of perjury.

Commented [SMA7]: This does not make sense to me. The Receivership Parties are defined as the Partnership Claimants and GP Claimants (see para 1 above) and the Receiver has been appointed to control them (see para 2 above). How can the Receivership Parties file anything unless the Receiver does it for them—because they are in receivership. Moreover if the Receiver is going to do this then shouldn't the Receiver be directed to file it?

14. Within thirty (30) days of the entry of this Order, the Receivership Parties shall file with the Arbitration Tribunal and serve upon the Receiver a sworn statement and accounting, with {01472/0002/00240920.1}

Commented [SMA8]: Same issue as with para 13 a

complete documentation, covering the period from date of formation of the Receivership Parties to the present:

- A. Of all Receivership Assets, wherever located, held by or in the name of the Receivership Parties, or in which any of them, directly or indirectly, has or had any beneficial interest, or over which any of them maintained or maintains and/or exercised or exercises control, including, but not limited to: (a) all securities, investments, funds, real estate, automobiles, jewelry, digital assets, including but not limited to any assets contained in digital assets held at crypto-currency exchanges, and other assets, stating the location of each; and (b) any and all accounts, including all funds held in such accounts, with any bank, brokerage, or other financial institution, or any other institution, including but not limited to casinos, held by, in the name of, or for the benefit of any of them, directly or indirectly, or over which any of them maintained or maintains and/or exercised or exercises any direct or indirect control, or in which any of them had or has a direct or indirect beneficial interest, including the account statements from each bank, brokerage, or other financial institution;
- B. Identifying every account at every bank, brokerage, or other financial institution: (a) over which Receivership Parties have signatory authority; and (b) opened by, in the name of, or for the benefit of, or used by, the Receivership Parties;
- C. Identifying all credit, bank, charge, debit or other deferred payment card issued to or used by each Receivership Parties, including but not limited to the issuing institution, the card or account number(s), all persons or entities to which a card was issued and/or with authority to use a card, the balance of each account and/or card as of the most recent billing statement, and all statements for the last twelve months;
- D. Of all assets received by any of Receivership Parties from any person or entity, including the value, location, and disposition of any assets so received;
- E. Of all funds received by the Receivership Parties, and each of them, in any way related, directly or indirectly, to the Partnership Claimants. The submission must clearly identify, among other things, all investors, lenders or partners, the interests they purchased or loans made, the date and amount of their investments or loans, and the current location of such funds;
- F. Of all expenditures exceeding \$1,000 made by any of Receivership Parties, including those made on their behalf by any person or entity in the preceding 12 month period; and
- G. Of all transfers of assets made by any of Receivership Parties.

15. Within five (5) days of the entry of this Order, the Receivership Parties shall provide to the Receiver copies of the Receivership Parties' federal income tax returns from formation through 2018 with all relevant and necessary underlying documentation.

Commented [SMA9]: Same question as para 13 above.

16. The Receivership Parties' past and/or present officers, directors, agents, attorneys, managers, shareholders, employees, accountants, debtors, creditors, managers and general and limited partners, and other appropriate persons or entities shall answer all questions which the Receiver may put to them and produce all documents as required by the Receiver regarding the business of the Receivership Parties, or any other matter relevant to the operation or administration of the receivership or the collection of funds due to the Receivership Parties. The Receiver holds maintains and controls the attorney-client privilege and all other privileged of and for all Receivership Parties, and no information may be withheld from the Receiver on the basis that the information or communication was a privilege communication of or to the Receivership Entities. The Receiver has the exclusive right to determine if, when and under what circumstances to waive any privilege of any Receivership Entity.

17. The Receivership Parties and the persons or entities listed in the preceding paragraph are required to assist the Receiver in fulfilling his duties and obligations. As such, they must respond promptly and truthfully to all requests for information and documents from the Receiver. This cooperation and assistance shall include, but not be limited to: (a) providing any information or documents that the Receiver deems necessary or appropriate to the exercise of the Receiver's authority and the discharge of the Receiver's responsibilities under this Order, (b) providing any keys, including but not limited to physical, digital, and cryptographic keys, codes, device PINs, and passwords, including but not limited to account, encryption, email account, and computer passwords required to access any computer, electronic file, or telephonic data in any medium; (c) immediately advising all persons who owe money or currency of any kind to the

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Receivership Parties that all debts should be paid directly to the Receiver; (d) providing full access to all Receivership Assets; and (e) maintaining and not wasting, damaging, disposing of, or transferring in any manner any Receivership Assets.

IV. Access to Books, Records and Accounts

18. The Receiver is authorized to take immediate possession of all assets, bank accounts or other financial accounts, books, and records and all other documents or instruments relating to the Receivership Parties. All persons and entities having control, custody, or possession of any Receivership Assets, including any financial institutions, are hereby directed to turn such property, including but not limited to all accounts, over to the Receiver.

19. The Receivership Parties, as well as their agents, servants, employees, attorneys, any persons acting for or on behalf of the Receivership Parties, and any persons receiving notice of this Order by personal service, facsimile transmission, or otherwise, having possession of the property, business, books, records, accounts, or assets of the Receivership Parties are hereby directed to deliver the same to the Receiver, his agents, and/or employees.

20. All banks, brokerage firms, financial institutions, and other persons or entities which have possession, custody, or control of any assets or funds held by, in the name of, or for the benefit of, directly or indirectly, the Receivership Parties that receive actual notice of this Order by personal service, facsimile transmission, or otherwise shall:

- A. Not liquidate, transfer, sell, convey, or otherwise transfer any assets, securities, funds, or accounts in the name of or for the benefit of the Receivership Parties except upon instructions from the Receiver;
- B. Not exercise any form of set-off, alleged set-off, lien, or any form of self-help whatsoever, or refuse to transfer any funds or assets to the Receiver's control without the permission of this Arbitration Tribunal;
- C. Within five (5) business days of receipt of that notice, file with this Arbitration Tribunal and serve on the Receiver and his counsel a certified statement setting forth, with respect to each such account or other asset, the balance in the account

or description of the assets as of the close of business on the date of receipt of the notice; and,

- D. Cooperate expeditiously in providing information and transferring funds, assets, and accounts to the Receiver or at the direction of the Receiver.

V. Access to Real and Personal Property

21. The Receiver is authorized but not directed to take immediate possession of all personal property of the Receivership Parties, wherever located, including but not limited to electronically stored information, computers, laptops, hard drives, external storage drives, and any other such memory, media or electronic storage devices, books, papers, data processing records, evidence of indebtedness, bank records and accounts, savings records and accounts, brokerage records and accounts, certificates of deposit, stocks, bonds, debentures, and other securities and investments, contracts, mortgages, furniture, office supplies, and equipment.

22. The Receiver is authorized but not directed to take immediate possession of all real property of the Receivership Parties, wherever located, including but not limited to all ownership and leasehold interests and fixtures. Upon receiving actual notice of this Order by personal service, facsimile transmission, or otherwise, all persons other than law enforcement officials acting within the course and scope of their official duties, are (without the express written permission of the Receiver) prohibited from: (a) entering such premises; (b) removing anything from such premises; or, (c) destroying, concealing, or erasing anything on such premises.

23. In order to execute the express and implied terms of this Order, the Receiver is authorized to change door locks to any premises. The Receivership Parties, or any other person acting or purporting to act on their behalf, are ordered not to change the locks in any manner, nor to have duplicate keys made, nor shall they have keys in their possession during the term of the receivership.

24. The Receiver is authorized to open all mail, other than mail directed to the Receivership Parties or their general partners, and to inspect all mail opened prior to the entry of this Order, to determine whether items or information therein fall within the mandates of this Order.

25. The Receiver is authorized to request similar assistance from any other federal, state, county, or civil law enforcement officer(s) or constable(s) of any jurisdiction.

VI. Notice to Third Parties

26. The Receiver shall promptly give notice of his appointment to all known officers, directors, agents, employees, shareholders, creditors, debtors, managers, and general and limited partners of the Receivership Parties, as the Receiver deems necessary or advisable to effectuate the operation of the receivership.

27. All persons and entities owing any obligation, debt, or distribution with respect to an ownership interest to any Receivership Party shall, until further ordered by this arbitration, pay all such obligations in accordance with the terms thereof to the Receiver, and its receipt for such payments shall have the same force and effect as if the Receivership Defendant had received such payment.

28. In furtherance of his responsibilities in this matter, the Receiver is authorized to communicate with, and/or serve this Order upon, any person, entity, or government office that he deems appropriate to inform them of the status of this matter and/or the financial condition of the Receivership Estate. All government offices which maintain public files of security interests in real and personal property shall, consistent with such office's applicable procedures, record this Order upon the request of the Receiver.

29. The Receiver is authorized to instruct the United States Postmaster to hold and/or reroute mail which is related, directly or indirectly, to the business, operations, or activities of any

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of the Receivership Parties (the “Receiver’s Mail”), including all mail addressed to, or for the benefit of, the Receivership Parties. The Postmaster shall not comply with, and shall immediately report to the Receiver, any change of address or other instruction given by anyone other than the Receiver concerning the Receiver’s Mail. The Receivership Parties shall not open any of the Receiver’s Mail and shall immediately turn over such mail, regardless of when received, to the Receiver. The foregoing instructions shall apply to any proprietor, whether individual or entity, of any private mail box, depository, business or service, or mail courier or delivery service, hired, rented, or used by the Receivership Parties. No one other than Receiver shall open a new mailbox regarding the Receivership Parties, or take any steps or make any arrangements to receive mail in contravention of this Order, whether through the U.S. mail, a private mail depository, or courier service.

30. Subject to payment for services provided, any entity furnishing any utilities or related services to the Receivership Parties shall maintain such service and transfer any such accounts to the Receiver unless instructed to the contrary by the Receiver.

VII. Injunction Against Interference with Receiver

31. The Receivership Parties and all persons receiving notice of this Order by personal service, facsimile, or otherwise, are hereby restrained and enjoined from directly or indirectly taking any action or causing any action to be taken, without the express written agreement of the Receiver, which would:

- A. Interfere with the Receiver’s efforts to take control, possession, or management of any Receivership Assets; such prohibited actions include but are not limited to, using self-help or executing or issuing or causing the execution or issuance of any court attachment, subpoena, replevin, execution, or other process for the purpose of impounding or taking possession of or interfering with or creating or enforcing a lien upon any Receivership Assets;

Commented [RM10]: I think we should include this because if it is not part of this Order, the state court will have to enter a separate order making it applicable to third parties. We want the state court to just confirm this Order in its entirety. See para 33.

Commented [GM11]: Per Ray’s suggestion, do we only make this applicable to World Class in this order and not third parties for now? Then we have this order confirmed by the District Court to make it enforceable against third parties with these same provisions?

Commented [HK12]: (RCC) Agree with Rhonda.

- B. Hinder, obstruct or otherwise interfere with the Receiver in the performance of his duties; such prohibited actions include but are not limited to, concealing, destroying, or altering records or information;
- C. Dissipate or otherwise diminish the value of any Receivership Assets; such prohibited actions include but are not limited to, releasing claims or disposing, transferring, exchanging, assigning or in any way conveying any Receivership Assets, enforcing judgments, assessments or claims against any Receivership Assets or any Receivership Defendant, attempting to modify, cancel, terminate, call, extinguish, revoke or accelerate (the due date), of any lease, loan, mortgage, indebtedness, security agreement or other agreement executed by any Receivership Defendant or which otherwise affects any Receivership Assets; or,
- D. Transact any of the business of the Receivership Parties or transferring any Receivership Assets to anyone other than the Receiver;
- E. Destroy, secret, deface, transfer, or otherwise alter or dispose of any documents of or pertaining to the Receivership Parties and to the extent any such documents are no longer in existence, fail to disclose the nature and contents of such documents and how, when, and by whom such documents were caused to no longer be in existence;
- F. Fail to notify the Receiver of any Receivership Assets, including accounts constituting Receivership Assets held in any name other than the name of a Receivership Defendant, or by any person other than the Receivership Parties, or fail to provide any assistance or information requested by the Receiver in connection with obtaining possession, custody, or control of such Receivership Assets;
- G. Refuse to cooperate with the Receiver or the Receiver's duly authorized agents in the exercise of their powers, duties, or authority under any order of this Arbitration Tribunal;
- H. Interfere with or harass the Receiver, or interfere in any manner with the exclusive jurisdiction of this Arbitration Tribunal over the Receivership Estate; or
- I. Take any action to file bankruptcy proceedings under Title II of the U.S. Code. The right to file a bankruptcy proceeding or any other litigation involving the Receivership Parties is expressly and solely delegated to the Receiver.

32. Either The Receiver or Respondent the Mittle Foundation, or both, are authorized, but not required, to seek confirmation of this Order in the District Court of Travis

County, Texas. Notwithstanding confirmation of this Order by any other tribunal, this Arbitration Tribunal shall retain exclusive jurisdiction to enforce the terms of this Order.

33. The Receivership Parties shall cooperate with and assist the Receiver in the performance of his duties.

VIII. Managing Assets

34. The Receiver shall establish one or more custodial accounts at a federally insured bank to receive and hold all cash equivalent Receivership Assets (the "Receivership Funds").

35. The Receiver's deposit account shall be entitled "Receiver's Account, Estate of [Name of Receivership Defendant]" together with the name of the action, or a title to that effect.

36. Without further Order of this Arbitration Tribunal, the Receiver may not liquidate or otherwise dispose of Receivership Assets, including real estate, other than in the ordinary course of business if the fair market value is less than \$25,000.

37. The Receiver is authorized to use the Receivership Assets and proceeds thereof to pay debts and expenses of Receivership Parties that (i) have accrued prior to or during the receivership and (ii) in the sole discretion of the Receiver are essential or necessary to the operations of the Receivership Parties.

38. The Receiver's duties shall include, using reasonable efforts, identifying, marshaling, taking custody of, and preserving the value of the Receivership Assets and identifying appropriate dispositions of the same.

39. Upon further Order, pursuant to such procedures as may be required by this Arbitration Tribunal and additional authority such as 28 U.S.C. §§ 2001 and 2004, the Receiver will be authorized to sell, and transfer clear title to, all real property in the Receivership Estate.

40. The Receiver is authorized to take all actions he deems necessary in his sole judgment to manage or maintain business operations of the Receivership Estate, including making

payments to creditors, employees, and agents of the Receivership Estate and communicating with vendors, investors, governmental and regulatory authorities, and others, as appropriate.

IX. Bankruptcy Filing

41. The Receiver is granted the sole and exclusive right to file voluntary petitions for relief under Title II of the United States Code (the "Bankruptcy Code") for the Receivership Parties, or any of them. If a Receivership Party is placed in bankruptcy proceedings, the Receiver may become, and may be empowered to operate each of the Receivership Estate as, a debtor in possession. In such a situation, the Receiver shall have all of the powers and duties as provided a debtor in possession under the Bankruptcy Code to the exclusion of any other person or entity.

Commented [SMA13]: This is not enforceable. You cannot deny another party who has the right to seek protection of the bankruptcy court the ability to file for protection.

42. The provisions of this Section IX bar any person or entity, other than the Receiver, from placing any of the Receivership Parties in bankruptcy proceedings.

Commented [GM14]: Include even though we don't think it's enforceable?

Commented [HK15]: (RCC) Sure

X. Liability of Receiver

43. Until further Order, the Receiver shall not be required to post bond or give an undertaking of any type in connection with his fiduciary obligations in this matter.

44. The Receiver may choose, engage and employ attorneys, accountants, appraisers, and any other independent contractors and technical specialists, including, but not limited to, real estate agents, forensic experts, property managers, and auctioneers (collectively, "Retained Personnel") as the Receiver deems advisable or necessary in the performance of the Receiver's duties and responsibilities under the authority granted by this Order. The Receiver and his Retained Personnel, acting within scope of such agency, are entitled to rely on all outstanding rules of law and Orders of this Arbitration Tribunal and shall not be liable to anyone for their own good-faith compliance with any order, rule, law, judgment, or decree. In no event shall the Receiver or Retained Personnel be liable to anyone for their good-faith compliance with their duties and responsibilities as Receiver or Retained Personnel, including compliance with

"Preservation/Liquidation during the pendency of this litigation (the "Preservation Plan") [Is this applicable in this matter?]

