

SUPERIOR COURT OF CALIFORNIA

COUNTY OF ORANGE, CENTRAL JUSTICE CENTER

DEPARTMENT C20

MERI NISHIUCHI, IN THE RIGHT  
OF AND FOR THE BENEFIT OF  
ATIA CO., LP,

PLAINTIFF,

VS.

PATRICIA TING (AKA PATRICIA  
TING LEE), AN INDIVIDUAL;  
MICHAEL SEUNG HOON LEE, AN  
INDIVIDUAL; ET AL.,

DEFENDANTS.

CASE NO. 30-2013-00661506

HONORABLE DAVID R. CHAFFEE, JUDGE PRESIDING

REPORTER'S TRANSCRIPT

NOVEMBER 13, 2014

APPEARANCES OF COUNSEL:

FOR PLAINTIFF:

NAKASE LAW FIRM  
BY: BRAD NAKASE  
&  
WILLIAM A. COHEN  
ATTORNEY AT LAW

FOR DEFENDANTS:

BURNS & MOSS  
BY: GEORGE S. BURNS  
VICTORIA E. MOSS

KATHY D. HOFFMAN, CSR #5787  
OFFICIAL COURT REPORTER

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I N D E X

WITNESSES

<u>FOR THE PLAINTIFF:</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
ZHANG, ANDY YONG	110	128	132	

EXHIBITS

<u>TRIAL EXHIBITS:</u>	<u>FOR INDENTIFICATION</u>	<u>FOR EVIDENCE</u>
32 - PURCHASE AGREEMENT		133

1 SANTA ANA, CALIFORNIA - THURSDAY, NOVEMBER 13, 2014

2 MORNING SESSION

3 (THE FOLLOWING PROCEEDINGS WERE HAD IN OPEN  
4 COURT:)

5 THE COURT: GOOD MORNING. SO THIS IS NISHIUCHI VERSUS  
6 TING, AND LET'S JUST GO AHEAD AND PUT YOUR APPEARANCES ON  
7 THE RECORD AGAIN, PLEASE.

8 MR. NAKASE: GOOD MORNING, YOUR HONOR, BRAD NAKASE FOR  
9 PLAINTIFF, ATIA COMPANY, LIMITED PARTNERSHIP.

10 THE COURT: CO-COUNSEL IS NOT HERE AT THE MOMENT?

11 MR. NAKASE: MY CO-COUNSEL IS APPEARING EX PARTE IN  
12 DEPARTMENT 32 FOR A SUBPOENA THAT WAS ISSUED IN THIS CASE,  
13 BUT THE EX PARTE APPLICANT FOR SOME REASON FILED IT IN  
14 DEPARTMENT 32.

15 THE COURT: DID YOU MAKE THE CLERK OF THIS DEPARTMENT  
16 AWARE OF THAT?

17 MR. NAKASE: I DID NOT.

18 THE COURT: WHO'S IN 32?

19 MR. NAKASE: JUDGE GLASS.

20 THE COURT: CALL THE CLERK OF THAT DEPARTMENT, TELL  
21 THEM THERE'S AN EX PARTE ON THIS CASE THAT BELONGS HERE.

22 EX PARTE ON THIS CASE?

23 MR. NAKASE: YES, YOUR HONOR. AND THE EX PARTE  
24 APPLICANT ALSO MADE AN EX PARTE HERE IN THIS DEPARTMENT,  
25 1:30 WITH THE SAME SUBPOENA.

26 MR. BURNS: GEORGE BURNS AND VICTORIA MOSS FOR THE

1 DEFENSE.

2 THE COURT: SIT DOWN, PLEASE.

3 MR. BURNS: THANK YOU, YOUR HONOR.

4 IN WHATEVER ORDER YOUR HONOR WANTS TO HANDLE  
5 HOUSEKEEPING MATTERS, WE REACHED SOME STIPULATIONS  
6 YESTERDAY ABOUT EVIDENCE AND SOME OTHER ISSUES THAT WE WANT  
7 TO READ INTO THE RECORD AT SOME POINT.

8 THE COURT: OKAY. LET'S DO IT NOW.

9 MR. BURNS: GREAT. THANK YOU, YOUR HONOR.

10 MR. NAKASE: THE EVIDENCE THAT WE'RE GOING TO READ  
11 INTO THE RECORD RELATES TO THE EX PARTE, SO IT'S GOING  
12 TO -- THE EX PARTE IS GOING TO BE MOOT BECAUSE THE  
13 DOCUMENTS THAT'S GOING TO COME INTO EVIDENCE.

14 THE COURT: WHO'S THE MOVING PARTY ON THE EX PARTE?

15 MR. NAKASE: EAST WEST BANK FOR BANK CHECKS, BUT WE'RE  
16 GOING TO AGREE TO IT.

17 THE COURT: OKAY. DOES THAT CHANGE SOMETHING WITH  
18 RESPECT TO WHAT WE'RE DOING RIGHT NOW?

19 MR. NAKASE: IT DOESN'T.

20 THE COURT: DRIVE ON, PLEASE.

21 MR. BURNS: THANK YOU, YOUR HONOR. THE FIRST ISSUE  
22 HAS TO DO WITH THE TESTIMONY OF DARWIN TING THAT WAS, YOU  
23 MAY RECALL, THE SUBJECT OF AN IN LIMINE MOTION. BOTH SIDES  
24 ARE WAIVING ANY FOUNDATIONAL REQUIREMENTS UNDER EVIDENCE  
25 CODE SECTION 1292 OR OTHERWISE FOR ANY TESTIMONY BY DARWIN  
26 TING EITHER IN THE UNDERLYING CASE OR IN THIS CASE, WHETHER

1 BY DECLARATION, DEPOSITION, OR TRIAL TESTIMONY.

2 THE ONLY OBJECTIONS THAT MAY BE MADE TO ANY  
3 TESTIMONY GIVEN BY MR. TING WOULD BE JUST AS IF HE WAS  
4 TESTIFYING LIVE IN THIS COURTROOM: RELEVANCE, 352, WHAT  
5 HAVE YOU.

6 THE SECOND STIPULATION IS THAT IT HAS TO DO WITH  
7 THE WRITTEN EXHIBITS. THE PARTIES ARE RESERVING THEIR  
8 POSITIONS ON A VERY FEW EXHIBITS, AND THEY ARE EXHIBITS 1,  
9 2, 5 THROUGH 13, AND 27 THROUGH 28. WE MAY ULTIMATELY  
10 REACH STIPULATIONS ON THOSE AS WELL. FOR NOW THOSE ARE  
11 STILL SUBJECT TO POSSIBLE OBJECTION.

12 EXHIBITS 43, 44, AND 67 INCLUDE CHECKS TO MY LAW  
13 FIRM THAT WERE THE SUBJECT OF AN IN LIMINE MOTION. THE  
14 PLAINTIFF HAS AGREED TO REDACT THE NAME OF THE LAW FIRM  
15 FROM THE CHECKS, AND WITH THAT, THOSE CHECKS ARE ADMISSIBLE  
16 IN EVIDENCE, AND I WOULD WITHDRAW MY IN LIMINE MOTION. ALL  
17 OF THE OTHER EXHIBITS ON THE EXHIBIT LIST, THE PLAINTIFF'S  
18 LIST AND THE DEFENSE LIST, ARE ADMISSIBLE IF OFFERED INTO  
19 EVIDENCE BY EITHER PARTY WITHOUT OBJECTION.

20 ONE OF THE EXHIBITS IS EXHIBIT 422. IT IS A  
21 DOCUMENT THAT WAS -- WE CALL IT A COMPILATION. IT WAS A  
22 RIDER, AN EXHIBIT TO MR. TING'S INTERROGATORY RESPONSES IN  
23 THE UNDERLYING CASE THAT LISTS ALL THE CHECKS BACK AND  
24 FORTH BETWEEN HIM AND THE ATIA COMPANY OVER A PERIOD OF  
25 YEARS. AND I THINK THAT IT IS ADMITTED BY AGREEMENT, AND  
26 IT IS ADMITTED THAT THE NUMBERS IN THAT ARE ACCURATE, AND

1 THAT WILL END UP SAVING A LOT OF TIME IN HAVING TO GO  
2 THROUGH THE ACTUAL CHECKS BECAUSE WE ADMIT THAT THIS AS A  
3 SUMMARY EXHIBIT IS ADMISSIBLE AND IS ACCURATE AS TO THE  
4 NUMBERS.

5 I BELIEVE THE PLAINTIFF HAS SOME ISSUES AS TO HOW  
6 HE CHARACTERIZED CERTAIN PAYMENTS, WHETHER THIS WAS A LOAN,  
7 WHETHER THIS WAS A WHATEVER, BUT THE NUMBERS, THE DOLLARS,  
8 THE DATES, THE AMOUNTS, THE CHECK NUMBERS ARE ALL AGREED TO  
9 BE ACCURATE.

10 THOSE STIPULATIONS SHOULD RESOLVE ALL OF THE NEED  
11 FOR ANY CUSTODIAN OF RECORD OF ANY BANK OR OTHER  
12 INSTITUTION TO TESTIFY AT THE TRIAL, BECAUSE NOW ALL OF THE  
13 EXHIBITS THAT WERE THE SUBJECT OF THAT, NO ONE IS MAKING  
14 ANY OBJECTION AS TO THE EVIDENCE. THE EX PARTE APPLICATION  
15 THAT EAST WEST BANK IS MAKING, WHICH I AM NOT A PARTY TO,  
16 HAS TO DO WITH THE MANNER IN WHICH CERTAIN CHECKS WERE  
17 SUBPOENAED BY MR. NAKASE'S OFFICE. I'M NOT TAKING ANY  
18 POSITION ON THAT.

