

T-4

UNITED STATES BANKRUPTCY COURT
DISTRICT OF RHODE ISLAND

IN RE: . Case No. 89-11051
CUMBERLAND INVESTMENT CORP., .
Debtor, . 380 Westminster Street
Providence, Rhode Island 02903
June 12, 2000
9:50 a.m.

TRANSCRIPT OF TRUSTEE'S SUPPLEMENTAL PROCEEDINGS
BEFORE HONORABLE ARTHUR N. VOTOLATO
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For the Debtor: Pro Se
By: HAROLD FRANKLIN CHORNEY
5 Cathedral Square, Apt. 106
Providence, Rhode Island 02903

For the Creditor: Kirshenbaum & Kirshenbaum
By: JASON D. MONZACK, ESQ.
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HAROLD FRANKLIN CHORNEY

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THE COURT:

Decision.....Reserved

1 MR. CHORNEY: Good morning.

2 MR. MONZACK: Good morning, Your Honor.

3 THE COURT: In the matter of Cumberland Investment
4 Corporation on the Trustee's motion for supplementary
5 proceedings and Mr. Chorney's motion for exemption from levy.
6 Mr. Chorney's here Pro Se. Mr. Monzack?

7 MR. MONZACK: If Your Honor please. I would suggest
8 that probably the most expeditious way to proceed would be to
9 conduct the supplementary proceeding of Mr. Chorney, as I
10 believe the basis for his motion, I'm assuming, is his
11 financial situation. The exact opposite side of that same
12 issue is Mr. Chorney's financial ability to pay, that judgment
13 previously entered against him in this Court and so, I believe
14 Mr. Chorney's testimony and supplementary proceedings would be
15 relevant on both issues.

16 THE COURT: Any problem, Mr. Chorney?

17 MR. CHORNEY: I don't have any problems.

18 THE COURT: Okay. Do you want to call Mr. Chorney as
19 your witness?

20 MR. MONZACK: Sure. Mr. Chorney, would you please
21 take the stand?

22 MR. CHORNEY: Sure.

23 THE CLERK: Raise your right hand, please?

24 HAROLD FRANKLIN CHORNEY, CREDITOR'S WITNESS, SWORN

25 THE CLERK: Please state your name for the record?

Chorney - Direct

1 THE WITNESS: Harold Franklin Chorney.

2 THE CLERK: Thank you. Be seated.

3 DIRECT EXAMINATION

4 BY MR. MONZACK:

5 Q Mr. Chorney, where do you currently reside?

6 A At 5 Cathedral Square, Apartment 106.

7 Q And how long have you been living there?

8 A I don't really remember.

9 Q You don't recall when you moved in?

10 A No. It's been probably --

11 THE COURT: Do you know what year it was?

12 THE WITNESS: It's been around two years, Judge, but

13 I really don't -- I don't remember the date that I moved in.

14 THE COURT: A couple of years?

15 THE WITNESS: Roughly, I would say. Yeah.

16 THE COURT: Yes.

17 BY MR. MONZACK:

18 Q And where did you reside prior to Cathedral Square?

19 A At 105 Wilbur Avenue (phonetic) in Cranston.

20 Q And how long did you live there, approximately?

21 A I'm going to guess around a year, but I don't know
22 exactly.

23 Q And did you rent at the Wilbur Avenue, Cranston address?

24 A Well, I don't know.

25 Q Did it cost you anything to live at the Wilbur Avenue,

Chorney - Direct

1 Cranston address?

2 A I -- I paid the person owns the property some money for
3 being there. I don't know if it's rent or whatever.

4 Q And who owned Wilbur Avenue a couple of years ago?

5 A Patricia Pollack (phonetic).

6 Q And did she also live at that address?

7 A Yes. Yeah.

8 Q And did you both contribute to joint living expenses while
9 you were there?

10 A I don't know what you mean?

11 THE COURT: What's the nature of your alleged
12 disability, Mr. Chorney?

13 THE WITNESS: Your Honor, I sustained a head injury
14 in 1996 and I have cognitive problems and memory problems and
15 I'm on psychotropic medication.

16 THE COURT: Okay. And your being treated?

17 THE WITNESS: Yes, I am. Yeah.

18 THE COURT: Do you know who your doctors are?

19 THE WITNESS: Yes, I do. Yeah.

20 THE COURT: Okay. You could tell us that.

21 THE WITNESS: Yeah. Dr. Zakai. He's at VA Hospital
22 in -- on Chalkstone Avenue (phonetic) in Providence.

23 THE COURT: Okay.

24 MR. MONZACK: Judge, if I may interrupt you --

25 THE COURT: Have you authorized your doctors to

Chorney - Direct

1 release any medical information about you?

2 THE WITNESS: Yes, I have.

3 THE COURT: Okay. So, you think you could either --
4 either you could provide us with copies of --

5 THE WITNESS: I can --

6 THE COURT: -- reports of your condition or else
7 authorize the doctors to send --

8 THE WITNESS: I can give you a report basically
9 saying that I have --

10 THE COURT: No, no. I don't want you to tell me what
11 the report's going to say. We want to know what your doctors
12 are going to say.