Commented [HK16]: (RCC) I'm not sure. The plan is going to be to sell the property as soon as reasonably practicable.

53. Within 60 days of the entry date of this Order the Receiver shall file the Preservation/Liquidation Plan in the above-captioned action, with service copies to counsel of record, to allow this Arbitration Tribunal to evaluate the best course of action for the preservation and liquidation of assets.

54. Within thirty (30) days after the end of each calendar quarter, the Receiver shall file and serve a full report and accounting of each Receivership Estate (the "Quarterly Status Report"), reflecting (to the best of the Receiver's knowledge as of the period covered by the report) the existence, value, and location of all Receivership Assets, and of the extent of liabilities, both those claimed to exist by others and those the Receiver believes to be legal obligations of the Receivership Estate.

55. The Quarterly Status Report shall contain the following:

- A. A summary of the operations of the Receiver;
- B. The amount of cash on hand, the amount and nature of accrued administrative expenses, and the amount of unencumbered funds in the estate;
- C. A schedule of all the Receiver's receipts and disbursements (attached as Exhibit A to the Quarterly Status Report), with one column for the quarterly period covered and a second column for the entire duration of the receivership;
- D. A description of all known Receivership Assets, including approximate or actual valuations, anticipated or proposed dispositions, and reasons for retaining assets where no disposition is intended;
- E. A list of all known creditors with their addresses and the amounts of their claims;
- F. The Receiver's recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations.

F-G. Expenses incurred by the Receiver, including his own fees and all professional fees, during that quarter.

Formatted: Left, Indent: Left: 0.5", No bullets or numbering

XIII. Fees, Expenses and Accountings

56. The Receiver need not obtain approval prior to the disbursement of Receivership Funds for expenses in the ordinary course of the administration and operation of the receivership. Further, prior approval is not required for payments of applicable federal, state, or local taxes.

57. The Receiver is authorized to solicit and retain persons and entities ("Retained Personnel") to assist him in carrying out the duties and responsibilities described in this Order. The Receiver is specifically authorized to retain Streusand, Landon, Ozburn & Lemmon, LLP to serve as his counsel.

58. The Receiver and Retained Personnel are entitled to reasonable compensation and expense reimbursement on a monthly basis from the Receivership Estate without prior approval, but with full quarterly disclosure to the parties to the Arbitration.

59. Receiver shall be entitled to an initial minimum guaranteed fee of \$40,000.00 (the "Guaranteed Fee"). Further compensation will be commission-based, as follows:

- (a) Receiver shall be due 1.5% of all amounts paid to debt holders; and
- (b) Receiver shall be due 3.0% of all amounts paid to equity holders.

Such compensation will be due and payable upon the closing of any sale or refinancing, and if no sale, refinancing or other transaction occurs, Receiver shall be due compensation based upon the appraised fair-market value of all property retained by equity holders at the conclusion of the matter.

60. Mitte has agreed to advance up to a total amount of \$150,000.00 to cover the Guaranteed Fee to the Receiver and the cost of Receiver's counsel. Mitte will also pay for, in addition to the \$150,000.00 sum referenced above, (a) an updated appraisal for each of the subje

Commented [HK17]: (RCC) This needs to be as incurred, not the entire \$150K up front.

real properties as directed by the Receiver, and (b) the premium costs for the bond ordered by this Arbitration Tribunal, if any.

Commented [HK18]: (RCC) I don't have authorization for this.

61. In return for advancing such funds to preserve, protect, investigate, value and otherwise administer assets of the Receivership Parties, for the benefit of all stakeholders, Mitte shall have an administrative priority claim in the Receivership Estate for repayment of such amounts after payment to the Receiver and Retained Personnel, and before distributions to any equity holders.

62. At the close of the Receivership, the Receiver shall submit a Final Accounting, as well as the Receiver's final application for compensation and expense reimbursement.

63. All such fees and expenses of the Receiver, including all amounts due to the Receiver or Retained Personnel, shall be accorded priority to the maximum extent provided by applicable law.

64. Further, this Order shall constitute a subordinate lien upon the Receivership Assets including, but not limited to, any real property owned by the Receivership Parties to secure the compensation of Receiver in accordance with this Order. Receiver is authorized to provide notice of and perfect such lien as required by applicable law.

Commented [HK19]: (RCC) If we're going to do this, we need to include Mitte's advances. YES we do.

IT IS SO ORDERED, this ___ day of _____, 2019.

EXHIBIT “H”

From: Chester, Ray <rchester@mcginnislaw.com>
Sent: Friday, September 27, 2019 1:46 PM
To: Gregory S. Milligan <gmilligan@harneypartners.com>
Cc: Stephen Lemmon <Lemmon@slolip.com>; Rhonda B. Mates (mates@slolip.com)
<mates@slolip.com>
Subject: Re: World Class

Yes, that is what I proposed, and I will now take it to the board.

Ray

On Sep 27, 2019, at 1:23 PM, Gregory S. Milligan <gmilligan@harneypartners.com> wrote:

Ray:

Thanks for the voicemail last evening and the additional consideration provided around the cost structure of the receivership estate. I was able to have a 3-minute conversation with Steve and Rhonda to relay my understanding of your suggestion as they were preparing for another matter, and they're in agreement – assuming I properly conveyed your intentions.

I understood you to say the suggested two-tiered commission structure is acceptable for my comp, and Mitte would fund up to \$150K for both the Receiver's retainer and cost of counsel. For today, we don't have to define that split, just the total amount for Mitte's consideration. In addition, Mitte will fund a fresh appraisal for each property, since that's something they'd have to do anyway.

Do I have that right?

Thanks,

Gregory S. Milligan, CTP
Executive Vice President
Cell: (512) 626-1818

<image002.png>

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From: Chester, Ray <rchester@mcginnislaw.com>
Sent: Wednesday, September 25, 2019 4:22 PM
To: Gregory S. Milligan <gmilligan@harneypartners.com>
Subject: RE: World Class

Greg,

Thanks for getting back to me so quick. I will take this to the client, but based on our previous discussion, I anticipate pushback in one area. I think they would be willing to do the 40k retainer plus appraisals but not your attorneys' fees. Alternatively, they would do no retainer but advance expenses (including attorneys' fees) capped at 40k plus appraisals.

Let me know if that would work. If you want to tweak one of the contingency percentages to compensate for this change, I would understand.

Ray

Ray Chester
Board Certified Civil Trial Law and Personal Injury Trial Law
McGINNIS LOCHRIDGE
600 Congress Avenue, Suite 2100
Austin, TX 78701
o 512-495-6051 f 512-505-6351

<image008.gif><image009.gif>

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From: Gregory S. Milligan [mailto:gmilligan@harneypartners.com]
Sent: Wednesday, September 25, 2019 3:32 PM
To: Chester, Ray <rchester@mcginnislaw.com>
Cc: Escobar, Manuel <mescobar@mcginnislaw.com>; Stephen Lemmon <Lemmon@slolp.com>; Rhonda B. Mates (mates@slolp.com) <mates@slolp.com>
Subject: World Class

Ray:

After our call yesterday, I visited internally and with Steve/Rhonda, and have the following proposal.

1. \$40K retainer to the Receiver as a minimum secured fee; all other compensation will be commission-based, as follows:
 - (a) Receiver will be due 1.5% of all amounts paid to debt holders
 - (b) Receiver will be due 3.0% of all amounts paid to equity holders upon a sale and/or the appraised FMV of all property retained by equity holders

2. Expenses of the receivership estate (currently anticipated to be Receiver's counsel and appraisal costs) will be advanced by Mitte on a current basis.

(a) Mitte will receive an administrative claim in the receivership estate for repayment before distributions to equity for these costs, as well as retainer.

There is also an option that might be available later, depending upon our ultimate venue and posture of the case, that could save equity holders some money. I have a real estate license and might be able to negotiate a referral fee from the listing broker that comes out of their side at no additional cost to the estate/equity, which would be credited to the commissions calculated above. It's not something that is known or quantifiable at this point, but something to hold in reserve for later consideration.

Thanks,

Gregory S. Milligan, CTP
Executive Vice President

<image010.png>

<image011.jpg> [512.464.1139](tel:512.464.1139)

<image012.jpg> [512.626.1818](tel:512.626.1818)

<image013.jpg> gmilligan@harneypartners.com

<image014.jpg> www.HarneyPartners.com

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EXHIBIT “I”

Nate Paul

From: Maryann Norwood
Sent: Tuesday, January 28, 2020 1:05 PM
To: Gregory S. Milligan
Cc: Stephen Lemmon; Fernandes, Ed; Stein, Kate; Rhonda Mates
Subject: Re: documents ordered to be produced

Mr. Milligan:

Thank you for confirming your availability. Our offices are currently under renovation, and at this time there is no meeting area available. I will plan to meet at your office at 3:30pm.

Also, please advise as to whether you have addressed the pressing issues regarding the payment of utilities and property taxes (which you aware are due on Friday), as my numerous inquiries in this regard have not received any response.

Thank you and I look forward to meeting with you in person tomorrow.

Maryann

Maryann Norwood | Corporate Counsel

World Class

814 Lavaca Street | Austin, TX 78701

T 512.420.4144 | F 512.597.0612 | M 512.962.3528

mnorwood@world-class.com | www.world-class.com

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On Jan 28, 2020, at 8:36 AM, Gregory S. Milligan <gmilligan@harneypartners.com> wrote:

Maryann:

We can do it tomorrow at your office at 3:30p.

Please confirm.

Greg Milligan

Executive Vice President
Harney Partners

Sent from my iPhone.

On Jan 27, 2020, at 5:21 PM, Maryann Norwood <mnorwood@world-class.com> wrote:

Mr. Milligan: I appreciate that you have reached out to facilitate a meeting regarding an orderly transition of these matters. However, it becomes a bit more complicated because you have instituted suit against World Class Capital Group. Thus, I cannot in good faith advise that any employee of World Class Capital Group meet with you, and certainly not without counsel. However, in an effort to resolve these issues, I would propose a meeting between counsel and yourself on Wednesday at the time of your choosing (I will be out of the office tomorrow afternoon for a dental procedure).

To be clear I will continue to move forward with gathering the information requested so that it can be timely provided and our meeting on Wednesday would not slow that process. I would request that you similarly address the questions posed below regarding the partnership operations so that we may have a productive meeting on Wednesday.

Thank you for reaching out to arrange an orderly transition, and an orderly resolution to the open questions. It is greatly appreciated.

Maryann Norwood

Maryann Norwood | Corporate Counsel
WORLD CLASS
814 Lavaca Street | Austin, TX 78701
T 512.420.4144 | F 512.597.0612 | M 512.962.3528
mnorwood@world-class.com | www.world-class.com

From: Gregory S. Milligan <gmilligan@harneypartners.com>
Sent: Monday, January 27, 2020 4:38 PM
To: Maryann Norwood <mnorwood@world-class.com>; Stephen Lemmon <Lemmon@slollp.com>
Cc: Fernandes, Ed <efernandes@kslaw.com>; Stein, Kate <KStein@kslaw.com>; Rhonda Mates <Mates@slollp.com>
Subject: RE: documents ordered to be produced

Maryann:

Who is the World Class business person I can meet with about an orderly transition? Would that be Barbie Lee?

I'm available to meet as early as 3:30p tomorrow. Please advise.

Thanks in advance,

Gregory S. Milligan, CTP

Executive Vice President

Cell: (512) 626-1818

<image002.png>

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From: Maryann Norwood <mnorwood@world-class.com>
Sent: Monday, January 27, 2020 1:36 PM
To: Stephen Lemmon <Lemmon@slollp.com>
Cc: Fernandes, Ed <efernandes@kslaw.com>; Stein, Kate <KStein@kslaw.com>; Rhonda Mates <Mates@slollp.com>; Gregory S. Milligan <gmilligan@harneypartners.com>
Subject: RE: documents ordered to be produced

Mr. Lemmon:

First, I want to take a moment to attempt to recast these conversations as it seems the goal and purpose of the receivership has become lost. The Receiver, as exhibited by his own testimony, is to be an impartial third-party purposed with preserving the property in his control. I am sure you would agree that this specific receivership has taken a wrong-turn whereby the Receiver seems to be acting at the behest of the minority partner who sought the appointment of the Receiver, rather than in furtherance of the Partnerships. This is further informed by the fact that you failed to respond to any of my questions outlined in the prior email in which I was attempting to understand the actions being taken by the Receiver to uphold his obligation to preserve the partnership property.

I would suggest that in an effort to move this matter forward, the parties attempt a new footing, as my clients have no intention of doing anything to harm the partnerships or their assets. It is obviously no secret that my clients believe that the Receivership is incorrectly appointed, but that matter will be addressed by the appeal and in the meantime, we intend to work with you in an amicable fashion that requires mutual respect. We also need to resolve the issues that I have outlined in my previous correspondence, which as noted you wholly ignored to address in your response to me or to our counsel of record. For your convenience they are outlined again below, with additional questions:

1. Please provide detail as to any and all agents, contractors or service providers that have been engaged by the Receiver, as well as the terms of payment for the foregoing, including copy of the fee arrangement entered into by your firm with Mr. Milligan and/or his related company.
2. What actions are being taken to oversee normal course operations of the assets?
3. Have you met or contacted to the supermajority partners to understand their position on the preservation of the assets and their investment? If yes, when, how many times?
4. Have you met with the Mitte Foundation to understand their position on the preservation of the assets and their investment? If yes, when, how many times?
5. Have you made arrangements for upcoming tax payments?
6. Have you contacted utilities to make payment arrangements?

Regarding your requests, you seem to indicate a willingness to resolve these issues, or at least to narrow them, prior to Court intervention – and I agree with that approach. Thus, let me try to address the issues I believe were put forth in your various correspondence:

1. *Your factual assertions are not correct. Unfortunately this is not the first time you personally have said you are gathering documents.* Personal attacks on me will not do anything to move this matter forward. The fact is that certain conversations that took place with your associate, Ms. Mates have been mischaracterized and while I will not cast mud on your firm and its work, and despite your lack of professionalism when speaking about me, I will simply say that your recitation indicates either that certain facts have been misrepresented to you, or that you are misrepresenting them to the Court.
2. *The receiver is ordered to take possession of the partnership books and records. Agents of the general partners are ordered to give the books and records to the receiver. Anyone who impedes the receiver is in contempt of the Order.* I have addressed this concern in my correspondence last Friday and here today – no one on is looking to impede an impartial receiver.
3. *Counsel represented, among other things, that World Class has taken steps to transfer the partnership realty. Send those documents.* This statement contained factual assertions that are not correct; and indeed, tend to show you and your client’s bias toward the partnerships (which again, is contrary to your Court-appointed role). “World Class” has taken no steps to transfer the partnership realty. I believe a basic review of the documents already produced would confirm for you which parties were involved in this transaction. Nevertheless, as was established on the record, and supported by the partnerships’ representation to the Court of Appeals, there has been and will be no transfer of any realty property. Thus, the documents you refer to are drafts and thus, attorney work product under the applicable order:

<image003.png>

Again, I am not looking to promulgate discord, merely to protect the privileges of counsel and remain in compliance with the Receivership Order, so if you have any insight as to why these documents are not covered by the above provision, please provide.

4. *Send the ledger.* Complete ledgers are being gathered, and I will inform you within the next 48 hours if I am able to send electronically or if I need to arrange a thumb drive for drop off to your office.
5. *And then send the other documents.* As previously stated, I believe a number of the documents outlined in the order have already been provided. With regard to your email requests, I believe that we need to

work together to determine the what you are requesting so that information may be gathered and provided.