19 I AM SIMPLY SAYING THAT THE DEFENSE IS NOT  
20 OBJECTING TO THE COPY OF THE CHECK THAT IS THE SUBJECT OF  
21 THAT EX PARTE APPLICATION.

22 THE COURT: SO STIPULATED, MR. NAKASE?

23 MR. NAKASE: YES, YOUR HONOR, WITH THE CLARIFICATION  
24 ON EXHIBIT 422, WHICH IS DARWIN TING' COMPILATION, ALSO  
25 KNOWN AS A COMPENDIUM, IT INVOLVES OVER 2,000 TRANSACTIONS,  
26 AND TO CLARIFY, PLAINTIFF DOES NOT STIPULATE TO THE WAY

1 IT'S BEING CATEGORIZED. FOR EXAMPLE, HALF A MILLION DOLLAR  
2 TRANSACTION TO DARWIN TING AS A LOAN, OR AS A DISTRIBUTION,  
3 THAT'S NOT BEING STIPULATED TO, JUST THAT THE AMOUNT WAS  
4 MADE ON THAT DAY FROM PLAINTIFF'S BANK ACCOUNT, OR ONE OF  
5 PLAINTIFF'S SUBSIDIARY BANK ACCOUNTS, TO DARWIN TING.  
6 THAT'S ALL WE'RE STIPULATING TO.

7 MR. BURNS: THAT IS UNDERSTOOD AND AGREED.

8 THE COURT: VERY WELL. THAT WILL BE THE AGREEMENT.

9 MR. BURNS: THE FINAL POINT THAT I HAVE NOT RAISED  
10 WITH THE PLAINTIFF, BUT I WENT THROUGH THE EXHIBITS LAST  
11 NIGHT, I WENT THROUGH THE DESIGNATED TRIAL TESTIMONY OF  
12 MR. TING THAT THE PLAINTIFF HAS DESIGNATED -- OH, LAST  
13 THING. AS FAR AS MR. TING'S DESIGNATION, I HAVE NOT GIVEN  
14 THE PLAINTIFF YET MY DESIGNATIONS, BUT I AGREE THAT NO  
15 LATER THAN THE DAY BEFORE THE DEFENSE PUTS ON ITS CASE, THE  
16 PLAINTIFF WILL BE PROVIDED WITH ALL OF THE ANTICIPATED  
17 TESTIMONY FROM MR. TING THAT THE DEFENSE WILL USE, AND I  
18 WILL SLOW DOWN NOW. I APOLOGIZE.

19 I AM VERY CONCERNED ABOUT THE LENGTH OF THE  
20 TRIAL, AND THE DEFENSE HAS DECIDED TO WAIVE JURY.

21 THE COURT: VERY WELL. WE'LL GO WITHOUT A JURY THEN.  
22 I WAS ABOUT TO TELL YOU THAT I CONTINUE TO AGREE, DESPITE  
23 THE FINE P'S AND A'S THAT WERE SUBMITTED A DAY OR SO AGO, I  
24 WAS CONTINUING TO AGREE WITH YOU THAT THIS CASE IS UNIQUE,  
25 AND IN MY ANALYSIS STILL WOULD WARRANT A JURY IF YOU SO  
26 DESIRED, BUT I ACCEPT THE WAIVER, AND WE'LL GO WITHOUT.

1 MR. BURNS: I AM -- ESPECIALLY NOW. IT'S ALMOST TEN  
2 O'CLOCK. WE HAVEN'T STARTED. WE ONLY HAVE ONE DAY OF  
3 TRIAL THIS WEEK. I HAVE A REAL BAD FEELING ABOUT GETTING  
4 THIS WHOLE CASE IN BEFORE THANKSGIVING. ANECDOTAL, I'VE  
5 HAD SOME BAD EXPERIENCES WITH THE JURIES RIGHT AFTER  
6 THANKSGIVING. IT'S UNNECESSARY, SO WE WAIVE JURY.

7 THE COURT: VERY WELL. THANK YOU. SO WE SENT OUT AN  
8 ALL POINTS BULLETIN FOR YOUR COLLEAGUE, MR. COHAN, AND I  
9 HAVE ACTUALLY A COUPLE OF EX PARTE APPLICATIONS IN HAND.  
10 THE FIRST APPARENTLY HAS JUST BEEN RENDERED MOOT. THIS IS  
11 THE EX PARTE APPLICATION OF EAST WEST BANK FOR MOTION TO  
12 QUASH CIVIL SUBPOENA, SO I'LL -- COURTESY OF YOUR  
13 STIPULATION, I AM JUST GOING TO MARK THIS AS MOOT, AND I  
14 GUESS YOUR FRIENDS AT EAST WEST BANK WILL NO LONGER NEED TO  
15 WORRY ABOUT THIS.

16 SINCE WE HAVE THE JURORS OUTSIDE, EXCUSE ME,  
17 COUNSEL. I'M GOING TO GO OUT AND TALK TO THEM FOR A  
18 SECOND, THANK THEM AND SEND THEM DOWNSTAIRS.

19 MR. BURNS: I DIDN'T KNOW WE'D START THIS LATE. I  
20 APOLOGIZE FOR NOT -- IT'S A DECISION I CAME TO LAST NIGHT.

21 THE COURT: AS I SAID, WE'D ASKED FOR THEM BETWEEN  
22 9:30 AND 10:00. HERE WE ARE.

23 (PAUSE IN PROCEEDINGS.)

24 THE COURT: NOW, I HAVE ANOTHER EX PARTE APPLICATION  
25 OF QING LIANG FOR AN ORDER TO QUASH AND/OR MODIFY A  
26 SUBPOENA. WITH RESPECT TO THIS ONE, I DON'T KNOW, DOES



1 ANYBODY WANT TO TALK TO ME ABOUT THIS?

2 MR. NAKASE: QING LIANG IS A MATERIAL WITNESS IN THIS  
3 CASE, AND WE NEED HER TO TESTIFY WITH RESPECT TO GRANT  
4 DEEDS AND PURCHASE AGREEMENTS OF MILLIONS OF DOLLARS OF  
5 REAL ESTATE BETWEEN HERSELF AND THE DEFENDANT, PATRICIA  
6 TING. AND WE NEED HER IN COURT TO TESTIFY.

7 THE COURT: SHE'S IN CHINA RIGHT NOW?

8 MR. NAKASE: I DON'T KNOW.

9 MR. BURNS: YOUR HONOR, I BELIEVE HER HUSBAND IS GOING  
10 TO BE HERE THIS AFTERNOON, ALONG WITH THE COUNSEL WHO FILED  
11 THAT APPLICATION. I AM SURE THAT COUNSEL -- I KNOW YOU  
12 DON'T NORMALLY HEAR ARGUMENT ON EX PARTES, TO THE EXTENT  
13 THIS MOTION IS BEING ARGUED, I'M SURE THAT SOMEBODY FROM  
14 THE STANG FIRM WOULD APPRECIATE THE OPPORTUNITY TO BE  
15 HEARD.

16 THE COURT: BASICALLY WHAT I'M GETTING IN ALL THIS,  
17 SHE CAN'T GET HERE ON TWO HOURS' NOTICE. IF SHE'S IN CHINA  
18 THAT'S NO SURPRISE AT ALL. SO THERE'S BASICALLY AN  
19 INDICATION SHE NEEDS THREE DAYS' NOTICE. I DON'T KNOW WHY  
20 WE COULDN'T AGREE THAT SHE TESTIFY ON MONDAY OR TUESDAY AND  
21 JUST SET A FIRM DATE FOR HER TO DO SO.

22 MR. NAKASE: PLAINTIFF WOULD HAVE NO OBJECTION TO THAT  
23 SINCE IT'S OUR SUBPOENA.

24 MR. BURNS: SHE ALSO WAS DEPOSED. THEY HAVE HER  
25 DEPOSITION TESTIMONY THEY COULD USE.

26 THE COURT: WHAT'S WRONG WITH THAT?

1 MR. NAKASE: YOUR HONOR, WE DIDN'T ASK QUESTIONS AT  
2 THE DEPOSITION THAT WE'RE SAVING FOR TRIAL JUST BECAUSE WE  
3 DIDN'T WANT TO KNOW -- THE DEFENSE TO KNOW WHAT KIND OF  
4 QUESTIONS WE WERE GOING TO ASK.

5 THE COURT: IT'S A SURPRISE ATTACK. YOU KNOW MY RULE  
6 ABOUT SURPRISE. ONE OF THE REASONS THE LEGISLATURE PASSED  
7 THE DISCOVERY ACT IS SO EVERYTHING WOULD BE ON THE TABLE,  
8 AND, YOU KNOW, A LACK OF SURPRISE WOULD LEAD PEOPLE TO  
9 HOPEFULLY RESOLVE THEIR CASES SOONER RATHER THAN LATER OR  
10 NOT AT ALL.

11 WHAT WAS THE DATE SHE WAS SERVED WITH THE  
12 SUBPOENA AND WHERE WAS SHE SERVED?

13 MR. NAKASE: SHE WAS SERVED AT HER LAWYER'S OFFICE AT  
14 HER DEPOSITION. AND I DO NOT REMEMBER THE SPECIFIC DATE,  
15 YOUR HONOR. IF THE COURT ALLOWS ME TO CHECK MY FILE, I CAN  
16 SHOW THE COURT WHAT DATE SHE WAS SERVED.