13 THE WITNESS: But I -- I'm just telling you what the
14 report states.

15 THE COURT: I don't want you to tell me that.

16 THE WITNESS: Oh, all right.

17 THE COURT: May I see the report, please?

18 THE WITNESS: Sure. I can get you a report.

19 THE COURT: Okay.

20 THE WITNESS: Sure.

21 BY MR. MONZACK:

22 Q How do you spell that doctor's last name?

23 A Z-a-k-a-i.

24 Q And do you have any other treating physicians besides Dr.
25 Zakai?

Chorney - Direct

1 A Well, I was seen by a variety of doctors, including a Dr.
2 Franec for social security. That's F-r-a-n-e-c.

3 Q And where does he practice?

4 A I think it's East Greenwich, but I'm not a hundred percent
5 sure.

6 Q Are you currently receiving social security disability
7 payments?

8 A No. No, I'm getting a VA pension.

9 Q And what's your -- do you get paid monthly on the VA
10 pension?

11 A Yes, I do.

12 Q And what's your monthly benefit?

13 A Around \$740 a month.

14 Q And do you have any other source of income?

15 A No.

16 Q You're currently living at Cathedral Square. Is that
17 correct?

18 A Yes.

19 Q And what's your rent at Cathedral Square?

20 A Two hundred and nine dollars a month.

21 Q Do you know what you spend a month on food?

22 A I know that my total expenses for the month are -- exceed
23 \$930.

24 Q And can you tell me -- can you itemize that \$930 for me?

25 A Not from memory. No.

Chorney - Direct

1 Q Do you share your living expenses with anyone else?

2 A No.

3 Q Does anyone else live at Cathedral Square Apartment --
4 that apartment with you?

5 A No.

6 Q Do you recall approximately what your food expenses for a
7 month?

8 A No.

9 Q Do you know approximately what your clothing expense is
10 for a month?

11 A I have given a written breakdown of all this information
12 to Brian Fletcher at the U.S. Probation Office and he has a
13 written listing of what your -- you're asking me right now, but
14 from memory I don't recall what -- what he's asking.

15 THE COURT: He's your probation officer?

16 THE WITNESS: Yes. That's correct. And he has all
17 this information and I believe, including the medical reports
18 that you asked for.

19 THE COURT: How current are these -- is Mr. -- is it
20 Fletcher?

21 THE WITNESS: P-l-e-t-c-h-e-r.

22 THE COURT: Okay. Mr. Fletcher.

23 THE WITNESS: Yeah.

24 THE COURT: Is his information current that you have?
25 Is it up to date?

Chorney - Direct

1 THE WITNESS: I don't know how up to date it is.

2 THE COURT: Well, when did you last update him?

3 THE WITNESS: Well, I have a monthly deal that I give
4 him.

5 THE COURT: Okay. That's pretty current.

6 BY MR. MONZACK:

7 Q Would you be able to provide me with a copy of your
8 expense breakdown?

9 A I could do that.

10 Q Do you work anywhere, Mr. Chorney, now?

11 A No. No, I don't.

12 Q What's a typical day for you?

13 A I don't understand your question?

14 Q Well, what do you do after you get up in the morning?

15 A I have breakfast.

16 Q And after breakfast?

17 A And sometimes I take a nap.

18 Q Do you leave your apartment?

19 A Sometimes.

20 Q Do you volunteer your services any place?

21 A No.

22 Q Do you ever go to any other business premises during the
23 day?

24 A No.

25 Q Do you have any involvement whatsoever in the coin

Chorney - Direct

1 industry?

2 A No.

3 THE COURT: You're sure about all these answers, now?

4 THE WITNESS: To the best of my recollection, Judge.

5 THE COURT: Is it possible that you have these
6 connections and you don't remember them?

7 THE WITNESS: That's all together possible.

8 THE COURT: Okay. Go ahead. Follow that up, Mr.
9 Monzack.

10 MR. MONZACK: Sure.

11 BY MR. MONZACK:

12 Q What limitations do you have on your memory?

13 A I really don't know what your asking.

14 Q Well, I believe you just answered the Judge and stated
15 that you might have connections with the coin industry, you
16 just don't remember. Is that a fair characterization of your
17 answer?

18 A No. What I'm saying is I don't, but he's asking me is it
19 possible that I do, but I don't remember, and I'm saying, yes,
20 that's possible.

21 Q And we're talking over the last couple year period of
22 time?

23 A If you say so.

24 Q Well, I'm saying for the sake of this question, I'm
25 referring to the last couple of years and what I'm asking you

Chorney - Direct

1 is, is your answer that you might have some connection with the
2 coin industry but you don't remember. Does that apply to the
3 last couple of years?