Also, to be clear – in my previous email to you I only addressed those documents I had questions about – which is why the general ledger and proposed sale transaction documents were not specifically addressed. It seems that in your rush to personally attack me, you managed to miss a number of details. And in order to clear up the record with regard to my statements, I simply did not see your response last week in which you provided times you were available for a call on Friday morning and for that, I apologize. It didn't seem worthy of an entire paragraph in your Court filing, but in case it helps, that was a mistake on my part.

Finally, this response comes to you on Monday, January 27, 2020, which is exactly when I indicated I would be responding to you in my email on Friday, January 24, 2020, and there is therefore no emergency pending in this matter. Contrary to your assertions, I am working in good faith to ensure compliance with the receivership order and facilitate your requests, even in the face of unprofessional and personal attacks by you in this correspondence and before the Court.

Thank you for your assistance in this matter.

Sincerely,
Maryann Norwood

Maryann Norwood | Corporate Counsel
WORLD CLASS
814 Lavaca Street | Austin, TX 78701
T 512.420.4144 | F 512.597.0612 | M 512.962.3528
mnorwood@world-class.com | www.world-class.com

From: Stephen Lemmon <Lemmon@slollp.com>
Sent: Friday, January 24, 2020 6:20 PM
To: Maryann Norwood <mnorwood@world-class.com>
Cc: Fernandes, Ed <efernandes@kslaw.com>; Stein, Kate <KStein@kslaw.com>; Rhonda Mates <Mates@slollp.com>; Gregory S. Milligan <gmilligan@harneypartners.com>
Subject: Re: documents ordered to be produced

Your factual assertions are not correct.

Unfortunately this is not the first time you personally have said you are gathering documents.

The receiver is ordered to take possession of the partnership books and records. Agents of the general partners are ordered to give the books and records to the receiver. Anyone who impedes the receiver is in contempt of the Order.

Counsel represented, among other things, that World Class has taken steps to transfer the partnership realty. Send those documents.

Send the ledger.

And then send the other documents.

We have filed the motion but may not have to forward if you comply with the prior orders and do not obstruct.

Sent from my iPhone

On Jan 24, 2020, at 5:08 PM, Maryann Norwood <mnorwood@world-class.com> wrote:

Mr. Lemmon:

As per my earlier email, today was the first day you outlined specific requests of your client. I am gathering the information you clarified today, so that it may be delivered to you. Your continued harassing and threatening emails are entirely unproductive and further indicative of you and your client's lack of neutrality and fair dealing. My client has no intention of withholding "property" of the receivership, as you call it.

Further, there are certain categories of documents you have requested which are subject to the attorney-client privilege and therefore carved out from the receivership order. It is necessary that I ensure compliance with that as well.

I have additional questions for your client, who we have yet to hear from directly since his appointment, which is altogether troubling since he is the receiver, and not you.

- What actions are being taken to oversee normal course operations of the assets?
- Have you met or reached out to the supermajority partners? If yes, when, how many times?
- Have you met with the Mitte Foundation? If yes, when, how many times?
- Have you made arrangements for upcoming tax payments?
- Have you contacted utilities to make payment arrangements?

I will be in touch with you on Monday with information responsive to your requests.

Sincerely,
Maryann Norwood

Maryann Norwood | Corporate Counsel
WORLD CLASS
814 Lavaca Street | Austin, TX 78701
T 512.420.4144 | F 512.597.0612 | M 512.962.3528
mnorwood@world-class.com | www.world-class.com

From: Stephen Lemmon <Lemmon@slollp.com>
Sent: Friday, January 24, 2020 3:34 PM
To: Maryann Norwood <mnorwood@world-class.com>
Cc: Fernandes, Ed <efernandes@kslaw.com>; Stein, Kate <KStein@kslaw.com>; Rhonda Mates <Mates@slollp.com>; Gregory S. Milligan <gmilligan@harneypartners.com>
Subject: RE: documents ordered to be produced

I have received no reply, no call, and you have not provided even an explanation regarding the ledgers and the transfer documents. The receivership order clearly provides that these are part of the receivership. This is not a document production in a lawsuit. Rather, the documents are the "property" of the receivership and should be in the custody of the receiver.

We will file a motion to hold all responsible persons in contempt if the documents are not turned over immediately.

Stephen Lemmon

STREUSAND | LANDON | OZBURN | LEMMON LLP
Spyglass Point | 1801 South MoPac Expressway | Suite 320 | Austin, Texas 78746
(d) (512) 220-2688 | (o) (512) 236-9900 | (f) (512) 236-9904
lemmon@slollp.com | www.slollp.com

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From: Stephen Lemmon
Sent: Friday, January 24, 2020 1:36 PM
To: 'Maryann Norwood' <mnorwood@world-class.com>
Cc: Fernandes, Ed <efernandes@kslaw.com>; Stein, Kate <KStein@kslaw.com>; Rhonda Mates <Mates@slollp.com>; Gregory S. Milligan <gmilligan@harneypartners.com>
Subject: RE: documents ordered to be produced

Ms. Norwood: I am available until 3:30 and you can call me. But you need to give the Receiver Nos. 2 and 3 from my list:

- The ledgers
- The documents concerning the transfers (referenced in outside counsel's letter to Judge Covington)

If we don't receive those right away, we will be forced to seek enforcement of the earlier orders.

Stephen Lemmon

STREUSAND | LANDON | OZBURN | LEMMON LLP
Spyglass Point | 1801 South MoPac Expressway | Suite 320 | Austin, Texas 78746
(d) (512) 220-2688 | (o) (512) 236-9900 | (f) (512) 236-9904
lemmon@slollp.com | www.slollp.com

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From: Maryann Norwood <mnorwood@world-class.com>
Sent: Friday, January 24, 2020 1:21 PM
To: Stephen Lemmon <Lemmon@slollp.com>
Cc: Fernandes, Ed <efernandes@kslaw.com>; Stein, Kate <KStein@kslaw.com>; Rhonda Mates <Mates@slollp.com>; Gregory S. Milligan <gmilligan@harneypartners.com>
Subject: RE: documents ordered to be produced

Mr. Lemmon:

I had asked for times that you were available to speak, and you did not respond. Thus, your attempt to characterize this immediate issue as a lack of response this morning by an email at 9:42 a.m. is disingenuous. Furthermore, my client and our counsel have asked for clarification as to what documents are outstanding numerous times, and have offered to meet and confer with you as to these issues at numerous times, which have all been rejected. The only communications to date that have come from you make vague reference to "documents." I do appreciate that you finally have taken the step of outlining what you believe your client is missing.

The paragraph that you refer to, and attach for my "convenience" is, as you are likely aware, very poorly drafted and severely repetitive of documents previously provided. This is precisely why I asked to speak to you; however, you seem intent on creating exhibits for a motion to compel, rather than actually resolving your requests. To that end, and so that this issue is very clear if you decide to proceed with an unnecessary motion, let me respond specifically to the categories where I seek additional clarification, or where I believe your client is already in possession of the requested information:

1. Any "file" you have on each partnership
 - **Response: If you can provide more detail on this request I can determine if there are documents responsive.**
2. All bank statements (full copies) and the log in info for each bank account

- **Response: Your client already has the full bank statements as well as full control of the bank accounts, per Wells Fargo. Indeed, the Partnerships had to ask for the production and confirmation regarding these records numerous times, as our requests were ignored on multiple occasions. Further, in researching the status of the bank accounts, it has come to my attention that your client is blocking the regular ACH of utilities from the WC 1st and Trinity bank account which needs to be lifted and addressed as soon as possible.**
- 3. Insurance certificates
 - **Response: Please see attached.**
- 4. All offers received and any counters
 - **Response: The production provided by your client indicates these offers are already in his possession.**
- 5. All emails with lenders and prospective lenders
 - **Response: This request vague and broad; I request we confer on this item to understand what you seek including, as an example, which email custodians you are seeking.**
- 6. A list of all counsel who have been retained to represent the partnerships
 - **Response: This was outlined in the statement previously provided to you. Please be advised that the receivership order prevents the disclosure of any attorney-client privileged information.**

I remain available to discuss the forgoing matters with you and facilitate the other outstanding document requests and issues regarding specificity. However, if you deem it necessary to file a motion on this issue, I would remind you of the obligation of Local Rule 2.2 and confer with counsel and myself for a mutually convenient time, especially given my involvement in responding to your requests and gathering the relevant information. I would further note that your frivolous statements will be met with actual facts, and perhaps a cross-motion regarding the steps your client took to gain control of the Partnerships before actually fulfilling the requirements itemized by the Court. For example, your client's misrepresentations to various third-parties, including lenders, when he had not taken the appropriate steps to commence the receivership, both under the arbitrator's order, which was stayed, and the later district court order which has been stayed in part. Your claim of "months" of delay is again, a dramatic misstatement and professionally irresponsible, and should you attempt to file a motion to compel on this basis, it will be met with a full recitation of facts that do not comport with your alleged victimization and half-truths.

I look forward to hearing from you regarding additional materials, given that the order governing this matter, and drafted by your client, is largely impossible to navigate.

Thank you,
Maryann Norwood

Maryann Norwood | Corporate Counsel
WORLD CLASS
814 Lavaca Street | Austin, TX 78701
T 512.420.4144 | F 512.597.0612 | M 512.962.3528
mnorwood@world-class.com | www.world-class.com

From: Stephen Lemmon <Lemmon@slollp.com>
Sent: Friday, January 24, 2020 9:42 AM
To: Maryann Norwood <mnorwood@world-class.com>
Cc: Fernandes, Ed <efernandes@kslaw.com>; Stein, Kate <KStein@kslaw.com>; Rhonda Mates <Mates@slollp.com>; Gregory S. Milligan <gmilligan@harneypartners.com>
Subject: documents ordered to be produced

Ms. Norwood: I have not heard from you this am. We will need the following by 2 pm:

1. Any "file" you have on each partnership
2. All ledgers
3. All documents regarding the potential transfer of the partnership assets to affiliated companies
4. All bank statements (full copies) and the log in info for each bank account
5. Insurance certificates
6. All offers received and any counters
7. All emails with lenders and prospective lenders
8. A list of all counsel who have been retained to represent the partnerships

We can review those and then let you know what else will need to be turned over.

For your reference, par 10 of the receivership order is attached:
<image001.jpg>
<image002.png>

As you know, these documents have been ordered to be produced for several months. I believe you personally promised to send documents months ago, then did not do so. You reached out last night only after I contacted counsel of record Mr. Fernandes (copied here) and asked if he was opposed to the motion to compel. If there is a logistical problem preventing your sending any particular category of the documents by 2 pm, please indicate what that problem is.

I can be at your offices with a thumb drive at 2 to download the documents if you wish.

Stephen Lemmon

STREUSAND | LANDON | OZBURN | LEMMON LLP
Spyglass Point | 1801 South MoPac Expressway | Suite 320 | Austin, Texas 78746
(d) (512) 220-2688 | (o) (512) 236-9900 | (f) (512) 236-9904
lemmon@slolp.com | www.slolp.com

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EXHIBIT “J”

**THE ROY F. & JOANN COLE MITTE
FOUNDATION**

Plaintiff,

v.

**WC 1ST AND TRINITY, LP,
WC 1ST AND TRINITY GP, LLC,
WC 3RD AND CONGRESS, LP, and
WC 3RD AND CONGRESS GP, LLC**

Defendants.

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IN THE DISTRICT COURT

126TH JUDICIAL DISTRICT

TRAVIS COUNTY, TEXAS

**DEFENDANTS' MOTION ON INADEQUACY OF
PLAINTIFF AND RECEIVER'S BONDS**

TO THE HONORABLE JUDGE OF THIS COURT:

COME NOW WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP, and WC 3rd and Congress GP, LLC, (collectively referred to as the "Partnerships" or "Defendants") and file this Motion on Inadequacy of Plaintiff and Receiver's Bonds (the "Motion"), and in support hereof would respectfully show unto the Court the following:

I. INTRODUCTION

1. Defendants respectfully request that this Court increase the amount of the bonds required to be posted by Plaintiff and the receiver as such increase is necessary to protect the interests at risk under the receivership.

2. By way of background, this Court entered the Order Appointing Receiver on December 10, 2019 (the "Receivership Order"). The Receivership Order divested WC 1st and Trinity GP, LLC and WC 3rd and Congress GP, LLC (together, the "General Partners" and each individually a "General Partner") of their ability to manage WC 1st and Trinity, LP and WC 3rd and Congress, LP (together, the "Limited Partnerships" and each individually a "Limited

Partnership”), and required in paragraph 40 that (i) the receiver post a \$10,000 bond and (ii) Plaintiff post a \$100,000 bond to protect the “Receivership Parties” for all damages and costs in case it should be decided the receiver was wrongfully appointed.

3. This Court’s Receivership Order has placed the Limited Partnerships in default of their loan agreements, as was set forth in WC 3rd and Congress, LP’s Motion to Vacate, which is incorporate herein by reference. These defaults mean that the real property owned by the Limited Partnerships are at risk for foreclosure. In the specific case of WC 3rd and Congress, LP, there would be no risk of foreclosure through December 31, 2021 if the Receivership Order was stayed or vacated. A foreclosure of the real property owned by the Limited Partnerships could result in the loss of up to \$47,132,805 in value for WC 1st and Trinity, LP, and a loss of up to \$38,888,549 for WC 3rd and Congress, LP—a total wipe out of all of the Limited Partnerships’ equity (including Mitte’s) if the lenders foreclosed on the assets.

4. On May 29, 2020, the Court of Appeals lifted its February 3 stay of the Receivership Order as well as its prior stay prohibiting the receiver from selling the real property owned by the Limited Partnerships. Were this Court to give the receiver the authorization to sell the real estate held by the Limited Partnerships under the Receivership Order, the Limited Partnerships are concerned that the receiver, encouraged by Mitte and its own fee structure, would seek to sell the real estate assets as quickly as possible. Given market conditions caused by the COVID-19 pandemic, this would likely result in a sale far below the fair-market value of the properties that this Court recently found. The soundest strategy financially, and the one supported by the supermajority Limited Partners, whose consent is necessary for a sale of the real estate under the limited partnership agreements, would be to continue to hold the assets.

5. A foreclosure by the lenders or a fire sale by the receiver would deprive the Defendants of their substantial equity in the real estate owned by the Limited Partnerships, which is valued at over \$80,000,000. As such, the Plaintiff's bond of \$100,000 and the Receiver's bond of \$10,000 are wholly insufficient to protect Defendants in the event the Receivership Order is reversed, as set forth more fully below.

6. For these reasons, Defendants ask the Court to increase the amount of the bond required for Plaintiff and the receiver to post prior to the Receivership Order becoming effective.

II. ARGUMENT AND AUTHORITY

7. In their February 3, 2020 Order and Opinion, the Court of Appeals held:

The trial court abused its discretion by concluding that the \$100,000 counter-supersedeas bond posted by Mitte secures appellants "against any loss or damage caused by" the receivership order "if an appellate court determines, on final disposition, that that relief was improper." Tex. R. App. P. 24.2(a)(3). The receivership order grants the receiver all powers to manage the receivership assets that were granted to the general partners under the Partnership agreements. A party's management rights are "unique, irreplaceable, and 'cannot be measured by any certain pecuniary standard.'" *Cheniere Energy, Inc. v. Parallax Enterprises LLC*, 585 S.W.3d 70, 83 (Tex. App.—Houston [14th Dist.] 2019, pet. filed) (affirming temporary injunction maintaining status quo pending litigation of parties' claims on merits related to control over limited liability corporation).