17 THE COURT: SURE.

18 MR. NAKASE: YOUR HONOR, SHE WAS SERVED ON OCTOBER 15,  
19 2014, AT HER LAWYER'S OFFICE.

20 THE COURT: MS. BENDER? HAVE ANY OF YOU HAD ANY  
21 CONTACT WITH MS. BENDER, THE ATTORNEY FOR MS. LIANG?

22 MR. BURNS: I HAVE. I KNOW SHE'S GOING TO BE HERE  
23 THIS AFTERNOON WITH ANDY ZHANG.

24 THE COURT: I'M CURIOUS ABOUT THE HEALTH STATUS OF  
25 MS. LIANG'S FATHER.

26 MR. NAKASE: MAY I INVITE THE COURT TO GIVE ME A

1 COUPLE MINUTES WITH MR. BURNS TO TALK TO HIM ABOUT SOME OF  
2 THE EXHIBITS THAT WE'RE GOING TO TALK TO MS. -- THAT WE  
3 WERE GOING TO QUESTION MS. LIANG, TO SEE IF WE CAN AVOID  
4 HAVING HER COME IN HERE?

5 THE COURT: GREAT. YOU GUYS HAVE PROVED TO BEING VERY  
6 CAPABLE OF GETTING THINGS RESOLVED. GO AHEAD AND TALK.  
7 LET'S SEE WHERE WE GET. LET MS. BOLISAY KNOW WHEN THAT'S  
8 ALL DONE.

9 MR. BURNS: THANK YOU, YOUR HONOR.

10 THE COURT: WE'LL GET GOING, ALTHOUGH I'M CONCERNED  
11 NOW THAT YOUR COLLEAGUE HAS GOTTEN LOST IN THE BUILDING.  
12 HE COULD BE STUCK ON AN ELEVATOR SOMEWHERE.

13 (RECESS TAKEN.)

14 THE COURT: I STILL DON'T SEE MR. COHAN. WHAT'S  
15 HAPPENED TO HIM? STILL UP WITH JUDGE GLASS?

16 MR. NAKASE: YES.

17 THE COURT: INTERESTING. WELL, WHAT'S THE WORD?

18 MR. NAKASE: THE WORD IS, YOUR HONOR, WE HAVE INFORMED  
19 THE WITNESS'S ATTORNEY, MS. BENDER, THAT SHE'S BEEN  
20 RELEASED, AND THAT WE'RE GOING TO USE THE EXHIBITS AND THE  
21 TRANSCRIPT FOR THIS CASE.

22 THE COURT: SO STIPULATED?

23 MR. BURNS: AGREED.

24 THE COURT: OKAY. I CAN OFF CALENDAR OR DEEM THIS ONE  
25 ALSO MOOT, THIS EX PARTE APPLICATION. OKAY. LET'S LOOK A  
26 SECOND AT THE EXHIBIT LISTS, SEE IF I HAVE A COPY IN THIS

1 FILE.

2 SO AT THIS POINT I HAVE ONE JOINT EXHIBIT LIST;  
3 IS THAT RIGHT?

4 MR. NAKASE: YES, YOUR HONOR.

5 THE COURT: HOW COME THERE ARE ALL THESE BLOCKS OF  
6 NUMBERS THAT HAVE "RESERVED" NEXT TO THEM?

7 MR. NAKASE: THAT'S BECAUSE WE DECIDED NOT TO USE  
8 THOSE EXHIBITS FOR TRIAL, YOUR HONOR.

9 THE COURT: IN THIS PLAINTIFF WAS ASSIGNED EXHIBITS  
10 NUMBERS 1 THROUGH WHAT?

11 MR. NAKASE: 200, YOUR HONOR.

12 THE COURT: AND SO DEFENSE HAS 201 THROUGH INFINITY?

13 MS. MOSS: ACTUALLY, YOUR HONOR, WE HAVE 205. YOU  
14 HAVE THROUGH 201.

15 MR. NAKASE:

16 201. THE 400'S ARE TOGETHER.

17 THE COURT: TOGETHER?

18 MR. NAKASE: BOTH USING THEM.

19 THE COURT: THEY'RE JOINT?

20 MR. BURNS: RIGHT. I MEAN, AS FAR AS WHO THE PARTY  
21 WHO PROFFERED THE EXHIBIT, THE DEFENSE PROFFERED EXHIBITS  
22 BEGINNING 205 AND GO THROUGH 254. 279 FORWARD ARE SOME  
23 ADD-ON'S FROM THE PLAINTIFF.

24 THE COURT: OKAY. THE NUMBERING SYSTEM IS A LITTLE  
25 CONFUSING, BUT I THINK WE CAN WORK WITH IT. I WOULD REALLY  
26 LIKE TO HAVE MR. COHAN HERE WHEN WE START, WOULDN'T YOU?

1 MR. NAKASE: INDEED.

2 THE COURT: WHY DON'T YOU SEE IF YOU CAN ROUND HIM UP.

3 MR. NAKASE: YES, YOUR HONOR. YOUR HONOR,  
4 HOUSEKEEPING, THE FIRST WITNESS THAT THE PLAINTIFF IS GOING  
5 TO CALL IS DARWIN TING. HE'S UNAVAILABLE. WE DO HAVE  
6 VIDEO DEPOSITIONS. DOES THE COURT WANT TO JUST SEE THE  
7 VIDEO, OR DOES THE COURT WANT TO JUST READ THE TRANSCRIPT  
8 AS WE CITE THE PAGE AND LINE.

9 THE COURT: I THINK MY PREFERENCE IS JUST READING THE  
10 TRANSCRIPT. IF YOU FEEL YOU WANT, IT'S YOUR CASE, IF YOU  
11 WANT ME TO WATCH MR. TING TESTIFY, WE'RE GOING TO NEED TO  
12 SPECIFY THE SEGMENTS THAT WE'RE WATCHING FOR THE RECORD  
13 ANYHOW.

14 MR. NAKASE: NO, YOUR HONOR. COURT TRIAL WE DON'T  
15 NEED TO PLAY THE VIDEO, YOUR HONOR.

16 THE COURT: LET'S DO THIS: LET'S SEND OUT THE NAKASE  
17 SEARCH PARTY AND PLAN ON RESUMING AT A QUARTER TILL 11:00.

18 MR. BURNS: THANK YOU, YOUR HONOR.

19 THE COURT: THIS IS A FITFUL START.

20 MR. BURNS: IT IS. A SUGGESTION, JUST ON THE MR. TING  
21 TESTIMONY, JUST FOR COUNSEL TO THINK ABOUT AND THE COURT, I  
22 GOT THE DESIGNATIONS. IT'S AN INCH OF PAPER, AND GIVEN  
23 THAT THIS IS NOW A BENCH TRIAL, IT MIGHT BE A PRACTICAL  
24 SUGGESTION TO SIMPLY INTRODUCE THEM WITHOUT OBJECTION. YOU  
25 DON'T NEED TO READ THEM. I THINK IT'S GOING TO TAKE AN  
26 HOUR AND A HALF TO READ HIS TESTIMONY.

1            PLAINTIFF CAN ARGUE THE EVIDENCE IN CLOSING.  
2            IT'S JUST A SUGGESTION. IT'S PLAINTIFF'S CASE.

3            THE COURT: IF IT WOULD HELP TO FORESHORTEN, GIVE THE  
4            CITES, I'LL START READING RIGHT NOW.

5            MR. NAKASE: THAT WOULD BE GOOD. I ACTUALLY -- IF  
6            IT'S OKAY WITH COUNSEL, I ACTUALLY ALREADY PULLED OUT ALL  
7            THE CITES. I ACTUALLY COPIED ALL THE PAGES AND LINES  
8            VERBATIM. I CAN GIVE IT TO THE JUDGE WITH MR. BURNS'S  
9            APPROVAL.

10           THE COURT: DO YOU HAVE A COPY FOR MR. BURNS AS WELL?

11           MR. NAKASE: I CAN SEND YOU A COPY OF IT.

12           MR. BURNS: THAT'S FINE. I HAVE NO OBJECTION.

13           THE COURT: TELL YOU WHAT, PUT A PAPER CLIP ON IT.  
14           WE'LL RUN A COPY AND PROVIDE TO MR. BURNS, MS. MOSS, THEN I  
15           AM GOING TO START TO READ AND WHY DON'T YOU ALL PLAN TO  
16           COME BACK AT 11:00. I'LL LET YOU KNOW WHERE I AM AT THAT  
17           POINT.

18           MR. BURNS: ANYTHING TO HELP SHORTEN THE PROCESS.

19           THE COURT: THANK YOU. GOOD WORK.

20           (RECESS TAKEN.)

21           THE COURT: GENTLEMEN, I'M HAPPY TO APPROVE THE  
22           EXCERPTS THAT YOU REQUESTED ME TO READ. I DON'T THINK I  
23           SHOULD BE READING HEADNOTES OR THE INTERLINEATIONS HOWEVER.

24           MR. BURNS: I DIDN'T THINK THAT WAS GOING BACK. I  
25           SPECIFICALLY SAID THAT I DID NOT ALLOW THAT GO BACK IN. I  
26           ALLOWED THE ONE THAT WAS LODGED YESTERDAY AT 2:30. I DON'T

1 MIND. I'M SURE THE COURT WON'T BE UNDULY INFLUENCED. I  
2 ONLY SAW THAT THIS MORNING. I DON'T KNOW IF IT'S THE SAME  
3 THING THAT GOT SERVED ON ME YESTERDAY.

4 WHAT GOT SERVED ON ME YESTERDAY IS 90 PAGES OF  
5 TESTIMONY. I WENT THROUGH IT LAST NIGHT. I DON'T HAVE A  
6 PROBLEM WITH IT. THAT'S WHAT I THOUGHT WAS BEING SENT BACK  
7 TO THE COURT.

