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BANKRUPTCY COURT
DISTRICT OF
RHODE ISLAND

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF RHODE ISLAND**

**IN RE: CUMBERLAND
INVESTMENT CORPORATION**

CA. NO. 89-11051

**PETITIONER'S REQUEST TO HAVE CHAPTER 7 TRUSTEE
PROVIDE AN ACCOUNTABILITY OF ASSETS OF THE ESTATE
AND TO PRODUCE REQUESTED DOCUMENTS AND
VIDEOTAPES.**

Now comes Petitioner, Harold F. Chorney, without assistance of counsel, and requests that the Court direct Mr. Monzack, Chapter 7 Trustee to supply a copy of the videotapes and other documents in his possession that concern the inventory of assets of the estate of Cumberland Investment Corporation as well as an accounting of which assets were seized, which assets were sold and which assets remain unsold as of date of petition and states for cause the following:

1. Since the onset of this case, when it was in a Chapter 11, Petitioner has claimed that assets of the estate under the custody and control of the bank and the Trustee have been moved around and that assets were missing and that the records of these assets were also missing.
2. Petitioner has objected in good faith to the sale of assets without an accountability of which assets were being sold from which inventory and which assets remained subsequent to any sale. The court has labeled

Petitioner's attempts to seek accountability for missing assets as being an obstruction to the administration of the case. The record will show that the assets of the estate have been altered, switched or mishandled as claimed by Petitioner since the inception of the bankruptcy case and prior.

3. Records in the possession of the Petitioner indicate that the inventory in the sales conducted in June 1996 and December 1999 do not match with the coins that were allegedly shipped to Christies. The Trustee's Motion on 10/29/99 to sell estate assets was for the sale of 7,491 silver dollars, yet over 8,000 silver dollars were placed in this sale yet no accountability has been forthcoming from the Trustee.

4. In an attempt to reconcile the inventory of Cumberland Investment Corporation, that was seized on August 17, 1990, and the possessory collateral once stored at Eastland Bank in Woonsocket and in Cranston, Petitioner has attempted to obtain inventory and other records from various agencies and other parties.

5. Mr. Taft has sent me copies of letters that he sent to Mr. Monzack on April 20, 2000, and June 7, 2000, apparently seeking similar information from Mr. Monzack. Mr. Taft has recently told me that he has not received any response from Mr. Monzack. (See Exhibits A and B.)

6. According to the information that I have received from FDIC, Mr.

Monzack may have some videotapes of inventories performed after the bank closed. (See Exhibit C.) This information may shed some light upon which assets were inventoried at the time that Eastland Bank failed in December 11, 1992.

7. On June 12, 2000, Mr. Monzack stated that he was given some videotapes by the U.S. Attorney's office subsequent to the completion of the criminal case.

8. In light of the fact that there are claims of missing assets, Mr. Monzack should have a fiduciary responsibility to provide those tapes to Petitioner. Since these tapes were requested verbally on June 12, 2000, Petitioner seeks the courts help in obtaining these tapes and other documents requested by Mr. Taft concerning the assets of Cumberland Investment Corporation.

9. On May 26, 1994, Mr. Monzack supplied an undated 14 page FDIC inventory to Petitioner. (See Exhibit D.) This is the same 14 page inventory presented to the court at a hearing held on February 15, 1996 in the presence of Mr. Monzack and Mr. Cadigan that was marked for identification.

"MR TAFT: Can these be placed in as an exhibit, your Honor?"

“THE COURT: Negative. It’s not authenticated. The dates that were attributed to it came from Mr. Lutes, apparently originally from Mr. Chorney. It’s totally unreliable.”

This 14 page undated inventory came from Mr. Monzack and Mr.

Cadigan.

According to the first page of this inventory, some 1,100 silver dollars have been removed from Eastland Bank’s possessory collateral in Woonsocket.

Now Mr. Monzack is stating that:

“...a third group of coins was that group of coins that were separately segregated at the insistence of Eastland Bank when they had some doubts about the financial stability of Cumberland Investment, and it was set aside in a separate vault taken control of, by the U.S. Attorney’s office. That’s the group of coins that were shipped to Christie’s.”

(See Exhibit E, Bankruptcy Court TR 4/6/00, page 12.)

This group now contains 7,998 silver dollars and 8,004 were placed in auction. The Trustee should make an accounting for these and other discrepancies.

10. The 7,998 silver dollars that Mr. Monzack refers to on April 6, 2000, closely resembles another undated inventory, which contains 7,990 silver dollars, labeled 8/15 COIN INVENTORY ESTIMATE attached as Exhibit F that was also marked for Identification at the February 15, 1993 Bankruptcy Court Hearing. This 8/15 COIN INVENTORY ESTIMATE was obtained by Petitioner from the U.S. Attorney’s Office. According to

this 8/15 COIN INVENTORY ESTIMATE, there were 1,113 silver dollars from EASTLAND COLLATERAL at Eastland Bank in Cranston, and 6,877 silver dollars from EASTLAND COLLATERAL at Eastland Bank in Woonsocket. The sum total of the 1,113 and the 6,877 is 7,990 silver dollars.

11. Mr. Taft has already told Mr. Monzack that he is willing to pay to have said tapes reproduced. Petitioner is also willing to pay for the reproduction of said videotapes.


In conclusion, Mr. Monzack admitted at a meeting at his office on December 28, 1994, that some \$300,000 in assets from the estate of Cumberland Investment Corporation was indeed missing. According to the Government Prosecutor in CR 92-099P, the average value of the coins that were in the possessory collateral at Eastland Bank had an average value of \$180 per coin. The value of 1100 such silver dollars would be \$198,000.

Considering the value of the missing assets, the missing records needed to reconcile said assets, and the fact that the Trustee was bonded, Petitioner believes that the court should be pursuing the retrieval of the value of the assets that are missing, switched or mishandled while under the custody and control of the Trustee with as much determination if not more than trying to obtain a \$200,000 fine levied against the indigent Plaintiff for

exercising his right to seek justice in this instance since it is now obvious that Plaintiff's request for a more accurate accounting would show additional inconsistencies and losses.

WHEREFORE, Petitioner requests the court have Mr. Monzack provide him with these tapes and other documents concerning the inventories of the estate of Cumberland Investment Corporation as well as an accounting of which assets were seized, which assets were sold and which assets remain.

Respectfully submitted,



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