In addition, Mitte provided no evidence to support its assertion that this amount would be sufficient to protect appellants. Appellants, on the other hand, presented evidence of the risk of foreclosure on Partnership assets created by the appointment of a receiver, which could put their loans in default and removes their ability to negotiate with the lenders. Under the circumstances of this case, in which the Partnerships' assets are worth millions of dollars (even if the precise value is currently disputed), a \$100,000 bond is inadequate to protect appellants from the loss of their management rights ***and the danger of foreclosure presented by the receivership, if this Court determines on appeal that the receivership was improper.*** (emphasis added)

8. Thus, it has already been determined that the Receivership Order's \$100,000 Plaintiff's bond is incapable of protecting Defendants. *See Harmon v. Schoelpple*, 730 S.W.2d 376, (Tex. App.—Houston [14th Dist.] 1987, no writ) (holding that a \$100 bond was insufficient “in relation to a business grossing approximately \$70,000 monthly). Accordingly, the Court needs to determine the correct amount of the counter-supersedeas bond to be posted by Plaintiff and/or the receiver—one that is reflective of the more than \$80,000,000 in equity that the receivership puts at risk.

9. Defendants have already presented uncontroverted expert appraiser testimony establishing the value of the Limited Partnerships that should allow this Court the ability to make such determination. Accordingly, Defendants request that the Court revise its Receivership Order to reflect that Plaintiff be required to post the following bonds in order to make the Receivership Order effective:

- a. WC 1st and Trinity, LP = \$47,132,805 (calculated by subtracting the total value of the partnership interest [\$50,016,64] from Plaintiff's partnership interest [\$2,883,840]) pursuant to the expert appraiser testimony; and
- b. WC 3rd and Congress, LP = \$38,888,549 (calculated by subtracting the total value of the partnership interest [\$39,880,014] from Plaintiff's partnership interest [\$991,465]) pursuant to the expert appraiser testimony.

III. CONCLUSION

For all the reasons above, Defendants WC 1st and Trinity, LP, WC 1st and Trinity GP, LLC, WC 3rd and Congress, LP, and WC 3rd and Congress GP, LLC respectfully request that after considering this Motion on Inadequacy of Plaintiff and Receiver's Bonds, the Court increase the amount of the bonds required to be posted by Plaintiff and the receiver in order to make the

Receivership Order effective and grant Defendants all other and further relief to which they may be entitled to at law or in equity.

Respectfully submitted,

HANCE SCARBOROUGH, LLP
400 W. 15th Street, Suite 950
Austin, Texas 78701
Telephone: (512) 479-8888
Facsimile: (512) 482-6891

By: /s/ Terry L. Scarborough
Terry L. Scarborough
State Bar No. 17716000
tscarborough@hslawmail.com
V. Blayre Peña
State Bar No. 24050372
bpena@hslawmail.com

ATTORNEYS FOR DEFENDANTS

CERTIFICATE OF SERVICE

I hereby certify that on June 1, 2020 a true and correct copy of this motion, including any and all attachments, is served via electronic service through eFile.TXCourts.gov on parties through counsel of record, listed below:

Ray C. Chester
rchester@mcginnislaw.com
Michael A. Shaunessy
mshaunessy@mcginnislaw.com
MCGINNIS LOCHRIDGE LLP
600 Congress Avenue, Suite 2100
Austin, Texas 78701
Telephone: (512) 495-6000
Facsimile: (512) 495-6361

Stephen W. Lemmon
lemmon@slollp.com
Rhonda B. Mates
mates@slollp.com
STREUSAND, LONDON, OZBURN &
LEMMON, LLP
1801 South Mopac, Ste. 320
Austin, Texas 78746
Telephone: (512) 236-9900
Facsimile: (512) 236-9904

Wallace B. Jefferson
State Bar No. 00000019
wjjefferson@adjtlaw.com
Nicholas Bacarisse
State Bar No. 24073872
nbacarisse@adjtlaw.com
ALEXANDER DUBOSE & JEFFERSON LLP
515 Congress Avenue, Suite 2350
Austin, Texas 78701-3562
Telephone: (512) 482-9300
Facsimile: (512) 482-9303

/s/ V. Blayre Peña
V. Blayre Peña

EXHIBIT 036

CAUSE NO. D-1-GN-18-007636

THE ROY F & JOANN COLE MITTE
FOUNDATION,
Plaintiff,

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IN THE DISTRICT COURT OF

v.

TRAVIS COUNTY, TEXAS

WC 1st AND TRINITY, LP, WC 1st AND
TRINITY GP, LLC, WC 3rd AND
CONGRESS, LP AND WORLD CLASS
CAPITAL GROUP, LLC

126TH JUDICIAL DISTRICT

Defendants.

ATTORNEY GENERAL'S PETITION IN INTERVENTION

TO THE HONORABLE JUDGE OF SAID COURT:

NOW COMES KEN PAXTON, Attorney General of Texas, on behalf of the public interest in charity, (“Attorney General”) and files this Petition in Intervention in the above-referenced cause, and would respectfully show the Court the following:

I.

Pursuant to §123.002 of the Texas Property Code, the Attorney General is a proper party and may intervene in a "proceeding involving a charitable trust." On December 11, 2019, The Attorney General received notice of the above-captioned case pursuant to §123.003 of the Texas Property Code, and subsequently filed the Attorney General’s Waiver of Intervention. The Attorney General recently received notice of a new cause of action filed in this matter. For and on behalf of the interest of the general public of this state in charitable trusts, the Attorney General hereby files this Petition in Intervention in this proceeding, pursuant to §123.002 of the Texas Property Code and Rule 60 of the Texas Rules of Civil Procedure.

II.

The Attorney General’s presence in this matter is warranted to protect the interests of the public in the event that the public’s interest and the parties’ interests diverge. In addition, this litigation affects a substantial sum of charitable funds and involves the expenditure of these funds.

The Attorney General specifically asserts his right to amend this Petition in Intervention as necessary to assert additional affirmative relief following his review of the complete pleadings and the development of further information.

III.

The Attorney General has found it necessary to intervene in this proceeding to protect the public interest in charity. He requests that the Court award reasonable and necessary attorney's fees and costs as are equitable and just for services rendered by the Attorney General in accordance with §123.006(b) of the Texas Property Code.

PRAYER

WHEREFORE, the Attorney General prays for such relief to which he may be entitled on behalf of the public interest in charity.

Respectfully submitted,

KEN PAXTON
Attorney General of Texas

JEFFREY C. MATEER
First Assistant Attorney General

RYAN L. BANGERT
Deputy First Assistant Attorney General

DARREN L. MCCARTY
Deputy Attorney General for Civil Litigation

/s/ Cathleen M. Day
Joshua R. Godbey, Division Chief
State Bar No. 24049996
Cathleen M. Day, Assistant Attorney General
State Bar No. 24105783
Financial Litigation and Charitable Trusts Division
P.O. Box 12548
Austin, Texas 78711-2548
(512) 463-9507 Phone
(512) 477-2348 Fax
joshua.godbey@oag.texas.gov
cathleen.day@oag.texas.gov

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing *Attorney General's Petition in Intervention* was served by e-service on June 8, 2020, to the following:

Ray C. Chester
Michael A. Shaunessy
MCGINNIS LOCHRIDGE, LLP
600 Congress Ave., Ste. 2100
Austin, TX 78701
rchester@mcginnislaw.com
mshaunessy@mcginnislaw.com

Terry L. Scarborough
V. Blayre Peña
HANCE SCARBOROUGH, LLP
400 W. 15th St., Ste. 950
Austin, TX 78701
tscarborough@hslawmail.com
bpena@hslawmail.com

Stephen W. Lemmon
Rhonda B. Mates
STREUSAND, LANDON, OZBURN &
LEMMON, LLP
1801 South Mopac, Ste. 320
Austin, Texas 78746
lemmon@slollp.com
mates@slollp.com

/s/ Cathleen M. Day _____
Cathleen M. Day

Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Sharron Lee on behalf of Cathleen Day
Bar No. 24105783
sharron.lee@oag.texas.gov
Envelope ID: 43565120
Status as of 06/11/2020 16:50:18 PM -05:00

Case Contacts

Name	BarNumber	Email	TimestampSubmitted	Status
Jason Snell	24013540	firm@snellfirm.com	6/8/2020 4:35:03 PM	SENT
Katherine Stein	24083980	kstein@kslaw.com	6/8/2020 4:35:03 PM	SENT
Ray Chester	4189065	rchester@mcginnislaw.com	6/8/2020 4:35:03 PM	SENT
Michael A. Shaunessy	18134550	mshaunessy@mcginnislaw.com	6/8/2020 4:35:03 PM	SENT
Angela Mays		amays@munsch.com	6/8/2020 4:35:03 PM	SENT
Julie Doss		jdoss@mcginnislaw.com	6/8/2020 4:35:03 PM	SENT
Dennis Roossien		droossien@munsch.com	6/8/2020 4:35:03 PM	SENT
Maria Amelia Calaf		mac@wittliffcutter.com	6/8/2020 4:35:03 PM	SENT
James Ray		jray@munsch.com	6/8/2020 4:35:03 PM	SENT
Jack Simms		jack@wittliffcutter.com	6/8/2020 4:35:03 PM	SENT
Jason Augustine		jason@reeveaugustine.com	6/8/2020 4:35:03 PM	SENT
Annette Bittick		abittick@mcginnislaw.com	6/8/2020 4:35:03 PM	SENT
Kim McBride		kmcbride@mcginnislaw.com	6/8/2020 4:35:03 PM	SENT
Lisa Garrett		lgarrett@munsch.com	6/8/2020 4:35:03 PM	SENT
John Saba		john@wittliffcutter.com	6/8/2020 4:35:03 PM	SENT

Associated Case Party: Gregory S. Milligan

Name	BarNumber	Email	TimestampSubmitted	Status
Rhonda Bear Mates	24040491	Mates@slollp.com	6/8/2020 4:35:03 PM	SENT
Stephen W. Lemmon		lemmon@slollp.com	6/8/2020 4:35:03 PM	SENT

Associated Case Party: WC 1st and Trinity, LP

Name

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Sharron Lee on behalf of Cathleen Day
Bar No. 24105783
sharron.lee@oag.texas.gov
Envelope ID: 43565120
Status as of 06/11/2020 16:50:18 PM -05:00

Associated Case Party: WC 1st and Trinity, LP

Viola Pena	24050372	bpena@hslawmail.com	6/8/2020 4:35:03 PM	SENT
Nicholas Bacarisse	24073872	nbacarisse@adjtlaw.com	6/8/2020 4:35:03 PM	SENT
Adam Gray	24087616	agray@kslaw.com	6/8/2020 4:35:03 PM	SENT
Wallace Jefferson	19	wjefferson@adjtlaw.com	6/8/2020 4:35:03 PM	SENT
Terry Lane Scarborough	17716000	tscarborough@hslawmail.com	6/8/2020 4:35:03 PM	SENT
Edward FFernandes		efernandes@kslaw.com	6/8/2020 4:35:03 PM	SENT
Kate Stein		kstein@kslaw.com	6/8/2020 4:35:03 PM	SENT
Kevin Orellana		paralegal@hslawmail.com	6/8/2020 4:35:03 PM	SENT

Associated Case Party: Ken Paxton on Behalf of the Public Interest in Charity

Name	BarNumber	Email	TimestampSubmitted	Status
Cathleen Day	24105783	cathleen.day@oag.texas.gov	6/8/2020 4:35:03 PM	SENT

Associated Case Party: WC 1st and Trinity GP, LLC

Name	BarNumber	Email	TimestampSubmitted	Status
Edward FFernandes		efernandes@kslaw.com	6/8/2020 4:35:03 PM	SENT
Kate Stein		kstein@kslaw.com	6/8/2020 4:35:03 PM	SENT

Associated Case Party: WC 3rd and Congress, LP

Name	BarNumber	Email	TimestampSubmitted	Status
Edward FFernandes		efernandes@kslaw.com	6/8/2020 4:35:03 PM	SENT
Kate Stein		kstein@kslaw.com	6/8/2020 4:35:03 PM	SENT

Associated Case Party: World Class Capital Group, LLC

Automated Certificate of eService

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Sharron Lee on behalf of Cathleen Day
Bar No. 24105783
sharron.lee@oag.texas.gov
Envelope ID: 43565120
Status as of 06/11/2020 16:50:18 PM -05:00

Associated Case Party: World Class Capital Group, LLC

Name	BarNumber	Email	TimestampSubmitted	Status
Edward FFernandes		efernandes@kslaw.com	6/8/2020 4:35:03 PM	SENT
Kate Stein		kstein@kslaw.com	6/8/2020 4:35:03 PM	SENT

EXHIBIT 037

From: Godbey, Joshua </O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS /CN=B685CAEA779D4BE3BD3465BBC7AD9784-JRG5>
To: Day, Cat
CC: Diaz, Denise; Estrada, Carmen
Sent: 6/10/2020 9:37:47 AM
Subject: RE: Urgent Development in Cause No. D-1-GN-18-007636; The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, et al.

Sounds good. This is very helpful, thanks. I'll forward you the meeting invite for tomorrow.

Josh

From: Day, Cat <Cathleen.Day@oag.texas.gov>
Sent: Wednesday, June 10, 2020 8:56 AM
To: Godbey, Joshua <Joshua.Godbey@oag.texas.gov>
Cc: Diaz, Denise <Denise.Diaz@oag.texas.gov>; Estrada, Carmen <Carmen.Estrada@oag.texas.gov>
Subject: RE: Urgent Development in Cause No. D-1-GN-18-007636; The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, et al.

Josh,

I am free at both 11am or 2pm tomorrow.

The failure to make mortgage payments, and later escrow payments, predates the Receiver's appointment. In May 2019, WC 1st and Trinity, LP failed to make mortgage payments and the property was posted for foreclosure by the mortgage holder (United Heritage Credit Union). UHCU and World Class entered into a forbearance agreement last May where World Class had to put up escrow funds. It is my understanding that the roughly \$200,000 past due escrow payments are a result from the forbearance agreement. When the Receiver was appointed in December 2019, the past due escrow amount was \$25,000. The Receiver's Interim Report for December 2019 noted the WC 1st & Trinity's, LP Liabilities include:

- Outstanding Loan Balance to United Heritage Credit Union: **\$7,775,488.70**
 - United Heritage Credit Union
- Other liabilities:
 - Travis County Tax Office
 - Balance Due: **\$340,289.15**
 - WC 1st & Trinity, GP, LLC
 - Balance Due: **\$1,568,092**
 - United Heritage Credit Union
 - Balance Due: **\$25,049.67**
 - San Marcos Eatery 1, LLC/Newks
 - Balance Due: **\$1,100.00**
 - Alliance Tax Advisors
 - Balance Due: **\$250.00**
 - KBGE
 - Balance Due: **\$726.15**

World Class never turned over control of the properties to the Receiver, nor has it produced any financial documents. The Receiver did gain access to some financial documents from Wells Fargo; Greg alleges that these bank statements show WC 1st & Trinity made fraudulent transfers. The Receiver has filed multiple motions attempting to gain compliance from World Class. In the most recent motion, filed on May 19, 2020, the Receiver asks the court to confirm the status of the receivership ("The Receiver asks that the Court clarify for Defendants that he is the sole person authorized to operate, control, and manage any and all Partnership property without interference from the Defendants."), and direct World Class to turnover the Partnerships.

Please let me know if you have any follow up questions!

Thanks,
Cat

Cathleen M. Day
Assistant Attorney General
Financial Litigation and Charitable Trusts Division
Street address: 300 West 15th Street, 7th Floor, Austin, Texas 78701
Mailing address: Mail: MC-017-07, P. O. Box 12548, Austin, Texas 78711-2548
Phone: (512) 463-9507 | Fax: (512) 477-2348 | e-mail: cathleen.day@oag.texas.gov

PRIVILEGED AND CONFIDENTIAL: This communication may be confidential and/or privileged pursuant to Government Code sections 552.101, 552.103, 552.107 and 552.111, and should not be disclosed without the express authorization of the Attorney General.