8 THE COURT: I UNDERSTOOD FROM THE DESCRIPTION THAT  
9 MR. NAKASE LAID OUT THAT HE HAD BASICALLY TAKEN THOSE  
10 EXCERPTS AND PUT THEM INTO A CUT-AND-PASTE VERSION SO THAT  
11 I COULD MORE QUICKLY GO THROUGH WITHOUT TURNING PAGES.

12 MR. BURNS: I ACCEPT HIS REPRESENTATION THAT'S WHAT HE  
13 DID. JUST AS A MATTER OF THE RECORD IN THIS CASE, THE FACT  
14 THAT THE TRANSCRIPTS HAD BEEN LODGED, ARE GOING TO BE PART  
15 OF THE RECORD, I WOULD PREFER THAT WHAT WAS LODGED AND  
16 FILED --

17 THE COURT: I PREFER WHAT YOU PREFER. WHAT I AM GOING  
18 TO DO IS HAND THIS TO THE CLERK. SHE CAN RETURN IT TO  
19 MR. NAKASE. AND I REALLY DO NOT HAVE THE MATERIAL YOU WERE  
20 REFERENCING AT THIS POINT.

21 MR. BURNS: OKAY. MR. NAKASE, DO YOU HAVE A COPY OF  
22 WHAT YOU FILED YESTERDAY?

23 MR. NAKASE: I DON'T HAVE A COPY OF IT, WHAT I FILED.  
24 IT WAS FILED NOVEMBER 12, 2014, AT 2:46 P.M.

25 THE COURT: OKAY. WELL, WHILE MS. BOLISAY IS TRYING  
26 TO TRACK THAT ONE DOWN, ONE OF THE REASONS THAT I'VE BEEN

1 SLOW GETTING BACK HERE IS BECAUSE I RECEIVED AN E-MAIL FROM  
2 JUDGE GLASS BASICALLY SAYING THERE'S AN EX PARTE  
3 APPLICATION HERE FROM EAST WEST BANK RELATING TO SOME  
4 DOCUMENTS THAT THE BANK WANTS RETURNED. AND HE INDICATED  
5 THAT ORDINARILY CONSIDERING THERE'S NO IMMEDIATE TRIAL  
6 THREAT, HE WOULD NOT CONSIDER TO BE ANY EXTRAORDINARY  
7 CIRCUMSTANCE THAT WOULD REQUIRE AN EX PARTE APPLICATION,  
8 SAVE AND EXCEPT FOR THE REPRESENTATION THAT THE MATERIAL  
9 THAT THEY'RE SEEKING TO HAVE RETURNED WAS EXPECTED TO BE  
10 USED IN MY CASE.

11 AND SO HIS QUESTION, DID I WANT TO CONSIDER THAT  
12 EX PARTE APPLICATION IN LIGHT OF THE FACT THAT IT SEEMS TO  
13 HAVE SOME IMPACT ON MY CASE, I DON'T KNOW. NONE OF YOU  
14 REPRESENT EAST WEST BANK. I TAKE IT THAT THIS IS MATERIAL  
15 THAT MR. COHAN OR MR. NAKASE SUBPOENAED.

16 MR. NAKASE: YES, THAT'S CORRECT. TWO BANK CHECK  
17 IMAGES. WE HAVE STIPULATED WITH THE DEFENSE THAT IT'S  
18 AUTHENTIC AND IT WOULD BE GOING INTO EVIDENCE. WE ALREADY  
19 EXAMINED THE WITNESS ABOUT IT AT THEIR DEPOSITION. THEY  
20 HAVE AUTHENTICATED THE CHECK.

21 THE COURT: SO I DON'T REALLY NEED TO WORRY ABOUT IT;  
22 IS THAT RIGHT?

23 MR. BURNS: IT IS NOT MY OBJECTION TO MAKE. THE BANK  
24 IS APPARENTLY EXORCISED ABOUT THE MANNER IN WHICH THIS  
25 CHECK WAS OBTAINED, AND THEY ARE DOWN HERE PROTECTING THEIR  
26 CUSTOMER'S RIGHTS. IT'S MY UNDERSTANDING FROM TALKING TO



1 MR. COHAN THAT THE BANK'S ATTORNEY WAS HERE THIS MORNING,  
2 AND THAT WHEN JUDGE GLASS DEFERRED, SHE IS INTENDING TO  
3 COME BACK AT 1:30 IN CASE THERE IS ORAL ARGUMENT ON THAT  
4 MOTION.

5 BUT I DON'T HAVE AN OBJECTION BECAUSE IT'S NOT MY  
6 OBJECTION TO MAKE. IT IS THE BANK'S OBJECTION TO MAKE. I  
7 READ THE EX PARTE APPLICATION. THEY WANT THE DOCUMENT  
8 RETURNED AND NOT USED. AND THAT IS THEIR DEPOSITOR'S WISH.

9 THE COURT: THAT IS THE DOCUMENT THAT YOU ALL WERE  
10 AGREEABLE TO STIPULATE TO.

11 MR. BURNS: YES. I HAVE NO OBJECTION.

12 THE COURT: WHO IS THE DEPOSITOR, YOUR CLIENT?

13 MR. BURNS: NO, SIR. IT'S A TRUE THIRD PARTY.

14 THE COURT: ALL RIGHT. THAT'S SOMETHING I WILL NEED  
15 TO CONSIDER AT 1:30.

16 MR. BURNS: YES.

17 THE COURT: OKAY.

18 MR. NAKASE: YOUR HONOR, THAT THIRD PARTY -- NEVER  
19 MIND.

20 THE CLERK: WHAT DOCUMENT AM I LOOKING FOR?

21 THE COURT: SOMETHING THAT WAS FILED YESTERDAY.  
22 APPARENTLY SPECIFIES -- WHAT'S THE HEADING ON IT?

23 MS. MOSS: WOULD YOU LIKE A COPY OF IT, MS. BOLISAY?

24 (DOCUMENT HANDED TO THE CLERK.)

25 MR. NAKASE: IT'S DATED NOVEMBER 12TH, FILED NOVEMBER  
26 12TH, 2014.

1 THE COURT: SOUNDS LIKE YESTERDAY.

2 THE CLERK: BECAUSE, COUNSEL, SO MANY TIMES THAT WE  
3 TOLD YOU TO GIVE US A COURTESY COPY OF ALL TRIAL DOCUMENTS  
4 THAT YOU FILED. WE NEVER --

5 THE COURT: YOU DIDN'T BRING A COURTESY COPY IN?

6 I DON'T THINK THIS IS MS. MOSS'S REQUIREMENT TO  
7 BRING YOUR COURTESY COPY IN FOR YOU.

8 MR. NAKASE: I AM TRYING TO BE AS EXPERIENCED AS I  
9 POSSIBLY CAN. I BROUGHT THE ORIGINAL.

10 THE CLERK: THIS IS 91 PAGES.

11 THE COURT: YOU FILED 91 PAGES?

12 MR. NAKASE: YES, YOUR HONOR. NINETY-ONE PAGES OF  
13 DEPOSITION TRANSCRIPT.

14 THE COURT: YOU BASICALLY FILED THE TRANSCRIPT ALONG  
15 WITH THE --

16 MR. NAKASE: THAT'S CORRECT. WE PULLED THE EXCERPTS  
17 FROM THE TRANSCRIPT AND JUST PUT IT IN THE INDEX SO THAT  
18 THE COURT DOESN'T HAVE TO FLIP THROUGH.

19 THE COURT: MR. BURNS, THAT WAS SOMETHING YOU WERE  
20 AGREEABLE TO MY READING IN THAT FORM?

21 MR. BURNS: YES, YOUR HONOR.

22 THE COURT: OKAY. NOW, I UNDERSTAND.

23 MR. COHAN: WE THANK MS. MOSS HAVING THE FORESIGHT FOR  
24 HAVING A COPY FOR US THAT WE DIDN'T PREPARE.

25 THE COURT: SHE HAD THE FIRST TWO PAGES.

26 MR. BURNS: WE JUST HAVE THE COVER SHEET.

1 THE COURT: YOU DIDN'T WANT TO KILL THOSE TREES.  
2 INSTEAD I GET TO.

3 MR. BURNS: YOUR HONOR, JUST AS SORT OF A SCHEDULING  
4 ISSUE, THIS WHOLE THING STARTED IN SORT OF AN UNUSUAL  
5 FASHION.

6 THE COURT: I'LL SAY.

7 MR. BURNS: BEFORE EVIDENCE IS RECEIVED, DOES THE  
8 PLAINTIFF INTEND TO OPEN?

9 THE COURT: I AM GOING TO AFFORD BOTH SIDES THE  
10 OPPORTUNITY, BUT I HAVE -- I WANT TO HAVE THE PAPER IN  
11 FRONT OF ME SO WE'RE NOT HEARING THE PRINTING PRESS RUNNING  
12 WHILE YOU ALL ARE TALKING.

13 MR. COHAN: IF I MAY ADDRESS A SCHEDULING ISSUE AT  
14 THIS TIME.

15 THE COURT: ISSUES? WE'RE NOT ALLOWED TO HAVE ISSUES  
16 IN THIS DEPARTMENT. WHAT'S UP?

17 MR. COHAN: WELL, YOUR HONOR, I HAVE A HEARING SET FOR  
18 MONDAY MORNING AT 8:30 IN THE U.S. DISTRICT COURT BEFORE  
19 THE HONORABLE DALE FISHER. IT WAS SET, I'M NOT SURE HOW  
20 LONG AGO, BUT SEVERAL WEEKS AGO, IF NOT A COUPLE MONTHS  
21 AGO, HAVING TO DO WITH THE DEPARTMENT OF JUSTICE VIOLATING  
22 A COURT ORDER ISSUED BY JUDGE FISHER, AND I HAVE FILED A  
23 MOTION FOR DISCOVERY IN AID OF AN ORDER TO SHOW CAUSE WHY  
24 THE DEPARTMENT OF JUSTICE SHOULDN'T BE HELD IN CONTEMPT  
25 AND/OR 8 OF 10 FELONY COUNTS SHOULDN'T BE DISMISSED IN THAT  
26 CASE.