4 A Well, I don't -- if I did have a connection with the coin
5 industry, I don't know what it would be.

6 THE COURT: Is your son involved in the coin
7 industry?

8 THE WITNESS: Yes, he is, Your Honor.

9 THE COURT: Okay. Do you ever see your son?

10 THE WITNESS: Yes.

11 THE COURT: Okay. How often?

12 THE WITNESS: Every other week or so.

13 THE COURT: Okay. And when you see him, where do you
14 see him. Where -- you get together?

15 THE WITNESS: He usually comes to my apartment --

16 THE COURT: Okay.

17 THE WITNESS: -- Your Honor, because I can't drive.

18 THE COURT: Okay. Do you ever end up in his home or
19 in his business premises?

20 THE WITNESS: Rarely.

21 THE COURT: Have you ever seen where he works?

22 THE WITNESS: Well -- what's your question?

23 THE COURT: Do you -- have you ever seen where your
24 son works? Do you know what his office looks like?

25 THE WITNESS: Oh, yeah. It's my old store.

Chorney - Direct

1 THE COURT: Okay.

2 THE WITNESS: Absolutely. I've seen it.

3 BY MR. MONZACK:

4 Q Do you ever discuss the coin business with your son?

5 A I supposed I -- I might ask him how the industry's doing,
6 yes.

7 Q What's your son's name?

8 A Louis.

9 Q Is that o-u or e-w?

10 A L-o-u-i-s.

11 Q Same last name as you?

12 A Yes.

13 Q And do you know the name of his business?

14 A Yes. It's Louis Michael's Coin and Jewelry.

15 Q And do you know where he gets his inventory from?

16 A I don't really understand what you're asking.

17 Q Well, your son Louis is in the coin and jewelry business.

18 Is that correct?

19 A Right.

20 THE COURT: It's the same business you used to run,
21 right?

22 THE WITNESS: The same type of business --

23 THE COURT: Type of business, yes.

24 THE WITNESS: -- I used to run, yes.

25 THE COURT: Okay. Now, the question is, where your

Chorney - Direct

1 son gets his inventory. You don't understand that question?

2 THE WITNESS: No, because I can speak for him, but I

3 -- I would imagine he would get it from buying and selling

4 through the door and whatever other connections he has.

5 BY MR. MONZACK:

6 Q Do you know if he obtains any of his inventory from the
7 same sources that you used to get your inventory from?

8 A I don't have the slightest idea.

9 Q How often do you go to your son's business premises?

10 A Rarely.

11 Q Is that more than once a year?

12 A I would say I've been there more than once a year. All
13 right?

14 Q Do you receive any compensation from your son?

15 A What are you asking? I don't -- can you clarify what
16 you're asking?

17 Q Do you know what compensation means?

18 A No. I -- I really don't.

19 Q Do you receive any benefits from your son?

20 A I still don't understand what you're asking but I -- if I
21 asked him for 100 bucks, he would give it to me.

22 Q Do you ask your son for money on a regular basis?

23 A I have asked him for money when I was short in the past,
24 yes.

25 Q And over the last year, how much money has your son given

Chorney - Direct

1 you?

2 A I don't know.

3 Q How long has your son in -- been in business, do you know?

4 A I really don't know.

5 Q Do you know if it's more than three years?

6 A I think so, yeah.

7 Q Now, Mr. Chorney, you had served some time in a Federal
8 Prison. Do you recall that?

9 A Yes, I do.

10 Q When did you get out of that Federal Prison?

11 A December of '97.

12 Q And was your son in business in Michael's Coin and Jewelry
13 as of December of 1997?

14 A I think so.

15 Q And do you know when you first began serving your term?

16 A It was back in '96.

17 Q Do you recall what month?

18 A Not right now, no.

19 Q Do you recall when you went in -- into prison, when you
20 began serving your term, was your son in business and -- as
21 Louis Michael's Coin and Jewelry?

22 A I really don't remember.

23 Q Do you remember if he was in business prior to the time
24 you began serving your term?

25 A Like I said, I really don't remember.

Chorney - Direct

1 Q Did you help your son establish his business?

2 A Well, what do you mean by that?

3 Q I mean, did you help your son in any way begin the
4 business known as Louis Michael's Coin and Jewelry?

5 A Well, for years I -- I -- he worked where he knew how to
6 buy, sell, grade and do the things like that under my tutelage.
7 So, I don't know if that answers your question or not.

8 Q After you lost control of the operation, known as
9 Cumberland Investment Corporation, did you take any action or
10 in any other way help your son establish Louis Michael's Coin
11 and Jewelry?

12 A I don't think so?

13 Q Why do you answer qualifiedly?

14 A Because I just don't know.

15 Q Who was your landlord at your location at Cumberland
16 Investment Corporation?

17 A Well, I don't remember his name right now.

18 Q Is it the same individual who is your son's landlord right
19 now?

20 A I don't know.

21 Q Do you know where your son obtained the inventory for his
22 store?

23 A (No verbal response given)

24 Q Or strike that. When he first began business, do you know
25 where he obtained the inventory for his store?

Chorney - Direct

1 A No, I don't know.

2 Q What's your son's residence address?

3 A I don't know.

4 Q You don't know where your son lives?

5 A I don't know his address.

6 Q Do you know what city or town he lives in?

7 A It's near Woonsocket.

8 THE COURT: And his telephone number?

9 THE WITNESS: Your Honor, I'd have to look it up, but
10 I have it written down.

11 THE COURT: Okay.

12 BY MR. MONZACK:

13 Q Do you also have your son's address written down, Mr.
14 Chorney?

15 A Yes, I do.

16 THE COURT: Do you have any of those numbers with
17 you, his address or his telephone number?

18 THE WITNESS: No, I don't believe so.

19 THE COURT: Okay.

20 BY MR. MONZACK:

21 Q Mr. Chorney, do you own any real estate?

22 A I don't think so.

23 Q How would you learn whether or not for sure you owned any
24 real estate or not?

25 A Well, if I had possession of -- of all of my personal

Chorney - Direct

1 records, I suppose I could go through them.