From: Godbey, Joshua <Joshua.Godbey@oag.texas.gov>
Sent: Tuesday, June 9, 2020 10:31 PM
To: Day, Cat <Cathleen.Day@oag.texas.gov>
Cc: Diaz, Denise <Denise.Diaz@oag.texas.gov>; Estrada, Carmen <Carmen.Estrada@oag.texas.gov>
Subject: RE: Urgent Development in Cause No. D-1-GN-18-007636; The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, et al.

Thanks for this, Cat. Do we know when they began not making the escrow and rent payments? Do those failures predate the institution of the receivership?

The receiver has offered Thursday between 9 to 1 and 2 to 4 to chat. I could do 11 or 2. Do either of those times work for you? Thanks.

Josh

From: Day, Cat <Cathleen.Day@oag.texas.gov>
Sent: Tuesday, June 9, 2020 5:00 PM
To: Godbey, Joshua <Joshua.Godbey@oag.texas.gov>
Cc: Diaz, Denise <Denise.Diaz@oag.texas.gov>; Estrada, Carmen <Carmen.Estrada@oag.texas.gov>
Subject: FW: Urgent Development in Cause No. D-1-GN-18-007636; The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, et al.

Josh,

The lender lists several reasons that World Class is in default: (i) past due escrow payments amounting to \$200,000; (ii) failure to provide financial documents; (iii) proof World Class has paid its debts as due; **and** (iv) appointment of a receiver. The lender asks for payments that are currently due (past due amounts, which includes rents). If World Class does not cure all defaults in 20 days, then the lender will accelerate the note.

Stephen Lemmon, counsel for Greg Milligan, was also emailed this letter. Perhaps you/we should talk to Greg tomorrow.

I have a hard time believing The Mitte Foundation is responsible for World Class not paying its debts or providing financial documents, especially since World Class has not turned over control or any documents to the court appointed Receiver.

I am logging off for the night, but will have my phone on me. Give me a call with any questions or concerns.

Thanks,
Cat

Cathleen M. Day
Assistant Attorney General
Financial Litigation and Charitable Trusts Division
Street address: 300 West 15th Street, 7th Floor, Austin, Texas 78701
Mailing address: Mail: MC-017-07, P. O. Box 12548, Austin, Texas 78711-2548
Phone: (512) 463-9507 | Fax: (512) 477-2348 | e-mail: cathleen.day@oag.texas.gov

PRIVILEGED AND CONFIDENTIAL: This communication may be confidential and/or privileged pursuant to Government Code sections 552.101, 552.103, 552.107 and 552.111, and should not be disclosed without the express authorization of the Attorney General.

From: Maryann Norwood <mnorwood@world-class.com>
Sent: Tuesday, June 9, 2020 4:08 PM
To: Godbey, Joshua <Joshua.Godbey@oag.texas.gov>; Day, Cat <Cathleen.Day@oag.texas.gov>
Cc: Mateer, Jeff <Jeff.Mateer@oag.texas.gov>; Sheena Paul <spaul@world-class.com>
Subject: Urgent Development in Cause No. D-1-GN-18-007636; The Roy F. & Joann Cole Mitte Foundation v. WC 1st and Trinity, LP, et al.

Mr. Godbey and Ms. Day:

Please see attached correspondence.

Thank you,
Maryann Norwood

Maryann Norwood | Corporate Counsel
814 Lavaca Street | Austin, TX 78701
T 512.420.4144 | F 512.597.0612 | M 512.962.3528
mnorwood@world-class.com | www.world-class.com

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EXHIBIT 038

6-18-20

FOUNDATION NOTES

Concerns about the Foundation

1. Attorneys fees: Foundation has been charged approx. \$300,000 in fees by its counsel to date. Counsel has agreed to a 30% haircut on fees.

2. Agreement w/ Milligan re: receiver fees

Concerns about WCCG

1. Non-payment of attorney's fees in this matter:
 - Three firms, King & Spalding, Witliff Cutter, and Munsch Hardt, have filed claims for unpaid attorneys' fees in connection with the Foundation case. Over \$500,000.
 - WCCG's current firm, Hance Scarborough, is considering withdrawing. Receiver's counsel has told us that.
2. Bankruptcy Proceedings:
 - Pending in the W.D. Tex., mostly filed in February.
3. Dispute with Gibson Dunn:
 - WCCG refused to pay GDC nearly \$800,000 in fees owed on two major real estate projects. GDC was forced to arbitrate. The firm obtained a judgment for the unpaid fees, minus a small discount, and an award of attorney's fees based on WCCG's "bad faith" refusal to pay.
 - It appears that GDC has not been forced to file a suit in SDNY to enforce its arbitral award. See case no. 20-cv-00054.
4. Fraudulent Transfer Proceeding:
 - The receiver brought this independent action based on \$2.5 million pulled from the partnership accounts and transferred to a different WC affiliate account.
 - Potential evidence of payment of a \$250k judgment in favor of the comptroller.
5. Non-payment of supersedeas bond:
 - WC could re-activate the stay of the receivership if the would pay the supersedeas bond. Approx. \$3.5 million.
6. Discovery Abuse:
 - Multiple instances where WC has refused to provide discovery.
 - Also refused to turnover books and records to the receiver.

EXHIBIT 039

From: Sheena Paul <spaul@world-class.com>
To: Bill Boyce; Godbey, Joshua
CC: Nate Paul
Sent: 6/24/2020 12:10:28 PM
Subject: RE: Follow up on today's phone call

Josh:
This email is to confirm our agreement to enter into the mediation, which will include your office's participation to help facilitate a resolution. Further, as we all discussed and agreed, in order for the mediation to be productive and allow the parties the space needed to come to a resolution, there would need to be a pause on other litigation activity in connection with the agreed joint notice that would be filed with the district court.

Per your request, we will follow up with suggestions for mediators shortly as well.

Best,
Sheena

Sheena Paul | Chief Operating Officer
World Class
Austin 512.327.3300 | New York 917.702.3333 | F 917.322.0011
spaul@world-class.com | www.world-class.com

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From: Bill Boyce <bboyce@adjtlaw.com>
Sent: Wednesday, June 24, 2020 12:39 PM
To: joshua.godbey@oag.texas.gov
Cc: Sheena Paul <spaul@world-class.com>; Nate Paul <npaul@world-class.com>
Subject: Follow up on today's phone call

Josh, please call me when your schedule permits, wanted to follow up on our conversation this morning. If you don't get me, you can reach Sheena Paul at 512-773-9408.

Thanks,

Bill

Bill Boyce
Alexander Dubose & Jefferson LLP
1844 Harvard Street
Houston, Texas 77008
(713) 589-3573 (direct)
(832) 630-1954 (cell)
www.adjtlaw.com

ALEXANDER

DUBOSE

JEFFERSON

APPELLATE COUNSEL

EXHIBIT 040



July 3, 2020

The Honorable Suzanne Covington
VIA EMAIL SUBMISSION: suzanne.covington@judgecovington.com

Re: *WC 1st and Trinity LP, et al., v. the Roy F. and Joann Cole Mitte Foundation*;
American Arbitration Association Case Number 01-19-0000-5347

Dear Judge Covington:

I write to further update you regarding matters that may affect this arbitration and the overall proceedings.

While Mr. Chester notes the Attorney General's intervention in his July 2, 2020 correspondence to you, he failed to inform you that at the request of the Office of the Attorney General, the Parties have agreed to enter settlement discussions by participating in a mediation that will include the Attorney General's office.

The Parties are in the process of scheduling that mediation at the earliest possible time. At the last hearing in district court on Thursday, June 25, 2020, Mr. Chester informed Judge Soifer of Mitte's willingness to mediate. Judge Soifer set certain deadlines in the district court case two weeks from last Thursday, noting that the timing:

"has the benefit of also giving you-all time to see if you can mediate the case in between now and two weeks from now, because you were talking about two or three weeks."

(Excerpted from the transcript of the June 25, 2020 hearing).

Claimants have stated they will make themselves available for mediation at any date in this two-week period when Mitte can be available. As of this correspondence, Mitte has not yet confirmed its availability, though we understand that it may be available on July 8 or July 9.

As to Mr. Chester's comments related to the scheduling order, I have been having discussions with Mr. Wynne, the new attorney in this matter who entered an appearance on behalf of Mr. Paul and World Class Capital Group, about availability for a final hearing date. As you have previously recognized, it makes the most sense to agree on a final hearing date and work backward from there. I have discussed final hearing dates with Mr. Wynne. I have also reached out to Mr. Chandrasoma, who appeared pro se, asking him if he had retained an attorney, and if so, to please let me know who that is so that we may discuss final hearing dates with his attorney. I fully anticipate conferring with Mr. Chester about possible final hearing dates once I

have heard back from Mr. Wynne and Mr. Chandrasoma or his new lawyer so that a scheduling order may be finalized and agreed.

Respectfully submitted,

HANCE SCARBOROUGH, LLP
400 W. 15th Street, Suite 950
Austin, Texas 78701
Telephone: (512) 479-8888
Facsimile: (512) 482-6891

By: /s/ Terry L. Scarborough
Terry L. Scarborough
State Bar No. 17716000
tscarborough@hslawmail.com
V. Blayre Peña
State Bar No. 24050372
bpena@hslawmail.com

ATTORNEYS FOR CLAIMANTS

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the above and foregoing document has been sent via email on July 3, 2020, to the following counsel of record:

McGINNIS LOCHRIDGE LLP
Ray C. Chester
rchester@mcginnislaw.com
Michael A. Shaunessy
mshaunessy@mcginnislaw.com
600 Congress Avenue, Suite 2100
Austin, Texas 78701
Telephone: (512) 495-6000
Facsimile: (512) 495-6361

STREUSAND, LANDON, OZBURN & LEMMON, LLP
Stephen W. Lemmon
lemmon@slollp.com
Rhonda B. Mates
mates@slollp.com
1801 South Mopac, Ste. 320
Austin, Texas 78746
Telephone: (512) 236-9900
Facsimile: (512) 236-9904

OFFICE OF THE ATTORNEY GENERAL
Joshua R. Godbey, Division Chief
joshua.godbey@oag.texas.gov
Cathleen M. Day, Assistant Attorney General
cathleen.day@oag.texas.gov
Financial Litigation and Charitable Trusts
Division
Office of the Attorney General
P.O. Box 12548
Austin, Texas 78711-2548

/s/ Terry L. Scarborough
Terry L. Scarborough

EXHIBIT 041


Pics

Kevin Wood <kevindwood@outlook.com>

Sat 7/4/2020 1:52 PM

To: npaul@world-class.com <npaul@world-class.com>

Cc: Raj nate's guy <Raj@worldclassproperty.com>

 20 attachments (620 KB)

ATT00001.txt; ATT00002.txt; ATT00003.txt; ATT00004.txt; ATT00005.txt; ATT00006.txt; ATT00007.txt; ATT00008.txt; ATT00009.txt; ATT00010.txt;
IMG_1785.JPG; IMG_1784.JPG; IMG_1783.JPG; IMG_1782.JPG; IMG_1778.JPG; IMG_1777.JPG; IMG_1776.JPG; IMG_1775.JPG; IMG_1774.JPG;
IMG_1773.JPG;

Most of these r outside looking in through window, besides 2 pics from front door view because 2nd coat of sealer is still too wet to walk on.

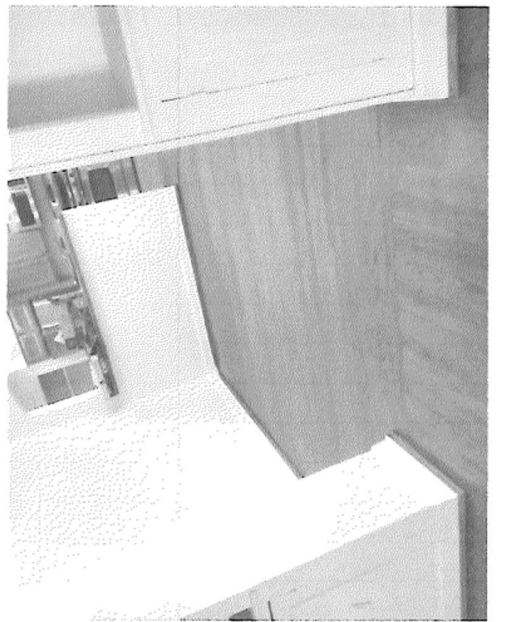
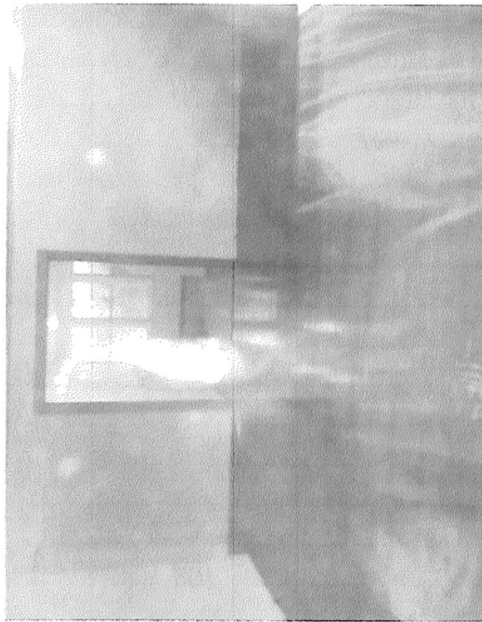
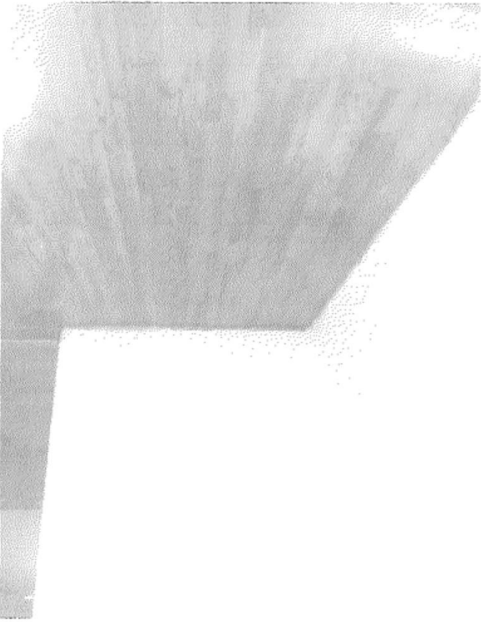
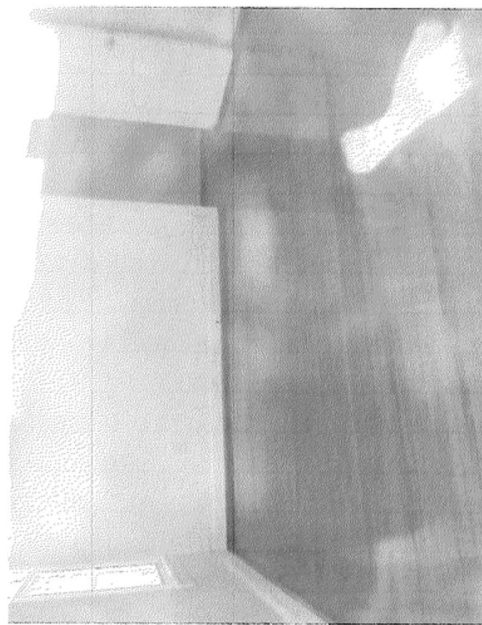
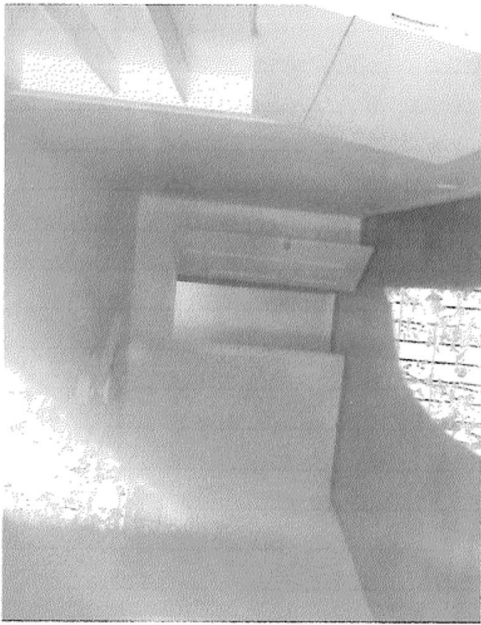




EXHIBIT 042

Message

From: Godbey, Joshua [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=B685CAEA779D4BE3BD3465BBC7AD9784-JRG5]
Sent: 7/6/2020 7:58:54 PM
To: Terry Scarborough [tscarborough@hslawmail.com]
CC: Blayre Pena [bpena@hslawmail.com]
Subject: RE: Mediation

Thanks for this Terry. According to the email from Ray that we previously discussed, his client is available this week, on the 9th, with Cunningham only. I have asked him about his client's amenability to using the two mediators together next week and am waiting to hear back. Thanks.