1 I RESPECTFULLY REQUEST THE OPPORTUNITY TO APPEAR  
2 THERE PERSONALLY AND THEN COME HERE AS QUICKLY AS I CAN FOR  
3 THIS TRIAL.

4 THE COURT: WELL, WE WERE PLANNING TO RESUME HERE AT  
5 ABOUT TEN O'CLOCK ON MONDAY BECAUSE OF MY TRIAL CALENDAR.  
6 AND I DON'T AT THIS POINT KNOW WHY MR. NAKASE CAN'T CARRY  
7 ON IN YOUR ABSENCE UNTIL YOU DO GET HERE. MR. COHAN, IS  
8 THERE A PROBLEM WITH THAT?

9 MR. COHAN: NOT AS FAR AS I AM CONCERNED, YOUR HONOR.  
10 I WANTED THE COURT'S LEAVE BEFORE I ABSENTED MYSELF FOR ANY  
11 LENGTH OF TIME.

12 THE COURT: WHAT I'M HEARING YOU SUGGEST IS THAT THE  
13 JUSTICE DEPARTMENT IS RATHER LAWLESS.

14 MR. COHAN: THEY DENIED A COURT ORDER, YOUR HONOR.  
15 THAT'S NOT IN DISPUTE ANYMORE. THE EXCUSE IS WHAT WE'RE  
16 GOING TO HEAR NEXT.

17 THE COURT: I WOULD BE INTERESTED TO HEAR WHAT THE  
18 OUTFALL FROM THAT IS.

19 MR. COHAN: I'M VERY EXCITED ABOUT PURSUING THE MATTER  
20 AND BRINGING EVERY BIT OF IT TO YOUR ATTENTION WHEN YOU  
21 WOULD LIKE ME TO, YOUR HONOR.

22 THE COURT: I WISH YOU WELL.

23 MR. COHAN: THANK YOU.

24 THE COURT: I CAN'T SAY THAT I'M REAL HAPPY WITH WHAT  
25 I'VE SEEN OF LATE, CONSIDERABLE PERIOD OF TIME NOW, FROM  
26 THE UNITED STATES DEPARTMENT OF JUSTICE. FORTUNATELY, I'M

1 NOT A FEDERAL JUDGE SO I DON'T HAVE TO BE.

2 MR. COHAN: WE'RE ALL CITIZENS, THOUGH, YOUR HONOR.

3 THE COURT: THAT IS DEFINITELY FOR SURE. SO WE SHOULD  
4 ALL BE ALARMED, THE LACK OF TRANSPARENCY.

5 MR. BURNS: SO WE'RE STARTING AT ABOUT 10:00 ON  
6 MONDAY?

7 THE COURT: I THINK WE'LL CALL IT TEN O'CLOCK ON  
8 MONDAY.

9 OKAY. SO NOW I HAVE IN HAND, MR. NAKASE, AND  
10 PURSUANT TO STIPULATION I WILL GIVE IT A READ, BUT I THINK  
11 WHAT WE'LL DO, WE'LL START WITH OPENING STATEMENT, AND  
12 AFTER OPENING STATEMENT I THINK WE'LL INVITE YOU ALL BACK  
13 HERE AT 1:45 TO PRESS ON. AND I DON'T KNOW IF I'LL HAVE  
14 THE OPPORTUNITY. I HAVE A LUNCHTIME MEETING. I DON'T KNOW  
15 IF I'LL HAVE AN OPPORTUNITY TO FINISH READING THE  
16 TRANSCRIPT BY THE TIME WE RESUME, BUT SEE WHERE WE ARE  
17 AFTER OPENING STATEMENT.

18 MR. NAKASE: THANK YOU, YOUR HONOR. MAY I START, YOUR  
19 HONOR?

20 THE COURT: WILL YOU PLEASE.

21 MR. NAKASE: THIS CASE IS ABOUT KEEP AWAY. IT'S A  
22 REAL LIFE GAME OF ADULTS WHO STOLE MILLIONS OF DOLLARS AND  
23 KEEPING IT AWAY FROM PLAINTIFF, ATIA COMPANY, L.P. THERE  
24 ARE THREE TRIGGER DATES IN THIS CASE THAT LED TO US HERE  
25 TODAY.

26 THE FIRST TRIGGER DATE IS IN MAY -- SORRY,

1       FEBRUARY 2ND OF 2012.   DARWIN TING, A JUDGMENT DEBTOR OF  
2       OVER NINE MILLION DOLLARS, HE WAS SUED, AND WITHIN A  
3       MONTH --

4             THE COURT:   HE WAS SUED ON THAT DATE?

5             MR. NAKASE:   I'M SORRY?

6             THE COURT:   HE WAS SUED ON MARCH 2?

7             MR. NAKASE:   FEBRUARY 2ND.

8                     WITHIN A MONTH HE TRANSFERRED OVER A MILLION  
9       DOLLARS TO HIS DAUGHTER, SO SHE CAN BUY INVESTMENT REAL  
10      ESTATE IN PASADENA.   AT THE SAME TIME, HE TRANSFERRED TWO  
11      AND A HALF MILLION DOLLARS TO THIRD PARTIES FOR HIS  
12      DAUGHTER'S BENEFIT TO PAY FOR INVESTMENT PROPERTIES IN  
13      PASADENA.

14                    THE SECOND TRIGGER DATE OF KEEP AWAY IS IN JULY  
15      8TH, 2013, WHICH PLAINTIFF BRINGS THIS CASE, THIS INSTANT  
16      CASE BEFORE THE COURT, AGAINST DEFENDANT PATRICIA TING, HER  
17      HUSBAND, MICHAEL LEE, AND THEIR BUSINESS, DIVINE CREATIONS,  
18      LLC.

19                    WITHIN A MONTH OF BEING SUED, SHE SOLD MILLIONS  
20      OF DOLLARS OF REAL ESTATE IN PASADENA, WHICH SHE ACQUIRED  
21      EARLIER FROM THE STOLEN MONEY THAT HER FATHER GAVE HER.

22                    AS SOON AS SHE SOLD ALL THOSE REAL ESTATE, THE  
23      PROCEEDS, SHE TRANSFERRED BACK TO HER FATHER AND TO ASIA.  
24      HER FATHER NOW HAS FLED THE COUNTRY AND IS NOW LIVING  
25      SOMEWHERE IN TAIWAN.   SHE DOESN'T KNOW WHERE HE'S LIVING,  
26      WHERE HER PARENTS ARE LIVING, NO PHONE NUMBER, NO ADDRESS.

1 THAT'S WHAT SHE'S GOING TO TESTIFY TO.

2 THE THIRD TRIGGER DATE IS MARCH, MARCH OF 2014,  
3 THE TRIAL AGAINST THE PARENTS, DARWIN TING AND KUEI-MEI  
4 TING, FINISHED IN THIS COURTHOUSE BEFORE THE HONORABLE  
5 DERRICK HUNT, WITH COURT-DESIGNATED EXPERT ROBERT MOSIER  
6 AND CRAIG COLLINS THROUGH THOUSANDS, 30,000 PAGES OF  
7 DOCUMENTS AND BANK RECORDS.

8 THE COURT ENTERED JUDGMENT FOR 6.2 MILLION  
9 DOLLARS, AFTER PRE-JUDGMENT INTEREST, A LITTLE BIT OVER  
10 NINE MILLION DOLLARS.

11 THE THIRD TRIGGER DATE, RIGHT AFTER THAT  
12 DEFENDANTS SOLD THEIR HOME IN MANHATTAN BEACH WORTH OVER A  
13 MILLION DOLLARS, APPROXIMATELY 1.4 MILLION DOLLARS, WITHOUT  
14 LISTING THE PROPERTY. TOOK THE PROCEEDS, TRANSFERRED TO  
15 HER FATHER AND ALSO AGAIN IN ASIA. THAT'S JUST AN  
16 OVERVIEW.

17 JUST REALLY QUICKLY ABOUT THE CAST OF CHARACTERS.  
18 ATIA COMPANY, L.P., IS A LIMITED PARTNERSHIP WHO NORMALLY  
19 OWNS REAL ESTATE IN SOUTHERN CALIFORNIA SHOPPING MALLS.  
20 THE LIMITED PARTNERS ARE FAMILY MEMBERS, BROTHERS AND  
21 SISTERS. MERI NISHIUCHI SITTING BACK THERE WITH HER  
22 GLASSES IS A LIMITED PARTNER. HER BROTHERS AND SISTERS ARE  
23 MOSTLY IN TAIWAN AND JAPAN.

24 HER SISTER, KUEI-MEI TING, WAS THE DEFENDANT IN  
25 THE FIRST CASE AND HER HUSBAND, DARWIN TING. DARWIN TING  
26 AND KUEI-MEI TING ARE HUSBAND AND WIFE WHO ARE THE GENERAL

1 PARTNERS OF ATIA COMPANY. BY THEIR ROLE, THEY ALSO --  
2 DARWIN TING AND KUEI-MEI TING ALSO MANAGES THE SUBSIDIARY,  
3 IN THIS CASE, U.N.T. ATIA, II, L.P. FOR THE PURPOSE OF  
4 THIS TRIAL WE'LL REFER TO IT AS U.N.T. II.