2 Q And what personal records are you talking about?

3 A Records that were taken by Consumers Moving and Storage
4 when I was incarcerated.

5 Q Do you have records in storage now?

6 A No.

7 Q What -- what time-frame are you talking about when you
8 say, "when you were incarcerated"?

9 A Well, back in '96.

10 Q When you first began serving your term in Federal Prison?
11 Is that --

12 A Right.

13 Q And at that time you say Consumers Moving and Storage took
14 your personal records?

15 A Yes.

16 Q You gave them to Consumers Moving and Storage?

17 A No. They were seized when a foreclosure took place on
18 some property.

19 Q Who foreclosed on the property?

20 A I believe Citicorp foreclosed on -- a Joyce Searles.

21 Q Citicorp foreclosed on a Joyce Searles?

22 A Right.

23 Q How --

24 A That's correct.

25 Q -- how do you spell Ms. Searles' last name?

Chorney - Direct

- 1 A I think it's S-e-a-r-l-e-s.
- 2 Q And what was your relationship to Ms. Searles?
- 3 A Well, I -- I was getting ready to live there at her -- at
4 her place.
- 5 Q And her place was located where?
- 6 A In Cumberland.
- 7 Q And do you know the street address?
- 8 A No.
- 9 Q And you had your personal records at her place. Is that
10 right?
- 11 A Yes.
- 12 Q And when the house was foreclosed, what happened then?
- 13 A These records were put in storage.
- 14 Q By whom?
- 15 A Whoever seized them.
- 16 Q Were you living at that house when the house was
17 foreclosed?
- 18 A On and off, yes.
- 19 Q Did you have any ownership interest in that real estate in
20 Cumberland?
- 21 A No.
- 22 Q And were you incarcerated before or after the foreclosure?
- 23 A After.
- 24 Q Going back to the initial question, did you own any real
25 estate at that time when the house was being foreclosed?

Chorney - Direct

1 A Not that I recall.

2 Q And are you testifying that the only way you could recall
3 whether or not you owned any real estate then, or whether or
4 not you own any real estate today is if you had the opportunity
5 to take a look at the records that were in that Cumberland real
6 estate, in 1996?

7 A I -- I would say that whatever I would have in writing
8 would refresh my memory as to what I would have or not have,
9 yes.

10 Q So, you may or may not own real estate?

11 A Yes, but I don't think I do.

12 Q How about a checking account? Do you keep a checking
13 account?

14 A Yes, I do.

15 Q Where do you keep your checking account?

16 A At the State Employee's Credit Union.

17 Q And how much money do you have in that checking account
18 this morning?

19 A I -- I really don't know.

20 Q Do you have a rough idea?

21 A Probably a couple hundred dollars.

22 Q How about cash on hand? Do you keep cash in your
23 apartment or on your person?

24 A Very little.

25 Q About how much?

Chorney - Direct

1 A Maybe \$10.

2 Q Do you have any other checking accounts, other than the
3 one that you referred to at State Employee's Credit Union?

4 A No.

5 Q Do you have security deposits with your landlord or any
6 utilities?

7 A I don't think I do, but I'm not sure.

8 THE COURT: How did you come to court this morning,
9 Mr. Chorney?

10 THE WITNESS: I walked over, Your Honor.

11 THE COURT: From where?

12 THE WITNESS: 5 Cathedral Square.

13 THE COURT: Okay.

14 BY MR. MONZACK:

15 Q Do you own a motor vehicle, Mr. Chorney?

16 A No.

17 Q If you wanted to go some place that was not within walking
18 distance of your residence, how would you do that?

19 A I -- I have my brother take me or I take a bus.

20 Q Where does your brother live?

21 A In -- in Warwick.

22 Q And what's his name?

23 A Morris.

24 Q And the same last name as you. Is that correct?

25 A Yes.

Chorney - Direct

1 Q Do you have any insurance policies?

2 A I really don't know. I don't think I do, but I really
3 don't know.

4 Q Do you file tax returns?

5 A I was told that I don't have to because whatever I'm
6 making is not taxable.

7 Q So, is your answer that you have not filed a tax return
8 for 1999?

9 A That's correct. I did not file one for 1999 because when
10 I talked to the Internal Revenue Service, they indicated that
11 my VA pension was not taxable.