Josh

From: Terry Scarborough <tscarborough@hslawmail.com>
Sent: Monday, July 6, 2020 7:04 PM
To: Godbey, Joshua <Joshua.Godbey@oag.texas.gov>
Cc: Blayre Pena <bpena@hslawmail.com>
Subject: FW: Mediation

Just got this email from Nate Paul confirming that WC (defendants) will agree to use two mediators (Cunningham and Galton) from Lakeside Mediation. Sheena limited her approval of this to one day, July 8th. When I asked about the 15th or 17th, she said to focus on getting it done on the 8th. By the way, General Paxton just called me and I already told him this. FYI

From: Nate Paul [<mailto:npaul@world-class.com>]
Sent: Monday, July 6, 2020 6:20 PM
To: Terry Scarborough <tscarborough@hslawmail.com>; Sheena Paul <spaul@world-class.com>; Blayre Pena <bpena@hslawmail.com>
Subject: Mediation

Attorney-Client Privileged

Terry,

We are signed off on using the 2 mediators and let's pick the fastest date, July 8th. I spoke with AG on this as well. Let's commit. He said you said you were waiting on Sheena.

Nate Paul
President & CEO
World Class
814 Lavaca St.
Austin, Texas 78701
npaul@world-class.com

EXHIBIT 043

CAUSE NO. D-1-GN-18-007636

THE ROY F & JOANN COLE MITTE
FOUNDATION,
Plaintiff,

§
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§§

IN THE DISTRICT COURT OF

v.

TRAVIS COUNTY, TEXAS

WC 1st AND TRINITY, LP, WC 1st AND
TRINITY GP, LLC, WC 3rd AND
CONGRESS, LP AND WORLD CLASS
CAPITAL GROUP, LLC
Defendants.

126TH JUDICIAL DISTRICT

MOTION TO STAY PROCEEDING

TO THE HONORABLE JUDGE OF SAID COURT:

NOW COMES KEN PAXTON, Attorney General of Texas, on behalf of the public interest in charity, (“Attorney General”) and files this Motion to Stay Proceeding in the above-referenced cause, and would respectfully show the Court the following:

I.

On June 8, 2020, for and on behalf of the interest of the general public of this state in charitable trusts, the Attorney General filed a Petition in Intervention in this proceeding, pursuant to §123.002 of the Texas Property Code and Rule 60 of the Texas Rules of Civil Procedure.

II.

The Attorney General asks the court for a brief stay in all proceedings, including deadlines, discovery, and hearing dispositive motions, pending the Attorney General’s attempt to work with all parties to set a mediation and hopefully reach a just and equitable resolution to the dispute. The Attorney General requests this brief stay to preserve the resources of Plaintiffs Mitte Foundation pending mediation, which will accrue to the benefit of the public’s interest in charity.

PRAYER

WHEREFORE, the Attorney General prays for such relief above to which he may be entitled on behalf of the public interest in charity.

Respectfully submitted,

KEN PAXTON
Attorney General of Texas

JEFFREY C. MATEER
First Assistant Attorney General

RYAN L. BANGERT
Deputy First Assistant Attorney General

DARREN L. McCARTY
Deputy Attorney General for Civil Litigation

/s/ Joshua R. Godbey
Joshua R. Godbey, Division Chief
State Bar No. 24049996
Financial Litigation and Charitable Trusts Division
P.O. Box 12548
Austin, Texas 78711-2548
(512) 475-4207 Phone
(512) 477-2348 Fax
joshua.godbey@oag.texas.gov

On Behalf of the Public Interest in Charity

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing *Attorney General's Motion to State Proceeding* was served by e-service on July 7, 2020, to the following:

Ray C. Chester
Michael A. Shaunessy
MCGINNIS LOCHRIDGE, LLP
600 Congress Ave., Ste. 2100
Austin, TX 78701
rchester@mcginnislaw.com
mshaunessy@mcginnislaw.com

Terry L. Scarborough
V. Blayre Peña
HANCE SCARBOROUGH, LLP
400 W. 15th St., Ste. 950
Austin, TX 78701
tscarborough@hslawmail.com
bpena@hslawmail.com

Stephen W. Lemmon
Rhonda B. Mates
STREUSAND, LONDON, OZBURN &
LEMMON, LLP
1801 South Mopac, Ste. 320
Austin, Texas 78746
lemmon@slollp.com
mates@slollp.com

Wallace B. Jefferson
Nicholas Bacarisse
ALEXANDER DUBOSE & JEFFERSON LLP
515 Congress Ave, Ste. 2350
Austin, Texas 78701
wjjefferson@adjtlaw.com
nbacarisse@adjtlaw.com

/s/ Joshua R. Godbey
Joshua R. Godbey

Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Sharron Lee on behalf of Joshua Godbey
Bar No. 24049996
sharron.lee@oag.texas.gov
Envelope ID: 44323985
Status as of 07/08/2020 09:44:10 AM -05:00

Case Contacts

Name	BarNumber	Email	TimestampSubmitted	Status
Andrew MEdge		aedge@mcginnislaw.com	7/7/2020 4:27:55 PM	SENT
Dennis Roossien		droossien@munsch.com	7/7/2020 4:27:55 PM	SENT
James Ray		jray@munsch.com	7/7/2020 4:27:55 PM	SENT
Angela Mays		amays@munsch.com	7/7/2020 4:27:55 PM	SENT
Lisa Garrett		lgarrett@munsch.com	7/7/2020 4:27:55 PM	SENT
Michael A. Shaunessy	18134550	mshaunessy@mcginnislaw.com	7/7/2020 4:27:55 PM	SENT
Joshua Godbey	24049996	Joshua.Godbey@oag.texas.gov	7/7/2020 4:27:55 PM	SENT
Jason Snell	24013540	firm@snellfirm.com	7/7/2020 4:27:55 PM	SENT
Kim McBride		kmcbride@mcginnislaw.com	7/7/2020 4:27:55 PM	SENT
Ray Chester	4189065	rchester@mcginnislaw.com	7/7/2020 4:27:55 PM	SENT
Katherine Stein	24083980	kstein@kslaw.com	7/7/2020 4:27:55 PM	SENT
Annette Bittick		abittick@mcginnislaw.com	7/7/2020 4:27:55 PM	SENT
Jason Augustine		jason@reeveaugustine.com	7/7/2020 4:27:55 PM	SENT
Jack Simms		jack@wittliffcutter.com	7/7/2020 4:27:55 PM	SENT
Maria Amelia Calaf		mac@wittliffcutter.com	7/7/2020 4:27:55 PM	SENT
John Saba		john@wittliffcutter.com	7/7/2020 4:27:55 PM	SENT
Julie Doss		jdoss@mcginnislaw.com	7/7/2020 4:27:55 PM	SENT

Associated Case Party: WC 1st and Trinity, LP

Name
Kevin Orellana
Terry Lane Scarborough
Viola Pena

Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Sharron Lee on behalf of Joshua Godbey
Bar No. 24049996
sharron.lee@oag.texas.gov
Envelope ID: 44323985
Status as of 07/08/2020 09:44:10 AM -05:00

Associated Case Party: WC 1st and Trinity, LP

Name	BarNumber	Email	TimestampSubmitted	Status
Wallace Jefferson	19	wjefferson@adjtlaw.com	7/7/2020 4:27:55 PM	SENT
Nicholas Bacarisse	24073872	nbacarisse@adjtlaw.com	7/7/2020 4:27:55 PM	SENT
Kate Stein		kstein@kslaw.com	7/7/2020 4:27:55 PM	SENT
Edward FFernandes		efernandes@kslaw.com	7/7/2020 4:27:55 PM	SENT
Adam Gray	24087616	agray@kslaw.com	7/7/2020 4:27:55 PM	SENT

Associated Case Party: GregoryS.Milligan

Name	BarNumber	Email	TimestampSubmitted	Status
Rhonda Bear Mates	24040491	Mates@slollp.com	7/7/2020 4:27:55 PM	SENT
Stephen W. Lemmon		lemmon@slollp.com	7/7/2020 4:27:55 PM	SENT

Associated Case Party: WC 1st and Trinity GP, LLC

Name	BarNumber	Email	TimestampSubmitted	Status
Edward FFernandes		efernandes@kslaw.com	7/7/2020 4:27:55 PM	SENT
Kate Stein		kstein@kslaw.com	7/7/2020 4:27:55 PM	SENT

Associated Case Party: WC 3rd and Congress, LP

Name	BarNumber	Email	TimestampSubmitted	Status
Edward FFernandes		efernandes@kslaw.com	7/7/2020 4:27:55 PM	SENT
Kate Stein		kstein@kslaw.com	7/7/2020 4:27:55 PM	SENT

Associated Case Party: World Class Capital Group, LLC

Automated Certificate of eService

This automated certificate of service was created by the eFiling system. The filer served this document via email generated by the eFiling system on the date and to the persons listed below. The rules governing certificates of service have not changed. Filers must still provide a certificate of service that complies with all applicable rules.

Sharron Lee on behalf of Joshua Godbey
Bar No. 24049996
sharron.lee@oag.texas.gov
Envelope ID: 44323985
Status as of 07/08/2020 09:44:10 AM -05:00

Associated Case Party: World Class Capital Group, LLC

Name	BarNumber	Email	TimestampSubmitted	Status
Edward FFernandes		efernandes@kslaw.com	7/7/2020 4:27:55 PM	SENT
Kate Stein		kstein@kslaw.com	7/7/2020 4:27:55 PM	SENT

Associated Case Party: Ken Paxton on Behalf of the Public Interest in Charity

Name	BarNumber	Email	TimestampSubmitted	Status
Cathleen Day	24105783	cathleen.day@oag.texas.gov	7/7/2020 4:27:55 PM	SENT

CAUSE NO. D-1-GN-18-007636

THE ROY F & JOANN COLE MITTE
FOUNDATION,
Plaintiff,

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IN THE DISTRICT COURT OF

v.

TRAVIS COUNTY, TEXAS

WC 1st AND TRINITY, LP, WC 1st AND
TRINITY GP, LLC, WC 3rd AND
CONGRESS, LP AND WORLD CLASS
CAPITAL GROUP, LLC

Defendants.

126TH JUDICIAL DISTRICT

ORDER GRANTING MOTION TO STAY PROCEEDING

On this day, came to be heard Ken Paxton, Attorney General of the State of Texas, on behalf of the public interest in charity (the “Attorney General”), on his Motion to Stay Proceeding.

Having considered the pleadings on file, and the arguments and information before it, the Court FINDS that the interests of justice and judicial economy favor an equitable and just resolution to the dispute.

IT IS THEREFORE ORDERED that:

(a) The Attorney General’s Motion to Stay Proceeding is GRANTED;

SIGNED this _____ day of _____ 2020.

The Honorable Jan Soifer, Judge Presiding

EXHIBIT 044

Mateer, Jeff

From: Mateer, Jeff
Sent: Saturday, July 18, 2020 6:58 AM
To: Nate Paul
Subject: Re: Meeting

I'm not available.

Sent from my iPad

On Jul 17, 2020, at 2:07 PM, Nate Paul <npaul@world-class.com> wrote:

Jeff,

I hope all is well. Are you available for an in-person meeting on Monday? Thanks.

Best,
Nate

Nate Paul | President & Chief Executive Officer
WORLD CLASS
814 Lavaca St. | Austin, TX 78701
T 512.327.3300 | F 512.322.9238
npaul@world-class.com | www.world-class.com

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EXHIBIT 045



Memo

To: File

From: Jeff Mateer

Date: July 22, 2020

Re: Nate Paul

This morning Blake Brickman, Marc Rylander and I met with Attorney General Paxton to discuss his personal involvement with any matters involving Nate Paul or his affiliated companies and partnerships, including World Class Holdings.

This meeting arose because of a message that I received earlier in the morning that General Paxton was planning on personally arguing a motion in a proceeding involving a charitable trust, the Mitte Foundation, who is in litigation with one of Mr. Paul's entities. By the time we met with AG Paxton, he had discussed the matter with Darren McCarty, who had convinced him that he should not be arguing or otherwise involved in the litigation matter.

During the course of the meeting, I relayed concerns that I had previously raised to General Paxton about his personal involvement in any matters related to Mr. Paul.

General Paxton agreed that going forward he would not have any further personal involvement with any matters that this office is handling that relate to Mr. Paul or his companies and partnerships. Instead, as any other matter (civil or criminal), our division attorneys would handle as they deem appropriate with oversight by their division chief and the appropriate deputy.

EXHIBIT 046

Message

From: Estrada, Carmen [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=774AC104F0734F618DC91DC2CE2952D3-CE3]
Sent: 7/23/2020 1:08:27 PM
To: Ready, Sierra [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=9b158ff2c7384923b7515abc5294ea5b-SRR5]
Subject: RE: Mitte Complaint Form from Nate Paul

You're right, I'll ask her.

Thanks,
Carmen

From: Ready, Sierra <Sierra.Ready@oag.texas.gov>
Sent: Thursday, July 23, 2020 1:07 PM
To: Estrada, Carmen <Carmen.Estrada@oag.texas.gov>
Subject: RE: Mitte Complaint Form from Nate Paul

Oh, I don't know. Maybe check with Cat because it might be considered correspondence related to her case. I'm just going to save it as a complaint.

From: Estrada, Carmen <Carmen.Estrada@oag.texas.gov>
Sent: Thursday, July 23, 2020 1:00 PM
To: Ready, Sierra <Sierra.Ready@oag.texas.gov>
Subject: RE: Mitte Complaint Form from Nate Paul

Where should I save this Sierra, or did you save it yet?

Carmen

From: Ready, Sierra <Sierra.Ready@oag.texas.gov>
Sent: Wednesday, July 22, 2020 11:22 AM
To: Henderson, Mary <Mary.Henderson@oag.texas.gov>; Godbey, Joshua <Joshua.Godbey@oag.texas.gov>; Day, Cat <Cathleen.Day@oag.texas.gov>
Cc: Estrada, Carmen <Carmen.Estrada@oag.texas.gov>; Diaz, Denise <Denise.Diaz@oag.texas.gov>; Edwards, Laura <Laura.Edwards@oag.texas.gov>; Lee, Sharron <Sharron.Lee@oag.texas.gov>
Subject: Mitte Complaint Form from Nate Paul

Just received this.

From: webmaster@oag.texas.gov <webmaster@oag.texas.gov>
Sent: Wednesday, July 22, 2020 11:18 AM
To: Krhovjak, Christopher <Christopher.Krhovjak@oag.texas.gov>; Ready, Sierra <Sierra.Ready@oag.texas.gov>
Subject: Webform submission from: Charitable Trusts Complaint Form

Submitted on Wed, 07/22/2020 - 11:18

Submitted by: Anonymous

Submitted values are:

Your Information

Nate Paul

Address

814 Lavaca St.
Austin, Texas. 78701

Phone
[5123273300](tel:5123273300)

Email
npaul@world-class.com

Entity Name
The Roy & JoAnn Cole Mitte Foundation

Entity/Organization Address
1008 West Avenue
Austin, Texas. 78701

Entity/Organization Phone
[\(512\) 233-5599](tel:(512)233-5599)

Entity/Organization Email
info@mittefoundation.org

Describe Your Complaint

The Roy & JoAnn Cole Mitte Foundation is making serious waste of charitable funds. They are being guided by a corrupt lawyer, Ray Chester, who has taken an expensive litigation strategy in regards to their real estate investments in order to enrich himself with legal fees and a Receiver with whom he has a suspicious relationship to make exorbitant fees. These actions taken by the Foundation also completely violate their tax-exempt status and is an issue that will be addressed by the IRS.