5 THE OTHER CAST OF CHARACTERS ARE PATRICIA TING  
6 AND HER HUSBAND, MICHAEL LEE, WHO GRADUATED FROM IVY  
7 LEAGUES, HARVARD AND SMITH COLLEGE, IN THE EAST COAST.  
8 MEDICAL DEGREE. MR. LEE HAS A MEDICAL DEGREE. HE ALSO  
9 WENT TO N.Y.U. HE'S NOW IS A MEDICAL DOCTOR THAT'S NOW  
10 PRACTICING. THEY OWN AND OPERATE A FAMILY BUSINESS CALLED  
11 EAT CAKE. IT'S A DBA OF DIVINE CREATIONS, LLC. IT'S A  
12 BAKERY LOCATED AT THE CANYON POINT MARKETPLACE, FORMERLY  
13 OWNED BY PLAINTIFF, ATIA COMPANY, L.P.

14 THE LAST TWO CAST OF CHARACTERS ARE ANDY YONG  
15 ZHANG AND QING LIANG, Q-I-N-G, L-I-A-N-G. THEY ARE HUSBAND  
16 AND WIFE. "THEY" MEANING QING LIANG AND YONG ZHANG ARE THE  
17 MEMBERS AND MANAGERS OF A COMPANY CALLED CHANG CHIH  
18 INTERNATIONAL INVESTMENT, LLC, SPELLED, C-H-A-N-G, C-H-I-H.  
19 THEY, ANDY ZHANG AND QING LIANG, BUY AND SELL REAL ESTATE.  
20 THEY WERE THE ONE THAT ENTERED INTO A CONTRACT TO BUY THE  
21 REAL ESTATE IN SAN GABRIEL VALLEY KNOWN AS CANYON POINT  
22 MARKETPLACE. THOSE ARE THE CAST OF CHARACTERS.

23 WHAT BRINGS US HERE TODAY, REALLY QUICKLY, THREE  
24 MINUTES OR LESS, IN 2010, THE TINGS, DARWIN TING AND  
25 KUEI-MEI TING, AND THE DAUGHTER, PATRICIA TING, AND MICHAEL  
26 LEE, OPEN UP A BAKERY AT THE CANYON POINT MARKETPLACE, SIGN



1 A LEASE AND EVERYTHING, WITH THE UNDERSTANDING THAT WHAT --  
2 WITH THE UNDERSTANDING THAT THEY, THE CHILDREN, NEVER HAVE  
3 TO PAY RENT, PATRICIA TING AND MICHAEL LEE, ALTHOUGH THE  
4 LEASE SAYS \$4,300 PER MONTH.

5 ALTHOUGH THE -- PATRICIA TING AND MICHAEL LEE  
6 WERE SUPPOSED TO DO TENANT IMPROVEMENTS, DARWIN TING USES  
7 MONEY THAT LIMITED PARTNERSHIP HAVE OWNERSHIP INTEREST TO  
8 OF APPROXIMATELY \$460,000 TO DO TENANT IMPROVEMENTS:  
9 EQUIPMENT, FIXTURES, AND THAT WILL ALSO BE IN EVIDENCE, THE  
10 LEDGER.

11 MR. TING ALSO TRANSFER \$200,000 TO DIVINE  
12 CREATIONS FROM HIS OWN CHECKING ACCOUNT, MONEY WHICH WAS  
13 STOLEN FROM ATIA COMPANY.

14 NOW, IN AUGUST, AROUND AUGUST 15TH, 2011, DARWIN  
15 TING TRANSFERRED APPROXIMATELY ANOTHER \$450,000 TO  
16 DEFENDANTS' JOINT BANK ACCOUNT AT CITIBANK. THAT MONEY WAS  
17 USED TO PAY DOWN DEFENDANTS' MORTGAGE IN MANHATTAN BEACH.

18 THE THIRD SETS OF TRANSFER WERE IN MARCH OF 2012. THE  
19 COURT WILL SEE EVIDENCE IN THAT MONTH IN EXHIBIT 422 DARWIN  
20 TING'S COMPENDIUM THAT HE DRAFTED WILL SHOW OVER TWO AND A  
21 HALF TO THREE MILLION DOLLARS DIRECTLY FROM PLAINTIFF'S  
22 BANK ACCOUNTS OVER TO HIS BANK ACCOUNTS AND THEN FROM  
23 DARWIN TING'S BANK ACCOUNT TO PATRICIA TING'S AND MICHAEL  
24 LEE'S BANK ACCOUNT INTO THIRD PARTIES: ANDY YONG ZHANG,  
25 CHANG CHIH INTERNATIONAL, AND ANOTHER INDIVIDUAL BY -- YONG  
26 FEN LI.

1 AS SOON AS YONG FEN LI RECEIVED ONE AND A HALF  
2 MILLION DOLLARS FROM DARWIN TING, DAYS AFTER, TRANSFERRED  
3 IT OVER TO ANDY ZHANG AND QING LIANG. YONG FEN LI, ANDY  
4 ZHANG, CHANG CHIH INTERNATIONAL ARE ALL BASED IN THE SAME  
5 OFFICE IN DIAMOND BAR, GOLDEN SPRING BOULEVARD.

6 AT THE END OF THIS TRIAL, PLAINTIFF IS GOING TO  
7 ASK THE COURT TO RETURN A VERDICT AGAINST THE DEFENDANT FOR  
8 4.6 MILLION DOLLARS, WHICH IS A TOTAL OF THE AMOUNT OF  
9 MONEY THAT THEY RECEIVED FROM THE JUDGMENT DEBTORS. THANK  
10 YOU, YOUR HONOR.

11 THE COURT: THANK YOU.

12 MR. BURNS, YOU'RE STANDING UP SO YOU'RE GOING TO  
13 GO NOW.

14 MR. BURNS: YES.

15 THE COURT: THAT'S GREAT. GO AHEAD.

16 MR. BURNS: MAY IT PLEASE THE COURT, AS THEY SAY,  
17 WE'RE GOOD.

18 THE COURT: GOOD TO GO. SOME LAWYERS LIKE TO RESERVE,  
19 PARTICULARLY IN COURT TRIALS. WHENEVER YOU WANT TO INSERT  
20 YOUR OPENING IS FINE.

21 MR. BURNS: THANK YOU, YOUR HONOR.

22 MY CLIENTS ARE -- PATRICIA TING IS THE DAUGHTER  
23 OF MR. AND MRS. TING, THE MANAGING PARTNERS OF ATIA. AS  
24 COUNSEL INDICATED, IT'S A FAMILY-OWNED BUSINESS, DEVELOPED  
25 SHOPPING CENTERS THROUGHOUT SOUTHERN CALIFORNIA IN THE  
26 1970'S UP UNTIL ABOUT 2012.

1 THE COMPANY WAS FORMED, IT RECEIVED CAPITAL FROM  
2 THE GRANDFATHER, IF YOU WILL, THE PATRIARCH, WHO WAS THE  
3 ONLY PERSON WHO PUT INVESTMENT MONEY INTO THE COMPANY. AND  
4 MR. TING, DARWIN TING, AND HIS WIFE ARE THE ONLY ONES WHO  
5 PERFORMED SERVICES FOR THE COMPANY FOR 30 YEARS. THEY  
6 BOUGHT, SOLD, AND MANAGED SHOPPING CENTERS ALL OVER  
7 SOUTHERN CALIFORNIA. SOME OF MRS. TING'S SIBLINGS WERE  
8 GIFTED LIMITED PARTNERSHIP INTERESTS IN THE COMPANY BUT  
9 NEVER INVESTED ANYTHING AND NEVER WORKED IN THE COMPANY.  
10 ALL OF THEM RECEIVED SIGNIFICANT DISTRIBUTIONS FROM  
11 MR. TING'S EFFORTS.

12 THE COURT: WHEN YOU SAY "GIFTED," GIFTED FROM OR BY  
13 WHO?

14 MR. BURNS: WHEN MR. TING AND THE FATHER FORMED THE  
15 COMPANY, THEY SIMPLY MADE THE SIBLINGS LIMITED PARTNERS IN  
16 THE LIMITED PARTNERSHIP, BUT NO ONE PAID FOR THE LIMITED  
17 PARTNERSHIP INTEREST. THEY WERE GIFTED THE INTERESTS. ALL  
18 OF THIS IS UNDISPUTED.

19 MR. TING'S DECLARATIONS IN THE UNDERLYING CASE,  
20 INCLUDING EXHIBIT 425, AT PARAGRAPHS 2 THROUGH 5, AND  
21 EXHIBIT 428, AT PARAGRAPHS 3 THROUGH 5, PROVIDE ALL THE  
22 FOUNDATIONAL INFORMATION ABOUT THE COMPANY, AND IT IS NOT  
23 DISPUTED.

24 MRS. TING'S FATHER PASSED AWAY IN 2009. IN 2011  
25 THE COMPANY WENT UNDER CONTRACT TO SELL ITS LAST SHOPPING  
26 CENTER CALLED CANYON POINT. IT WAS SOLD TO A COMMERCIAL

1 DEVELOPER, A GENTLEMAN NAMED ANDY ZHANG, WHO OWNS SHOPPING  
2 CENTERS IN SOUTHERN CALIFORNIA.

3 HE PAID OVER A PERIOD OF TIME, AND THE LAST  
4 PAYMENT WAS RECEIVED IN EARLY OF 2012. MILLIONS OF DOLLARS  
5 OF PROFITS WERE DISTRIBUTED TO ALL THE PARTNERS. THAT  
6 INCLUDES MRS. NISHIUCHI RECEIVED ABOUT \$700,000 FOR HER 7  
7 PERCENT, I BELIEVE, INTEREST IN THE COMPANY. THAT'S  
8 EXHIBIT 210.