12 Q What was the last year that you filed a personal tax
13 return?

14 A I don't remember.

15 Q Do you remember if you filed a personal tax return in
16 1998?

17 A I -- I don't think I did.

18 Q Do you remember if you filed a personal tax return in
19 1997?

20 A I don't remember.

21 Q Do you have any retirement accounts?

22 A What do you mean by that?

23 A Well, for example, do you have any IRA accounts? Do you
24 know what those are?

25 A Yes, I do. I don't have any.

Chorney - Direct

1 Q Do you have any pension accounts?

2 A I don't know what you mean by pension accounts.

3 A Do you have any money that you've put away in any account
4 for any purpose?

5 A No, I -- I have no memory of -- of any -- if that's what
6 you call retirement accounts, I have no memory of any.

7 THE COURT: You're saying you don't know what a
8 retirement account is, Mr. Chorney?

9 THE WITNESS: I don't know how he's defining them,
10 Your Honor --

11 THE COURT: Well --

12 THE WITNESS: -- and that's why I asked for a
13 clarification.

14 THE COURT: -- it's not a trick question. What do
15 you think a retirement account is?

16 THE WITNESS: (No verbal response given)

17 THE COURT: Forget what Mr. Monzack --

18 THE WITNESS: I --

19 THE COURT: -- might think it is.

20 THE WITNESS: -- I think of Keogh's and IRA's, Your
21 Honor, and that's primarily what I think of and I don't have
22 either.

23 THE COURT: Then you have none?

24 THE WITNESS: No, I don't.

25 THE COURT: Okay.

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Chorney - Direct

1 BY MR. MONZACK:

2 Q Mr. Chorney, what's your date of birth?

3 A December 27th, 1938.

4 Q And is your only source of income, that income that you
5 receive from your VA pension?

6 A Yes.

7 Q Now, when you told me your source of income, you used the
8 term "VA pension." What sort of account is that?

9 A You lost me in your question. I'm sorry.

10 Q All right. Why do you receive \$740 a month from the VA?

11 A Because I'm on 100 percent total and permanent disability.

12 Q Do you have any stocks or bonds?

13 A I have stock with -- but I don't have any bonds.

14 Q What sort of stock do you have?

15 A I've -- I've got stock in West Cap Enterprises Limited.

16 Q They're the only stock that you have?

17 A I don't know.

18 Q How would you learn whether or not you had any other
19 stock?

20 A By going through my personal papers.

21 Q Which were all taken when Joyce Searles' house was
22 foreclosed. Is that right?

23 A That's correct.

24 Q Do you have any interest in any partnerships?

25 A Not that I'm aware of.

Chorney - Direct

1 Q And any joint ventures?

2 A Also, I -- I just am not aware of any.

3 Q Does anyone owe you any money, Mr. Chorney?

4 A Probably, but I just don't know who would owe me what.

5 Q Have you collected any money from anybody within the last
6 several years?

7 A What do you mean by collected?

8 Q I mean, receive.

9 A I've received money from different people.

10 Q And who have you received money from?

11 A My children and my brothers and -- and a couple of friends
12 have loaned me money to -- to live.

13 Q And who's loaned you money?

14 A Like what?

15 Q You just said, you have several friends who's -- who have
16 loaned you money to live and I've asked you who --

17 A Yeah.

18 Q -- has loaned you the money?

19 A I'd really have to go check my records.

20 Q And what records are you referring to now?

21 A To see if I have written down who gave me what.

22 Q You have no recollection of who may have loaned you money
23 over the last three years?

24 A Well, I know some of the parties, but I don't remember all
25 of the parties.

Chorney - Direct

1 Q Well, who are the parties that you remember?

2 A Well, my brother Morris has given me money and my son and
3 daughter have given me money and a Mr. Graham (phonetic) has
4 given me money.

5 Q And who is -- do you know his first name?

6 A Yes, Robert. And -- and Mr. McKenna's (phonetic) loaned
7 me some money.

8 Q And what's Mr. McKenna's first name?

9 A Terri (phonetic). I -- that's all I can remember right
10 now.

11 Q And where does Mr. McKenna live?

12 A I don't know.

13 Q In Rhode Island?

14 A Yes.

15 Q Do you know what city or town in Rhode Island?

16 A Well, he has a business in Woonsocket, but I don't know
17 where he lives.

18 Q And how about Mr. Graham? Do you know where he lives?

19 A He lives in Pennsylvania.

20 Q Is your daughter active in --

21 THE COURT: Before you lead that Mr. Monzack -- what
22 -- what business is Mr. McKenna in?

23 THE WITNESS: In the tire and garage business, Your
24 Honor.

25 THE COURT: Tire and garage?

Chorney - Direct

1 THE WITNESS: Yeah. Yes, Your Honor.

2 THE COURT: Did you have any connection with Mr.
3 McKenna when your case was active? Remember when Cumberland
4 Investment Corporation --