Has any action been taken, either within the organization or with another agency or attorney, to resolve this problem?

We reported this to Joshua Godbey in the OAG Charitable Trust division. He has ignored all of the issues raised and has not done anything to address these problems. In fact, he hasn't explored and gotten the information from the Foundation that would clearly show this wrongdoing. He has simply looked the other way.

Please list the names, addresses, and telephone numbers of any other persons having knowledge relevant to this complaint:

Blayre Pena
bpena@hslawmail.com

Maryann Norwood
mnorwood@world-class.com

Members of the OAG who have been made aware but not handled these issues:

Joshua Godbey
joshua.godbey@oag.texas.gov

Darren McCarty
Darren.McCarty@oag.texas.gov

Ryan Bangert
Ryan.Bangert@oag.texas.gov

Cathleen Day
cathleen.day@oag.texas.gov

What type of action or resolution are you seeking in this matter?

The OAG needs to investigate this wrongdoing and self-dealing with Ray Chester and other members of the Mitte Foundation's decision making group. All matters and actions by the Mitte Foundation's board, lawyers, and advisors show a blatant disregard for the law, standard for complying with their non-profit status, and gross negligence from an ethical perspective. We want to see action - we want to see the OAG doing their stated responsibility from keeping this from happening to public funds.

Documents Upload
{Empty}

EXHIBIT 047

Message

From: Mateer, Jeff [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=1EE53E80C86541A69526C6FDEA0C886A-JCM8]
Sent: 7/24/2020 2:46:29 PM
To: Bangert, Ryan [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=75b41fa611a646d9b458f5b74d826cab-RLB5]; Godbey, Joshua [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=b685caea779d4be3bd3465bbc7ad9784-JRG5]
CC: Hacker, David [/o=ExchangeLabs/ou=Exchange Administrative Group (FYDIBOHF23SPDLT)/cn=Recipients/cn=DJH4]
Subject: FW: Proceedings involving a charitable trust

FYI

From: Mateer, Jeff <Jeff.Mateer@oag.texas.gov>
Sent: Friday, July 24, 2020 2:46 PM
To: tscarborough@hslawmail.com; bboyce@adjtlaw.com
Cc: McCarty, Darren <Darren.McCarty@oag.texas.gov>
Subject: FW: Proceedings involving a charitable trust

Dear Mr. Boyce and Mr. Scarborough:

Yesterday afternoon I received the email below from Mr. Nate Paul. It is my understanding that both of you are legal counsel for some of Mr. Paul's companies, including World Class Capital Group, in connection with litigation brought by the Mitte Foundation. As you know, our office has intervened in that litigation pursuant to our statutory charge to represent and to protect the public interest in charity. Accordingly, since Mr. Paul is a control person of a company represented by counsel in an active litigation matter in which the State is currently involved, I do not believe it is appropriate for me to respond directly to his emails.

With regard to the Mitte Foundation, we appreciate the information you and your clients have provided in connection with our intervention. Gathering such information is consistent with our statutory role, and specifically the role of the OAG Charitable Trusts section, to represent the public interest and, when warranted, act to protect that interest. It is not, however, our role to assist a party adverse to a charity in pending litigation or provide status updates on those matters. Any such non-privileged communications subject to public disclosure might be perceived as questioning our office's necessary impartiality, which we carefully guard at all times.

My understanding is that this office previously expressed our position on these issues to you and other counsel representing Mr. Paul's interests. If and when we need additional information, we will certainly make the appropriate inquiries through counsel. If there is additional information that your clients wish to provide, please provide that information through counsel to Darren McCarty, the Deputy Attorney General for Civil Litigation and/or Joshua Godbey, the Division Chief for Financial Litigation and Charitable Trusts. I respectfully reiterate our request that informal communications outside these channels be discontinued.

Rest assured we take our constitutional and statutory responsibilities seriously and I have confidence in the work that our attorneys are performing on this matter. Quite frankly, any suggestions to the contrary are offensive, inappropriate, and counterproductive.

Jeffrey C. Mateer
First Assistant Attorney General
Price Daniel Building
209 W. 14th Street, 8th Fl.
Austin, TX 78701
512-936-1285



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

From: Nate Paul <npaul@world-class.com>
Sent: Thursday, July 23, 2020 2:45 PM
To: Mateer, Jeff <Jeff.Mateer@oag.texas.gov>
Cc: Sheena Paul <spaul@world-class.com>; Maryann Norwood <mnorwood@world-class.com>; Michael Wynne <mwynne@gcfirm.com>
Subject: FW: Proceedings involving a charitable trust

Jeff,

I wanted to make you aware of the below. As you are aware, Josh Godbey has been involved in the intervention of the dispute with the Mitte Foundation. We have raised grave concerns about wrongdoing, provided clear evidence, and I have not received any response to my emails to Josh Godbey. As you will see in the email chain below, these emails started a month ago and continue to be ignored.

Josh Godbey is aware of the facts of wrongdoing and self-dealing by Ray Chester, Stephen Lemmon, Greg Milligan, and the Mitte Foundation Board of Directors and has allowed it to continue despite being shown the irrefutable evidence. This is alarming.

Please let me know when you are available to discuss. I am raising this to you so you are aware of wrongdoing at this Foundation which falls under the supervision of the Financial Litigation and Charitable Trusts Division of the Office of the Attorney General. Thanks for your immediate attention to this matter.

Best,
Nate

Nate Paul | President & Chief Executive Officer
WORLD CLASS
814 Lavaca St. | Austin, TX 78701
T 512.327.3300 | F 512.322.9238
npaul@world-class.com | www.world-class.com

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From: Nate Paul
Sent: Wednesday, July 22, 2020 10:34 AM
To: joshua.godbey@oag.texas.gov
Cc: Sheena Paul <spaul@world-class.com>; Maryann Norwood <mnorwood@world-class.com>; cathleen.day@oag.texas.gov; Darren.McCarty@oag.texas.gov; Michael Wynne <mwynne@gcfirm.com>
Subject: RE: Proceedings involving a charitable trust

Josh,

CONFIDENTIAL

OAG_SUB-00029505

HBOM00216545

I just wanted to make sure your office is aware that you never responded to any of the emails below. You never looked in to or addressed any of the serious issues we raised about the Mitte Foundation and the blatant misuse of charitable funds.

You have clearly shown that you are biased and not doing what is in the best interest of the public. There is a clear conflict of interest that we will use legal process to uncover. You were made aware of all of the wrongdoing and issues and made the conscious decision to do nothing.

If you disagreed with any of these assertions, you could have responded with answers at the very least. Instead you chose to solely work with Ray Chester, the Mitte Foundation board members, Greg Milligan, and Stephen Lemmon directly to help achieve their nefarious goals and perpetuate their actions to defraud the Foundation and make waste of charitable funds.

Nate Paul | President & Chief Executive Officer
WORLD CLASS
814 Lavaca St. | Austin, TX 78701
T 512.327.3300 | F 512.322.9238
npaul@world-class.com | www.world-class.com

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From: Nate Paul
Sent: Sunday, July 5, 2020 6:52 PM
To: joshua.godbey@oag.texas.gov
Cc: Sheena Paul <spaul@world-class.com>; Maryann Norwood <mnorwood@world-class.com>;
cathleen.day@oag.texas.gov
Subject: RE: Proceedings involving a charitable trust

Josh,

You have exhibited highly unprofessional behavior in not responding to any emails below which all had legitimate questions. You told us you were expecting a counteroffer from the Mitte Foundation, which we never received. You have constantly got on calls with counsel to make assurances, and your follow through has been nonexistent. Is there a counteroffer coming from Mitte Foundation via the OAG? Surely you can answer that simple question.

Your relationship with Greg Milligan and opposing counsels has clearly affected your ability to be neutral. This is extremely disappointing. The least you can do is stop the antics and respond.

Nate Paul | President & Chief Executive Officer
WORLD CLASS
814 Lavaca St. | Austin, TX 78701
T 512.327.3300 | F 512.322.9238
npaul@world-class.com | www.world-class.com

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in the contents of this message or for any damage sustained as a result of software viruses and advise that you carry out your own virus checks before opening any attachment. This email contains the views of the author and should not be interpreted as the views of World Class Holding Company, LLC or its affiliates.

From: Nate Paul
Sent: Thursday, July 2, 2020 11:22 AM
To: joshua.godbey@oag.texas.gov
Cc: Sheena Paul <spaul@world-class.com>; Maryann Norwood <mnorwood@world-class.com>;
cathleen.day@oag.texas.gov
Subject: RE: Proceedings involving a charitable trust
Importance: High

Josh, I need to hear from you. You are delaying this and it is unacceptable.

Your bias is clear and you obviously are not even denying that. You should respond and show that you are neutral.

Nate Paul | President & Chief Executive Officer
WORLD CLASS
814 Lavaca St. | Austin, TX 78701
T 512.327.3300 | F 512.322.9238
npaul@world-class.com | www.world-class.com

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From: Nate Paul
Sent: Wednesday, July 1, 2020 5:35 PM
To: joshua.godbey@oag.texas.gov
Cc: Sheena Paul <spaul@world-class.com>; Maryann Norwood <mnorwood@world-class.com>;
cathleen.day@oag.texas.gov
Subject: RE: Proceedings involving a charitable trust
Importance: High

Josh,

I am following up to my previous emails for the 4th time. Your decision to not even respond to my emails has only amplified my concerns about your bias towards helping the Mitte Foundation, Ray Chester, Stephen Lemmon, and Greg Milligan cover up their wrongdoings and get away with pillaging the funds of the Foundation. It is your job to preserve the public's interest in these funds and you are neglecting to do so.

I have raised many issues below and you have chosen not to respond. These are simple questions you should be able to answer:

- Have you received the McGinnis Lochridge fee agreement?
- How much in legal fees has been spent to date by the Mitte Foundation to McGinnis Lochridge, Stephen Lemmon, and Greg Milligan?
- Have you received Lemmon's fee agreement with the receiver?
- Have you reviewed the collusion emails between Chester, Lemmon, and Milligan?
- Why has the Mitte Foundation not filed its 2018 Form 990?
- Have you conducted your research on their legal actions taken in this matter constituting a prohibited investment due to their attempt to be an "active investor" which violates their tax-exempt status?

To be clear, this “mediation” is not a legally-ordered mediation since you are choosing to just “guide” and not take action. You have been a witness to the acts of Ray Chester, Stephen Lemmon, and Greg Milligan. Your decision to not bring light to this situation and to stop the misuse of funds is extremely concerning. We brought an offer to the Foundation and the OAG to resolve this matter at fair market value (which would result in a full return of capital and \$875,000 in profit) – both the Foundation and your office chose not to respond. That is grossly negligent on both the Foundation and your part.

We will bringing additional legal actions against the parties involved in this matter. Your decision to sit back and let this matter continue to play out with massive ongoing legal fees being expended says a lot about your actual intentions in resolving this matter. I am very disappointed in your lack of openness and clear bias.

Be prepared for the Mitte Foundation to spend a lot more legal fees fighting the legal claims being brought against them. We have tried to do the right thing, but it has fallen on deaf ears with you. Your actions, and inaction, is allowing for the misuse of funds by the Mitte Foundation and their counsels. This is in direct violation of the role your office is supposed to serve in the public’s interest.

I expect a response to my email by tomorrow morning.

Nate

Nate Paul | President & Chief Executive Officer
WORLD CLASS
814 Lavaca St. | Austin, TX 78701
T 512.327.3300 | F 512.322.9238
npaul@world-class.com | www.world-class.com

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From: Nate Paul
Sent: Monday, June 29, 2020 8:03 PM
To: joshua.godbey@oag.texas.gov
Cc: Sheena Paul <spaul@world-class.com>; Maryann Norwood <mnorwood@world-class.com>
Subject: RE: Proceedings involving a charitable trust

Josh,

Following up to my emails below as I have still not heard back on these items. Thanks.

Best,
Nate

Nate Paul | President & Chief Executive Officer
WORLD CLASS
814 Lavaca St. | Austin, TX 78701
T 512.327.3300 | F 512.322.9238
npaul@world-class.com | www.world-class.com

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From: Nate Paul
Sent: Thursday, June 25, 2020 10:59 AM
To: joshua.godbey@oag.texas.gov
Cc: Sheena Paul <spaul@world-class.com>; Maryann Norwood <mnorwood@world-class.com>
Subject: RE: Proceedings involving a charitable trust
Importance: High

Josh,

I did not receive a response from you. I am now hearing you are backing out of things you agreed to do.

It is very clear that the OAG is biased and helping the Mitte Foundation and their corrupt counsel and receiver continue to pillage the Foundation's remaining funds. I need to hear from you on the serious issues I raised below. You have delayed us by not acting swiftly to look in to this wrongdoing, and you are complicit in allowing this to take place. We made clear the timing around all of this and you decided to sit back and not act.

If you are actually trying to protect the public's interest in these funds, I suggest you do your job and stop covering to their antics.

Nate Paul | President & Chief Executive Officer
WORLD CLASS
814 Lavaca St. | Austin, TX 78701
T 512.327.3300 | F 512.322.9238
npaul@world-class.com | www.world-class.com

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From: Nate Paul
Sent: Wednesday, June 24, 2020 8:44 PM
To: joshua.godbey@oag.texas.gov
Cc: Sheena Paul <spaul@world-class.com>; Maryann Norwood <mnorwood@world-class.com>
Subject: Proceedings involving a charitable trust

Josh,

Did you ever receive the fee agreements from Ray Chester of McGinnis Lochridge and Stephen Lemmon as counsel to the receiver? Also, have you received any and all fee sharing agreements between Chester, Lemmon, Greg Milligan, and/or Harney Management Partners, LLC? Have you received a detailed billing history to see the magnitude of this misuse of funds?

We raised these issues over 3 weeks ago and we are highly concerned as to why the OAG has not done a deep dive in to this serious matter. Obtaining these fee agreements should have been the first step taken to see what has been going on. You received valid complaints about this behavior by the Foundation, its Counsel, their co-conspirators, Stephen Lemmon, and Gregory Milligan. Trusting them at their word and not getting these documents immediately is highly concerning.

Based on our knowledge, this information has still not been obtained as of June 24, 2020.

Additionally, we informed your team that the Mitte Foundation has not even filed their 2018 Form 990, which was due on May 15, 2019. This puts their tax-exempt status in jeopardy and is highly concerning as it calls in to question the solvency of this party. Have you received an answer as to why this has not been done?

We are also concerned that the OAG has a conflict of interest because the wife of Gregory Milligan, the receiver, is an employee of the Office of the Attorney General. We hope this has not in any way affected your decision not to do a deeper investigation in to this reported wrongdoing. The collusion emails we shared between Gregory Milligan, Ray Chester, and Stephen Lemmon tell a very clear story as to their unethical behavior. We do not understand why this unethical behavior at the expense of the Foundation has been ignored.

To further document and make very clear, we brought to the attention of the OAG that there has been, and is still ongoing, a severe misuse of funds being spent on unnecessary legal expenses/fees by the Roy & JoAnn Cole Mitte Foundation which does not further the intended use of the charitable foundation's funds. There has been no action taken by the OAG to stop this from continuing to occur as of the writing of this email on June 24, 2020.