9 AND MR. AND MRS. TING, WHO OWN A COMBINED, I WANT  
10 TO SAY, 17 PERCENT AT THAT POINT, GOT OVER A MILLION AND A  
11 HALF DOLLARS IN PARTNERSHIP PROFITS OUT OF THE SALE OF THE  
12 LAST SHOPPING CENTER. THAT'S EXHIBIT 422, PAGE 75.  
13 MR. TING WAS ALREADY A MULTI-MILLIONAIRE. HE HAD AS OF  
14 APRIL OF 2010, CERTIFIED HIS NET WORTH TO BE OVER SIX  
15 MILLION DOLLARS. THAT IS EXHIBIT 4, WHICH ALSO WILL BE  
16 RECEIVED BY STIPULATION, AND THERE WILL BE NO CONTRARY  
17 TESTIMONY.

18 DARWIN TING WAS A RICH MAN, HAD BEEN DEVELOPING  
19 COMMERCIAL REAL ESTATE IN SOUTHERN CALIFORNIA FOR 30 YEARS  
20 FOR THE BENEFIT OF HIS ENTIRE EXTENDED FAMILY AND HAD  
21 DISTRIBUTED SUBSTANTIAL PROFITS TO ALL OF THEM.

22 AT THIS POINT IN TIME NOW THAT THE LAST SHOPPING  
23 CENTER WAS SOLD AND FATHER HAD DIED, THERE WAS NO MORE  
24 PROPERTIES IN THE PARTNERSHIP, AND MR. TING RETIRED.  
25 SEVENTY-FIVE YEARS OLD. HE WAS DONE.

26 MRS. NISHIUCHI FILED SUIT IN 2012 AGAINST

1 MR. TING. HE STAYED IN THE UNITED STATES TO FINISH THE  
2 TRIAL. ONCE THE TRIAL WAS FINISHED, HE DID WHAT HE  
3 INTENDED TO DO ALL ALONG, WHICH WAS RETIRE TO TAIWAN WHERE  
4 THE REST OF HIS FAMILY LIVES.

5 MY CLIENTS IN THIS CASE ARE PATRICIA TING AND HER  
6 HUSBAND, MICHAEL LEE. THEY, AS COUNSEL INDICATED, ARE NOT  
7 BAKERS. THEY ARE NOT SMALL BUSINESS PEOPLE WHO WERE  
8 LOOKING FOR AN OPPORTUNITY. THE TESTIMONY WILL BE  
9 UNDISPUTED THAT MR. TING, WHO WAS MANAGING THE CANYON POINT  
10 SHOPPING CENTER, AT THIS POINT IN TIME NEEDED A FULLY  
11 LEASED PROPERTY IN ORDER TO GET IT REFINANCED AND  
12 ULTIMATELY SOLD, A SALE THAT NETTED MILLIONS OF DOLLARS IN  
13 PROFITS TO ALL THE PARTNERS.

14 HE APPROACHED THEM AND ASKED THEM, WOULD YOU SET  
15 UP AND OPERATE THIS BAKERY. THE PARTNERSHIP WILL FUND IT.  
16 AND THAT'S WHY THEY DID IT. THEY WEREN'T LOOKING TO GET  
17 INTO THE BAKERY BUSINESS. THEY NEVER MADE ANY MONEY OFF  
18 THE BAKERY BUSINESS.

19 IF MR. TING MADE AN IMPROVIDENT BUSINESS DECISION  
20 IN DECIDING TO SPEND TOO MUCH TO DEVELOP THE BAKERY, WELL  
21 SOBEIT. THIS IS NOT A BUSINESS JUDGMENT RULE TRIAL AGAINST  
22 MR. TING. THIS IS A CLAIM THAT THERE WAS A FRAUDULENT  
23 TRANSFER AND OTHER TORTS TO THE CHILDREN, BUT AGAIN THE  
24 TESTIMONY WILL BE UNDISPUTED THAT FOR WHATEVER -- WHETHER  
25 THIS WAS A GOOD IDEA OR A BAD IDEA, MR. TING APPROACHED  
26 THEM IN ORDER TO TRY TO SHOW A FULLY LEASED PROPERTY AND

1       SELL IT TO MR. ZHANG, WHO I UNDERSTAND WILL BE HERE THIS  
2       AFTERNOON TO TESTIFY.

3               MR. ZHANG THEN WAS THEIR LANDLORD WHEN HE TOOK  
4       OVER. HE'S A COMMERCIAL DEVELOPER. HE ASKED THEM IF THEY  
5       WOULD BE INTERESTED IN BUYING SOME COMMERCIAL PROPERTIES,  
6       SOME CONDOS TO RENT. MR. TING AGREED TO FUND IT. THIS WAS  
7       ESSENTIALLY HIS DAUGHTER'S INHERITANCE. HE HAD JUST GOTTEN  
8       MILLIONS OF DOLLARS FROM THE CANYON POINT SALE.

9               HE WAS RICH ALREADY, AND HE AGREED, JUST AS HE  
10      AGREED TO PUT HER THROUGH SCHOOL, TO PUT HER OTHER DAUGHTER  
11      THROUGH SCHOOL, TO SET UP HER OTHER DAUGHTER'S HUSBAND'S  
12      MEDICAL PRACTICE. HE GAVE HIS DAUGHTER A SUBSTANTIAL GIFT.  
13      HE DID. HE WAS 75 YEARS OLD, A CANCER SURVIVOR. HE WANTED  
14      TO GIVE HIS DAUGHTER HER INHERITANCE WHILE HE WAS STILL  
15      ALIVE. THAT TESTIMONY WILL NOT BE CONTRADICTED.

16              MRS. NISHIUCHI DID SUE MR. TING IN FEBRUARY 2012  
17      AND ULTIMATELY TWO YEARS LATER A SUBSTANTIAL JUDGMENT WAS  
18      ENTERED AGAINST MR. TING. IT IS ON APPEAL PRESENTLY, AND  
19      OUR TRIAL BRIEF AND OUR FIRST MOTION IN LIMINE DISCUSS THE  
20      LIMITED LEGAL EFFECT IN THIS CASE OF A JUDGMENT ON APPEAL  
21      AGAINST PARTIES OTHER THAN MY CLIENTS.

22              THE BALANCE OF MY OPENING STATEMENT WILL BE  
23      DIRECTED AT THE PARTICULAR CAUSES OF ACTION THAT ARE  
24      PLEADED AGAINST MY CLIENTS. AND I WOULD REFER THE COURT,  
25      IF THE COURT HAS NOT HAD THE OPPORTUNITY, TO REVIEW MY  
26      TRIAL BRIEF IN THIS REGARD BECAUSE THIS WILL BASICALLY FLOW

1 THE SAME WAY.

2 THE FIRST CAUSE OF ACTION IS AIDING AND ABETTING  
3 A BREACH OF DUTY. FOR THAT CLAIM TO SUCCEED, THE PLAINTIFF  
4 MUST PRESENT EVIDENCE THAT NOT ONLY DID MY CLIENTS HAVE  
5 KNOWLEDGE THAT MR. TING WAS BREACHING HIS FIDUCIARY DUTY,  
6 RATHER THE PLAINTIFF MUST SHOW THAT MY CLIENTS HAD THE  
7 SPECIFIC INTENT TO FACILITATE CONDUCT WHICH THEY KNEW WAS  
8 WRONGFUL, AND THAT THEY PROVIDED, QUOTE, SUBSTANTIAL  
9 ASSISTANCE OR ENCOURAGEMENT.

10 MY TRIAL BRIEF CITES A FAIRLY RECENT CASE CALLED  
11 SCHULTZ, OUT OF THIS DISTRICT, THAT IS EXACTLY ON THE  
12 POINT.

13 THERE WILL BE NO EVIDENCE PRESENTED THAT MY  
14 CLIENTS AT ANY TIME IN 2010 TO 2012 UNDERTOOK ANY ACTIONS  
15 WHATSOEVER WITH A SPECIFIC INTENT TO ACT IN FURTHERANCE OF  
16 MR. TING'S ALLEGED WRONGFUL CONDUCT. THE TESTIMONY WILL BE  
17 THAT UNTIL THEY HAD THEIR DEPOSITIONS TAKEN IN THE  
18 UNDERLYING CASE, THEY DIDN'T EVEN KNOW MUCH OR ANYTHING  
19 ABOUT THE LAWSUIT, OTHER THAN MRS. TING'S SISTER HAD SUED  
20 MRS. TING AND HER HUSBAND.

21 EVEN IF THEY DID KNOW ABOUT THE LAWSUIT, THE  
22 RECORD IN THE UNDERLYING CASE, WHICH I WILL ASK THE COURT  
23 TO TAKE JUDICIAL NOTICE OF, WAS THAT THIS WAS HARDLY A SLAM  
24 DUNK CASE. AS OF 2012, WHEN THE LAST SUBSTANTIAL TRANSFERS  
25 WERE MADE, MR. NISHIUCHI HAD SUED HER ACCOUNTANT, THE  
26 COMPANY'S ACCOUNTANT, MR. YANG. HE WON ON DEMURRER. NOT

1 ON SUMMARY JUDGMENT, HE WON ON DEMURRER IN DECEMBER OF  
2 2012.

3 SHE SUED HER BROTHER, CHIEN MIN SHEIH, WHO WON ON  
4 DEMURRER. SHE SUED U.N.T. ATIA CO. II, A LIMITED  
5 PARTNERSHIP THAT WON ON DEMURRER. THIS WAS A HARD FOUGHT  
6 CASE. I WOULD ASK THE COURT TO TAKE JUDICIAL NOTICE OF THE  
7 PLAINTIFF'S ATTORNEY FEE APPLICATION, INDICATING THAT THEY  
8 SPENT OVER 4,000 HOURS LITIGATING THIS CASE. IT WENT ON  
9 FOR TWO YEARS, AND SIMPLY BECAUSE THEY WON THE UNDERLYING  
10 CASE IS NOT EVIDENCE THAT MY CLIENTS IN THIS CASE PROVIDED  
11 SUBSTANTIAL ASSISTANCE OR ENCOURAGEMENT TO MR. TING.