5 THE WITNESS: He was on the Creditor's Committee,
6 Your Honor, yes.

7 THE COURT: He was a creditor?

8 THE WITNESS: Yes, that's correct.

9 THE COURT: And what business was he in then?

10 THE WITNESS: I believe he was in the same business,
11 Your Honor.

12 THE COURT: Was he an investor in Cumberland
13 Investment Corporation?

14 THE WITNESS: I don't remember.

15 THE COURT: Do -- okay. Thanks.

16 BY MR. MONZACK:

17 Q Was Mr. Graham involved in any way with Cumberland
18 Investment Corporation?

19 A I don't know.

20 Q Was he a creditor of Cumberland Investment Corporation?

21 A I don't know.

22 Q Do you know if he did business with the Cumberland
23 Investment Corporation?

24 A I believe he did.

25 Q Did he buy coins from Cumberland Investment Corporation?

Chorney - Direct

1 A I don't know.

2 Q Do you know what sort of business he would have done with
3 Cumberland Investment Corporation?

4 A Well, he's a broker.

5 Q What sort of broker?

6 THE COURT: Is he a coin broker?

7 THE WITNESS: No.

8 THE COURT: No?

9 THE WITNESS: No, Your Honor.

10 BY MR. MONZACK:

11 Q What's the nature of his business? What is he a broker
12 for?

13 A I believe he's a stock broker.

14 Q And do you recall if he was an investor that purchased
15 anything from Cumberland Investment Corporation?

16 A No. I don't recall.

17 Q Is your daughter actively involved in the Louis Michael's
18 Coin and Jewelry?

19 A I don't understand your question at all.

20 Q Does she work at Louis Michael's Coin and Jewelry?

21 A No.

22 Q Does she draw any income from Louis Michael's Coin and
23 Jewelry?

24 A I don't think so.

25 Q Does your daughter work?

Chorney - Direct

1 A Yes.

2 Q And what does she do for a living?

3 A She's with the College of Design in -- in Pasadena,
4 California.

5 Q And do you know if she does anything in the coin industry?

6 A No, I don't think so, no.

7 Q Do you have any interest in any trusts?

8 A Not that I'm aware of.

9 Q Do you have any interest in any estates?

10 A I've got no recollection of any interest in any estates.

11 Q Do you have rights in any licenses?

12 A I don't know what you mean?

13 Q Any licenses involved with operating a coin business?

14 A I don't think so.

15 Q Do you have any other assets other than your clothing,
16 your furniture and the funds that you have either in cash or in
17 your checking account?

18 A Not that I'm aware of. Well, I -- I do have two savings
19 accounts.

20 Q And where are those?

21 A At State Employee's Credit Union. I have a \$5 account and
22 at Coastal -- Coastway -- I don't know which -- which it is --
23 Credit Union on Green Street, I have \$100.

24 Q And do you have any other savings accounts other than
25 those two?

Chorney - Direct

1 A Not that I'm aware of.

2 Q Do you have any works of art?

3 A Not that I'm aware of.

4 Q Do you have any coin collections?

5 A Not that I'm aware of.

6 Q Do you have any stamp collections?

7 A Not that I'm aware of.

8 Q Now, when you say, "not that you're aware of" so -- is
9 there a possibility that you have such collections and you're
10 not aware of them?

11 A Not that I'm aware of, no.

12 Q Do you have any antiques or any other collectibles?

13 A None that I can recall.

14 Q Do you owe anybody any money?

15 A Yes, I do.

16 Q Who do you owe money to?

17 A I really can't remember. I've got a -- a list of those
18 people, were supplied to Mr. Pletcher.

19 Q What documents have you supplied to Mr. Pletcher?

20 A I don't know.

21 Q Well, you've already testified you've supplied him with
22 documents showing income and expenses and debts that you owe.
23 Is that correct?

24 A There was a form that I've just filled in the squares.
25 That's all that had that information on it.

Chorney - Direct

1 Q And that form had financial information regarding .
2 yourself?

3 A Yes.

4 Q Do you remember what other financial information was on
5 that form?

6 A No.

7 Q Would you be willing to authorize the release of that form
8 to me and the Court?

9 A Sure.

10 Q How is Mr. Pletcher -- how could Mr. Pletcher be reached?

11 A He's at the U.S. Probation Office.

12 Q Are you involved in any litigation, Mr. Chorney?

13 A Yes, I am.

14 Q What's the nature of the litigation that you're involved
15 in?

16 A I'm involved with head injury litigation.

17 Q And who are you suing?

18 A The United States of America.

19 Q And who's representing you in that litigation?

20 A Myself.

21 Q Do you have an attorney who's representing you?

22 A No.

23 Q And has a lawsuit been filed?

24 A Yes.

25 Q And how much money are you seeking to recover from the

Chorney - Direct

1 United States Government?

2 A I -- I don't remember what's written on the tort claim.

3 Q And where is that claimed filed?

4 A In Rhode Island.

5 Q And would you provide me and the Court with a copy of that
6 tort claim that's filed?

7 A A copy of -- of what?

8 Q You referenced that you had filed a tort claim?

9 A Yes.

10 Q And I'm asking if you would provide me and the Court with
11 a copy of that tort claim that you filed in the --

12 A I --

13 Q District Court?

14 A -- I'll give you the case number. There's a lot of
15 paperwork filed with it. I mean --

16 Q All right. Would you -- do you --

17 A -- he's asking for --

18 THE COURT: Just the complaint, I believe, Mr.
19 Monzack was referring to.

20 THE WITNESS: The -- the complaint? There -- there's
21 there's amended complaints, Your -- there's a lot of paperwork,
22 Your Honor. I -- I think --

23 THE COURT: All right. But what's the nature of your
24 claim? How did this head injury take place, according to you?

25 THE WITNESS: I was hit in the head with a steel bar,

J&J COURT TRANSCRIBERS, INC.