Absent action from the OAG, my respective entities will continue to pursue any and all legal remedies available to them to preserve our rights. The Mitte Foundation has decided to engage in an expensive, lengthy litigation that could have been solved through a business negotiation. The decision to not respond to our settlement offer shows the gross negligence by their board members and counsel in doing what is in the best interest of the Foundation. Instead they continue to put their personal interests above the best interests of the Foundation. We will bring this self-dealing to light.

This litigation will continue and the Mitte Foundation's actions will not be tolerated. There are new filings that are being prepared based on the improper actions taken by the Roy & JoAnn Cole Mitte Foundation. We have done our part to try and bring a resolution, but we are disappointed that the Foundation does not have an interest in doing so and that the OAG is allowing them to continue to make waste of these funds by allowing them to line the pockets of their lawyers.

Best,
Nate

Nate Paul | President & Chief Executive Officer
WORLD CLASS
814 Lavaca St. | Austin, TX 78701
T 512.327.3300 | F 512.322.9238
npaul@world-class.com | www.world-class.com

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EXHIBIT 048

3:14

5G E 



Bryan >

Fri, Jul 31, 3:41 PM

You heard from Paxton yet?

On which?

A foreclosure opinion request

Fri, Jul 31, 6:03 PM

Paxton did call.
We had a good visit.

I told him you had confirmed the request.

Good deal

EXHIBIT 049



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

August 1, 2020

Honorable Bryan Hughes
Texas Senate
P.O. Box 12068
Capitol Station
Austin, TX 78711

Dear Senator Hughes,

You ask whether local governmental bodies have authority to limit in-person attendance at a judicial or non-judicial foreclosure sale to 10 persons or fewer. Your question concerns local emergency orders restricting or delaying such sales during the current COVID-19 pandemic. We conclude that a foreclosure sale of residential or commercial real property that is conducted outdoors is subject to the limitation on outdoor gatherings in excess of 10 persons imposed by Executive Order GA-28. Accordingly, an outdoor foreclosure sale may not proceed with more than 10 persons in attendance unless approved by the mayor in whose jurisdiction the sale occurs, or if in an unincorporated area, the county judge. However, to the extent a sale is so limited, and willing bidders who wish to attend are not allowed to do so as a result, the sale should not proceed as it may not constitute a “public sale” as required by the Texas Property Code.

When a mortgage loan is in default, a mortgagee may elect to institute either a judicial foreclosure or, when permitted by the deed of trust, a non-judicial foreclosure.¹ A judicial foreclosure begins with a lawsuit to establish the debt and fix the lien.² The judgment in a foreclosure lawsuit generally provides that an order of sale issue to any sheriff or constable directing them to seize the property and sell it under execution in satisfaction of the judgment.³ After the sale is completed, the sheriff or other officer must provide to the new buyer possession of the property within 30 days.⁴

¹ *Bonilla v. Roberson*, 918 S.W.2d 17, 21 (Tex. App.—Corpus Christi 1996, no writ).

² *Id.* at 21.

³ TEX. R. CIV. P. 309; *but see id.* (excepting judgments against executors, administrators, and guardians from orders of sale). The procedures for the sale under judicial foreclosure generally follow the same procedures as sales under non-judicial foreclosures. *Compare id.* 646a–648 with TEX. PROP. CODE § 51.002.

⁴ TEX. R. CIV. P. 310.

A non-judicial foreclosure, in turn, must be expressly authorized in a deed of trust.⁵ The Property Code prescribes the minimum requirements for a non-judicial sale of real property under a power of sale conferred by a deed of trust or other contract lien.⁶ The Code requires that a sale under a non-judicial foreclosure be “a public sale at auction held between 10 a.m. and 4 p.m. of the first Tuesday of a month,” unless that day is January 1 or July 4, in which cases the sale must be held on the first Wednesday of the month.⁷ The deed of trust or other loan document can establish additional requirements, and if such requirements are established, those requirements must likewise be satisfied in order for there to be a valid foreclosure sale.⁸

We understand that many foreclosure sales in Texas, both judicial and non-judicial, are held outdoors. Frequently, such sales occur on the steps of a courthouse.

With this background in mind, we address your question concerning attendance limitations. Governor Abbott ordered in Executive Order GA-28 that “every business in Texas shall operate at no more than 50 percent of the total listed occupancy of the establishment.”⁹ This general limitation, however, is subject to several exceptions. One such exception is found in paragraph five of the order, which limits outdoor gatherings to 10 persons or fewer without approval by the mayor or, in the case of unincorporated territory, the county judge in whose jurisdiction the gathering occurs.¹⁰ Accordingly, to the extent a foreclosure sale occurs outdoors, attendance at the sale is limited to 10 persons or fewer unless greater attendance is approved by the relevant mayor or county judge.

While certain services are exempt from the outdoor gathering limitation in Executive Order GA-28, we do not conclude that foreclosure sales are included within them. Executive Order GA-28 exempts from its limitations on outdoor gatherings services described in paragraphs 1, 2, and 4 of the order. Relevant here, paragraph 1 exempts from capacity limitations, *inter alia*, “any services listed by the U.S. Department of Homeland Security’s Cybersecurity and Infrastructure Workforce, Version 3.1 or any subsequent version.”¹¹ (CISA Guidance). Among the services listed in version 3.1 of

⁵ See TEX. PROP. CODE § 51.002.

⁶ See *id.* § 51.002.

⁷ *Id.* §§ 51.002(a), (a-1); see also *id.* § 51.002(h) (requiring a sale to be held on or after the 90th day after the date the commissioners court records a designation of a sale at an area other than an area at the county courthouse).

⁸ See *Bonilla*, 918 S.W.2d at 21.

⁹ Gov. Greg Abbott Exec. Order GA-28.

¹⁰ *Id.* at 3 (as amended by Gov. Greg Abbott Proc. of July 2, 2020).

¹¹ *Id.* at 2.

the CISA Guidance are “[r]esidential and commercial real estate services, including settlement services.”¹²

A court’s main objective in construing the law is to give effect to the intent of its provisions.¹³ And there is no better indication of that intent than the words that are chosen.¹⁴ One dictionary defines a “service” as “[w]ork that is done for others as an occupation or business.”¹⁵ A periodic foreclosure auction conducted at a courthouse—whether by an officer of the court, an attorney, an auction professional, or another person serving as trustee¹⁶—does not constitute the type of dedicated real estate service work contemplated by the CISA Guidance. Accordingly, we conclude that outdoor foreclosure sales are not exempted from the 10-person attendance limitation imposed by paragraph 5 of Executive Order GA-28.

If a foreclosure sale is subject to, and not exempted from, the 10-person attendance limit imposed in Executive Order GA-28, it should not proceed if one or more willing bidders are unable to participate because of the attendance limit. “[A] sale of real property under a power of sale conferred by a deed of trust or other contract lien must be a *public sale* at auction held between 10 a.m. and 4 p.m. of the first Tuesday of a month.”¹⁷ The purpose of the public sale requirement is to “secure the attendance of purchasers and obtain a fair price for the property.”¹⁸ Strict compliance with the Property Code is required for a trustee to properly make a foreclosure sale.¹⁹ If an attendance limit precludes the conduct of a public sale for the purpose of securing sufficient bidders to obtain a fair price, the propriety of a foreclosure auction may be called into question. Accordingly, to the extent attendance at a foreclosure sale is limited to ten or fewer persons, and that limit precludes the attendance of one or more willing bidders who otherwise would have appeared in person, the sale should not go forward as it likely would not comport with the Property Code requirement that the sale be a “public sale.”

¹² See Guidance on the Essential Critical Infrastructure Workforce: Ensuring Community and National Resilience in COVID-19 Response, at 16, available at https://www.cisa.gov/sites/default/files/publications/Version_3.1_CISA_Guidance_on_Essential_Critical_Infrastructure_Workers.pdf.

¹³ See *Summers*, 282 S.W.3d at 437.

¹⁴ See *id.* (“Where text is clear, text is determinative of that intent.”).

¹⁵ Am. Heritage Dictionary (5th ed. 2020), available at <https://www.ahdictionary.com/word/search.html?q=service>; see also *Greater Houston P’ship v. Paxton*, 468 S.W.3d 51, 58 (Tex. 2015) (applying an undefined term’s ordinary meaning, unless the context of the law in which the term appears suggests a different or more precise definition).

¹⁶ The Texas Property Code does not set forth specific professional requirements for a foreclosure trustee, providing only that “[o]ne or more persons may be authorized to exercise the power of sale under a security instrument.” TEX. PROP. CODE § 51.007(a).

¹⁷ TEX. PROP. CODE § 51.002(a) (emphasis added).

¹⁸ *Reisenberg v. Hankins*, 258 S.W. 904, 910 (Tex. Civ. App.—Amarillo 1924, writ dismissed w.o.j.).

¹⁹ *Myrad Props. v. LaSalle Bank Nat’l Assoc.*, 252 S.W.3d 605, 615 (Tex. App.—Austin 2008), *rev’d on other grounds*, 300 S.W.3d 746 (Tex. 2009).

We trust this letter provides you with the advice you were seeking. Please note this letter is not a formal Attorney General opinion under section 402.042 of the Texas Government Code; rather, it is intended only to convey informal legal guidance.

Sincerely,

Ryan Bangert
Deputy First Assistant Attorney General

EXHIBIT 050



KEN PAXTON
ATTORNEY GENERAL OF TEXAS

August 1, 2020

Honorable Bryan Hughes
Texas Senate
P.O. Box 12068
Capitol Station
Austin, TX 78711

Dear Senator Hughes,

You ask whether local governmental bodies have authority to limit in-person attendance at a judicial or non-judicial foreclosure sale to 10 persons or fewer. Your question concerns local emergency orders restricting or delaying such sales during the current COVID-19 pandemic. We conclude that a foreclosure sale of residential or commercial real property that is conducted outdoors is subject to the limitation on outdoor gatherings in excess of 10 persons imposed by Executive Order GA-28. Accordingly, an outdoor foreclosure sale may not proceed with more than 10 persons in attendance unless approved by the mayor in whose jurisdiction the sale occurs, or if in an unincorporated area, the county judge. However, to the extent a sale is so limited, and willing bidders who wish to attend are not allowed to do so as a result, the sale should not proceed as it may not constitute a “public sale” as required in the Texas Property Code.

When a mortgage loan is in default, a mortgagee may elect to institute either a judicial foreclosure or, when permitted by the deed of trust, a non-judicial foreclosure.¹ A judicial foreclosure begins with a lawsuit to establish the debt and fix the lien.² The judgment in a foreclosure lawsuit generally provides that an order of sale issue to any sheriff or constable directing them to seize the property and sell it under execution in satisfaction of the judgment.³ After the sale is completed, the sheriff or other officer must provide to the new buyer possession of the property within 30 days.⁴

¹ *Bonilla v. Roberson*, 918 S.W.2d 17, 21 (Tex. App.—Corpus Christi 1996, no writ).

² *Id.* at 21.

³ Tex. R. Civ. P. 309; *but see id.* (excepting judgments against executors, administrators, and guardians from orders of sale). The procedures for the sale under judicial foreclosure generally follow the same procedures as sales under non-judicial foreclosures. *Compare id.* 646a–648 with Tex. Prop. Code § 51.002.

⁴ Tex. R. Civ. P. 310.

A non-judicial foreclosure, in turn, must be expressly authorized in a deed of trust.⁵ The Property Code prescribes the minimum requirements for a non-judicial sale of real property under a power of sale conferred by a deed of trust or other contract lien.⁶ The Code requires that a sale under a non-judicial foreclosure be “a public sale at auction held between 10 a.m. and 4 p.m. of the first Tuesday of a month,” unless that day is January 1 or July 4, in which cases the sale must be held on the first Wednesday of the month.⁷ The deed of trust or other loan document can establish additional requirements, and if such requirements are established, those requirements must likewise be satisfied in order for there to be a valid foreclosure sale.⁸

We understand that many foreclosure sales in Texas, both judicial and non-judicial, are held outdoors. Oftentimes, such sales occur on the steps of a courthouse.

With this background in mind, we address your question concerning attendance limitations. Governor Abbott ordered in Executive Order GA-28 that “every business in Texas shall operate at no more than 50 percent of the total listed occupancy of the establishment.”⁹ This general limitation, however, is subject to several exceptions. One such exception is found in paragraph five of the order, which limits outdoor gatherings to 10 persons or fewer without approval by the mayor or, in the case of unincorporated territory, county judge in whose jurisdiction the gathering occurs.¹⁰ Accordingly, to the extent a foreclosure sale occurs outdoors, attendance at the sale is limited to 10 persons or fewer unless greater attendance is approved by the relevant mayor or county judge.

While certain services are exempt from the outdoor gathering limitation in Executive Order GA-28, we do not conclude that foreclosure sales are included within them. Executive Order GA-28 exempts from its limitations on outdoor gatherings services described in paragraphs 1, 2, and 4 of the order. Relevant here, paragraph 1 exempts from capacity limitations, *inter alia*, “any services listed by the U.S. Department of Homeland Security’s Cybersecurity and Infrastructure Workforce, Version 3.1 or any subsequent version.”¹² (CISA Guidance). Among the services listed in version 3.1 of

⁵ See Tex. Prop. Code § 51.002.

⁶ See *id.* § 51.002.

⁷ *Id.* §§ 51.002(a), (a-1); see also *id.* § 51.002(h) (requiring a sale to be held on or after the 90th day after the date the commissioners court records a designation of a sale at an area other than an area at the county courthouse).

⁸ See *Bonilla*, 918 S.W.2d at 21.

⁹ Gov. Greg Abbott Exec. Order GA-28.

¹⁰ *Id.* at 3 (as amended by Governor Greg Abbott Proclamation of July 2, 2020).

¹² *Id.* at 2.

the CISA Guidance are “[r]esidential and commercial real estate services, including settlement services.”¹³

A court’s main objective in construing the law is to give effect to the intent of its provisions.¹⁴ And there is no better indication of that intent than the words that are chosen.¹⁵ One dictionary defines a “service” as “[w]ork that is done for others as an occupation or business.”¹⁶ A periodic foreclosure auction conducted at a courthouse—whether by an officer of the court, an attorney, an auction professional, or another person serving as trustee¹⁷—does not constitute the type of dedicated real estate service work contemplated by the CISA Guidance. Accordingly, we conclude that outdoor foreclosure sales are not exempted from the 10-person attendance limitation imposed by paragraph 5 of Executive Order GA-28.

If a foreclosure sale is subject to, and not exempted from, the 10-person attendance limit imposed in Executive Order GA-28, it should not proceed if one or more willing bidders are unable to attend because of the attendance limit.

We trust this letter provides you with the advice you were seeking. Please note this letter is not a formal Attorney General opinion under section 402.042 of the Texas Government Code; rather, it is intended only to convey informal legal guidance.

Sincerely,

Ryan Vassar
Deputy Attorney General for Legal Counsel

¹³ See Guidance on the Essential Critical Infrastructure Workforce: Ensuring Community and National Resilience in COVID-19 Response, at 16, available at https://www.cisa.gov/sites/default/files/publications/Version_3.1_CISA_Guidance_on_Essential_Critical_Infrastructure_Workers.pdf; see also *Entergy Gulf States, Inc. v. Summers*, 282 S.W.3d 433, 440–41 (Tex. 2009) (observing “including” is a term of enlargement, not restriction).

¹⁴ See *Summers*, 282 S.W.3d at 437.

¹⁵ See *id.* (“Where text is clear, text is determinative of that intent.”).

¹⁶ Am. Heritage Dictionary (5th ed. 2020), available at <https://www.ahdictionary.com/word/search.html?q=service>; see also *Greater Houston P’ship v. Paxton*, 468 S.W.3d 51, 58 (Tex. 2015) (applying an undefined term’s ordinary meaning, unless the context of the law in which the term appears suggests a different or more precise definition).

¹⁷ The Texas Property Code does not set forth specific professional requirements for a foreclosure trustee, providing only that “[o]ne or more persons may be authorized to exercise the power of sale under a security instrument.” TEX. PROP. CODE § 51.007(a).