Chorney - Direct

1 Your Honor. So --

2 THE COURT: Was that the onset of your present
3 disability --

4 THE WITNESS: Yes, it --

5 THE COURT: -- condition?

6 THE WITNESS: -- yes, it is.

7 THE COURT: Okay.

8 BY MR. MONZACK:

9 Q And --

10 THE COURT: And when was that? When did that happen?

11 THE WITNESS: In 1996.

12 THE COURT: All right. While you were incarcerated?

13 THE WITNESS: Yes.

14 BY MR. MONZACK:

15 Q Do you recall the number -- the filing number of that
16 complaint?

17 A I don't remember right now.

18 Q Can you provide that number to myself and to the Court?

19 A I -- I can look it up.

20 THE COURT: But there is a case on file?

21 THE WITNESS: Yes.

22 THE COURT: And it's Harold Chorney against the
23 United States of America?

24 THE WITNESS: It's before Judge Logara (phonetic).

25 Yes.

Chorney - Direct

1 THE COURT: And it's -- do you also sue some federal
2 corrections officers or anybody else?

3 THE WITNESS: The defendant in the case is the United
4 States of America?

5 THE COURT: Okay. Have you ever been represented in
6 this case or did you file in pro se and it stayed that way?

7 THE WITNESS: It was originally -- part of the
8 paperwork was filed by a New York attorney because I was
9 incapable of filing the paperwork.

10 THE COURT: Yes.

11 THE WITNESS: And then I filed the complaint.

12 THE COURT: Okay. The New York attorney's name?

13 THE WITNESS: Was a Ms. Marinello (phonetic).

14 BY MR. MONZACK:

15 Q Do you know where Ms. Marinello's office is located?

16 A No.

17 Q Do you know her telephone number?

18 A No.

19 Q Do you know her first name?

20 A It's -- I -- Maria, I think.

21 Q And is her office in New York City?

22 A I think it is, but I'm not 100 percent sure.

23 Q Do you know if that complaint is close to coming to trial?

24 A I don't know.

25 Q Do you have any other litigation pending other than that

Chorney - Direct

1 claim for your head injury?

2 A I don't know.

3 Q How would you determine if you had other -- any other
4 litigation pending?

5 A I'd have to check my records.

6 Q And are these records that you presently have?

7 A Some of them, yes.

8 Q Is anyone suing you, Mr. Chorney?

9 A I don't know.

10 Q And is there any way that you could determine whether
11 anyone else was suing you?

12 A Well, I guess they'd have to serve me.

13 Q I'm talking about whether any lawsuits are pending now?

14 A I just don't remember any.

15 Q Have you given anybody any gifts within the last several
16 years?

17 A Yes.

18 Q Have you given anyone any gifts in excess of several
19 hundred dollars in the last few years?

20 A No.

21 Q Have you transferred any property whatsoever within the
22 last six years?

23 A Well, what do -- well, what do you mean by transferring
24 property?

25 A Well, property -- by "property" I mean any asset, anything

Chorney - Narrative

1 of value and by "transfer" I mean whether you've sold or given
2 as a gift or in any way transferred to anyone else assets that
3 you owned or had any interest in?

4 A And when -- when are you talking about?

5 Q I'm talking about the last six years.

6 A I have no recollection of transferring property.

7 Q Do you hold any property that's somebody else's?

8 A Not that I have any recollection of, no.

9 Q Is anybody else holding property of yours?

10 A Not that I have any recollection of.

11 MR. MONZACK: If Your Honor please, I don't have any
12 more questions. I would suggest right now that we have a
13 continuation date and ask Mr. Chorney to provide copies of
14 those documents that he said that he would provide, notably
15 certain medical records, certain documentation furnished to his
16 probation officer.

17 THE COURT: I think in the circumstances, I'm
18 probably going to take your recommendation on the continuance
19 but I'm going to ask you to put in writing what you want Mr.
20 Chorney to furnish so that we won't have any questions the next
21 time about what you were looking for.

22 Mr. Chorney, you've been asked a great many questions
23 on cross-examination. Is there anything you think you need to
24 add to the record on your own behalf?

25 THE WITNESS: Are -- are we limited to this subject,

Chorney - Narrative

1 Your Honor?

2 THE COURT: Pretty much. Why, what did you have in
3 mind?

4 NARRATIVE BY HAROLD CHORNEY, PRO SE

5 MR. CHORNEY: Well, I had an FOIA with the Federal
6 Deposit Insurance Corporation and they informed me that Mr.
7 Monzack has some videotapes of the inventorying of the assets
8 after Eastland Bank failed and I feel that by getting these
9 tapes would help clarify some of the basis of -- of the entire
10 contempt issue, Your Honor. You -- you have some videotapes
11 that were produced subsequent to Eastland Banks failure?

12 MR. MONZACK: And if Your Honor please. There were
13 some videotapes made by -- it's a long time ago, you know, but
14 I don't know of the exact entity, but when the Chapter 11
15 Trustee first came in and took over the assets of Cumberland
16 Investment Corporation in Woonsocket --

17 THE COURT: Is that Weingardten (phonetic) or --

18 MR. MONZACK: I think it was -- yeah. The Chapter 11
19 Trustee -- I think it was Weingardten -- retained, I believe
20 Weingardten physically go in there and take possession and I
21 believe that when he took possession, they made videotapes of
22 their taking possession and I do believe the U.S. Attorney had
23 those videotapes and I probably have them in storage some
24 place. How -- how relevant that is -- if Mr. -- if I
25 understand Mr. Chorney's inquiry and that is that your judgment

Chorney - Narrative

1 entered against Mr. Chorney in 1992 dealt with conduct, I
2 believe, in this courtroom, during the course of the
3 administration of the case. I don't know how relevant the
4 action of the Trustee and receiver in taking over the -- the
5 contents of Cumberland Investment Corporation, how that relates
6 to Mr. Chorney's conduct during the course of the
7 administration of the Chapter 11 case?

8 MR. CHORNEY: Your Honor, they -- 19 videotapes of --
9 which I have in my possession of the removal of the assets from
10 the Cumberland premises and there's a 20th tape indicating the
11 yellow notebooks that were on premises that were seized that
12 are missing today, as well as a bunch of assets which are
13 missing from the estate. In -- in addition to those 20 tapes,
14 when Eastland Bank failed, these other tapes were taken of the
15 inventory and I feel that would be very germane to finding out
16 about the assets of the company and I would like to get a copy
17 of those tapes, if I might, Your Honor.

18 THE COURT: I understand what you're saying now.
19 This morning's hearing is the Trustee's motion to -- for
20 supplementary proceedings to assist him in collecting this
21 judgment against you.

22 MR. CHORNEY: Yes.

23 THE COURT: So, that's why we're here. I think if
24 you need to see any tapes that have anything to do with maybe
25 reopening the case and showing that somebody on behalf of the

Chorney - Narrative

1 bank or the Trustee acted fraudulently or misappropriated
2 estate assets, that's a separate proceeding. You're going to
3 have to start that by filing some papers and I'm not inviting
4 you to do that, but you're certainly at liberty to file
5 whatever you think you need to do to bring anything to the
6 Court's attention that you feel needs to be done. I have a
7 suspicion that many of those things have been gone over many
8 times in the past and all decided finally, I hope, but if
9 that's not the case, that's why we're here.

10 But as far as looking at videotapes that were taken
11 during the administration of the bankruptcy case, I don't see
12 their relevance to this proceeding. Maybe I'm wrong, but I'm
13 going to continue this matter in order to give you enough time
14 to furnish the information that Mr. Monzack is seeking from
15 you.

16 He's going to write you a letter specifically telling
17 you what he's looking for. I believe that they should
18 correspond with things that you've already indicated you would
19 furnish and the reason for the letter is to avoid
20 misunderstandings and next -- another hearing.

21 MR. CHORNEY: And -- and

22 THE COURT: Do we have the book here?

23 THE CLERK: (Inaudible).

24 THE COURT: Oh.

25 MR. MONZACK: Your Honor, may I just clarify the --

Chorney - Narrative

1 the record on -- on the issue of the tapes. I have tapes that
2 were handed over to me by the U.S. Attorney at the conclusion
3 of their criminal proceeding. My suspicion is that Mr. Chorney
4 may have gotten a copies of the tapes from them, also. That
5 20th tape may or may not be among the tapes that were turned
6 over to me by the U.S. Attorney. I -- I just don't know. I
7 don't know which 19 Mr. Chorney has and exactly which ones I
8 have, but whichever ones I have, the ones turned over to me by
9 the U.S. Attorney.

10 MR. CHORNEY: I -- I have tapes of August 17th and
11 August 23rd or the removal of the assets. That's the 19 tapes
12 and then there's a singular tape going back to August 15th, but
13 for the record, FDIC claims that you have additional tapes
14 concerning the inventorying of the assets subsequent to the
15 failure of Eastland Bank and those are the ones that -- that I
16 would be requesting from him.

17 THE COURT: Okay. Well, those, I think, because I
18 don't see them as relevant to this contempt and supplementary
19 proceedings, need to be brought up in a separate proceeding.

20 MR. CHORNEY: Oh, I'll do that, Your Honor.

21 THE COURT: Then, we'll continue this matter until --
22 so, let's see, is June 22nd enough time for you to get these
23 things together if Mr. Monzack furnishes a letter before the
24 end of the week?

25 MR. CHORNEY: Yeah, I -- I don't know -- I -- I would

Chorney - Narrative

1 imagine it would take me a couple of weeks --

2 THE COURT: Okay.

3 MR. CHORNEY: -- to put it together, but I -- I would
4 say that all the case numbers and everything else should be on
5 the form I gave to Mr. Pletcher.

6 THE COURT: Okay. We'll make it Thursday, July 6 at,
7 of course, 9:30 that day and what I would require then is that
8 we'll be back in court on the 6th, the information should be
9 turned over to the Trustee by Friday the 30th of June. Okay.
10 You can step down, Mr. Chorney. Thank you.

11 MR. CHORNEY: Okay. Thank you.

12 (Witness Excused)

13 (Matter Continued To July 6, 2000 at 9:30 a.m.)

14 * * * * *

15 CERTIFICATION

16 I, JOY K. BRENNAN, certify that the foregoing is a
17 correct transcript to the best of my ability, from the
18 electronic sound recording of the proceedings in the above-
19 entitled matter.

20
21 Joy K. Brennan Date: 6-15-00
22 JOY K. BRENNAN

23
24 J&J COURT TRANSCRIBERS, INC.
25