12 MY TRIAL BRIEF INDICATED AN INTENT TO MOVE FOR  
13 **NONSUIT** IF THE PLAINTIFF DID NOT CITE EVIDENCE IN OPENING  
14 THAT THEY WOULD PROVE THAT MY CLIENTS PROVIDED SUBSTANTIAL  
15 ASSISTANCE OR ENCOURAGEMENT TO MR. TING. ALL THAT WAS  
16 PROFFERED IN OPENING IS THAT MY CLIENTS WERE PAID MONEY.  
17 THE DEFENSE THEREFORE MOVES FOR NONSUIT AT THE CLOSE OF MY  
18 OPENING STATEMENT ON THE FIRST CAUSE OF ACTION FOR AIDING  
19 AND ABETTING A BREACH OF DUTY.

20 THE SECOND CAUSE OF ACTION IS FOR CONVERSION.  
21 THERE WILL BE NO EVIDENCE PRESENTED AND NO EVIDENCE WAS  
22 PROFFERED IN OPENING THAT MY CLIENTS RECEIVED ANYTHING  
23 OTHER THAN DISCRETE DISTRIBUTIONS OF CASH. CASH CANNOT BE  
24 THE SUBJECT OF A CAUSE OF ACTION FOR CONVERSION. I CITE  
25 THE COURT TO AUTHORITIES IN MY TRIAL BRIEF. THERE WAS NO  
26 PROFFER IN THE OPENING STATEMENT THAT MY CLIENTS RECEIVED



1 ANYTHING OTHER THAN DISTRIBUTIONS OF MONEY. THE DEFENSE  
2 THEREFORE AT THE CLOSE OF THIS OPENING STATEMENT MOVES FOR  
3 A NONSUIT ON THE CAUSE OF ACTION FOR CONVERSION.

4 THE THIRD CAUSE OF ACTION IS FOR FRAUDULENT  
5 TRANSFER. PLAINTIFF WILL NOT BE ABLE TO PRESENT EVIDENCE  
6 IN THIS CASE THAT THESE TRANSFERS WERE FRAUDULENT. THE  
7 TRANSFERS HAVING TO DO WITH THE EAT CAKE BAKERY WERE AT  
8 MOST IMPROVIDENT BUSINESS DECISIONS IN THE ORDINARY COURSE  
9 OF BUSINESS BY MR. TING IN FURTHERANCE OF HIS SUCCESSFUL  
10 EFFORTS TO REFINANCE THE PROPERTY AND ULTIMATELY SELL IT  
11 FOR MILLIONS OF DOLLARS OF PROFITS.

12 SECOND, THERE WILL BE NO EVIDENCE PRESENTED IN  
13 THIS CASE THAT THE TRANSFERS BY MR. TING RENDERED HIM  
14 INSOLVENT, NOR DID PLAINTIFF PROFFER THAT IN THE OPENING  
15 STATEMENT. TO THE CONTRARY, THE UNDISPUTED EVIDENCE WAS --  
16 IS THAT AS OF APRIL OF 2010, MR. TING HAD A NET WORTH OF  
17 OVER SIX MILLION DOLLARS, AND HE RECEIVED ALMOST AN  
18 ADDITIONAL TWO MILLIONS AT THE END OF 2011. ALL OF THAT IS  
19 IN THE RECORDS THAT WE HAVE STIPULATED MAY BE RECEIVED  
20 WITHOUT OBJECTION.

21 THERE WILL BE NO EVIDENCE THAT THE TRANSFERS WERE  
22 CONCEALED. QUITE TO THE OPPOSITE. ALL OF THE CHECKS  
23 PAYABLE TO MY CLIENTS WERE STRAIGHT OUT OF MR. TING'S BANK  
24 ACCOUNTS. THE BUSINESS TRANSACTIONS THAT THEY DID WITH  
25 THEIR LANDLORD, ANDY TING, WERE ON PUBLICLY RECORDED DEEDS  
26 ON COMMERCIAL PROPERTY IN PASADENA.

1           THERE WILL BE NO EVIDENCE THAT MR. TING  
2       ABSCONDED, ANOTHER ONE OF THE CLASSIC BADGES OF FRAUD.  
3       MR. TING DID NOT ABSCOND AS IN, SAY, A TRUSTEE OR AN  
4       ATTORNEY WHO STEALS THE CLIENT'S TRUST ACCOUNT AND LEAVES.  
5       HE HAS SIMPLY MOVED TO TAIWAN. THERE IS NO EVIDENCE  
6       PROFFERED IN OPENING, NOR WILL THERE BE ANY EVIDENCE  
7       PRESENTED, THAT MR. TING TOOK ANYTHING WITH HIM WHEN HE  
8       WENT TO TAIWAN. HE JUST WENT BACK. PEOPLE ARE ALLOWED TO  
9       DO THAT.

10           I DO BELIEVE THAT THEY WILL BE ABLE TO PRESENT A  
11       PRIMA FACIE CASE THAT THE COURT WILL HAVE TO CONSIDER ON  
12       FRAUDULENT TRANSFER. WE WILL NOT MOVE FOR NONSUIT ON THAT.

13           THE FOURTH CAUSE OF ACTION IS FOR RECEIVING  
14       STOLEN PROPERTY. THIS IS THE ONE THAT IS JUST OVER THE  
15       TOP. IT IS IN THERE TO INTIMIDATE THE DEFENSE. IT  
16       REQUIRES TESTIMONY THAT MY CLIENTS HAD AN ACTUAL SUBJECTIVE  
17       KNOWLEDGE THAT MR. TING HAD STOLEN MONEY FROM ATIA, AND HE  
18       DID NOT OWN IT.

19           THERE WAS NO EVIDENCE PROFFERED IN THE OPENING  
20       STATEMENTS, NOR WOULD THERE BE ANY EVIDENCE PRESENTED, THAT  
21       MY CLIENTS HAD ACTUAL SUBJECTIVE KNOWLEDGE THAT MR. TING  
22       STOLE MONEY FROM ATIA, AND IT IS NOT TO SAY WE CONCEDE HE  
23       STOLE ANY MONEY, BUT I DON'T EVEN NEED TO PROVE THAT. I  
24       JUST NEED TO PROVE A LACK OF EVIDENCE -- OR RATHER  
25       PLAINTIFF HAS TO PROVE EVIDENCE THAT NOT ONLY DID MR. TING  
26       STEAL MONEY, WHICH HE GAVE THEM FROM HIS OWN BANK ACCOUNT,

1 BUT THAT THEY HAD ACTUAL SUBJECTIVE KNOWLEDGE. THE  
2 STANDARD IS NOT KNOWN OR SHOULD HAVE KNOWN. IT IS A PENAL  
3 CODE STATUTE.

4 IN MY TRIAL BRIEF I ANNOUNCE THE INTENTION TO  
5 MOVE FOR NONSUIT ON THAT ACTION AS WELL, UNLESS PLAINTIFF  
6 MADE A PROFFER IN OPENING STATEMENT THAT IT COULD PROVIDE  
7 EVIDENCE THAT MY CLIENTS HAD THE ACTUAL SUBJECTIVE  
8 KNOWLEDGE THAT MR. TING GAVE THEM MONEY WHICH HE HAD STOLEN  
9 FROM ATIA. THERE WAS NO SUCH PROFFER MADE.

10 I MADE IT VERY CLEAR IN MY TRIAL BRIEF WHAT I WAS  
11 DOING, AND I SERVED THE TRIAL BRIEF WELL IN ADVANCE. MY  
12 CLIENTS, THEREFORE, MOVE FOR NONSUIT AT THIS TIME ON THE  
13 FIRST CAUSE OF ACTION FOR AIDING AND ABETTING A BREACH OF  
14 DUTY, THE SECOND CAUSE OF ACTION FOR CONVERSION, AND THE  
15 FOURTH CAUSE OF ACTION FOR RECEIVING STOLEN PROPERTY.  
16 THANK YOU, YOUR HONOR.

17 THE COURT: THANK YOU, MR. BURNS.

18 MR. NAKASE.

19 MR. NAKASE: YES, YOUR HONOR.

20 THE COURT: I THINK YOUR OPENING STATEMENT IS SOMEWHAT  
21 LIGHT WITH RESPECT TO THE THREE CAUSES OF ACTION THAT  
22 MR. BURNS IS ASKING NONSUIT. AT THIS POINT I AM GOING TO  
23 ASK FOR AN OFFER OF PROOF WITH RESPECT TO EACH OF THOSE  
24 CAUSES OF ACTION SO AS TO MAKE, SHALL WE SAY, A MORE  
25 INFORMED DECISION ON MR. BURNS'S MOTION.

26 MR. NAKASE: MAY I HAVE A MINUTE, PLEASE?

1 THE COURT: SURE.

2 SEE YOU BACK IN FIVE.

3 MR. BURNS: THANK YOU, YOUR HONOR.

4 (RECESS TAKEN.)

5 THE COURT: MR. NAKASE.

6 MR. NAKASE: YES, YOUR HONOR.

7 I WOULD LIKE TO INVITE THE COURT'S ATTENTION TO  
8 THE CAUSE OF ACTION FOR CONVERSION, THAT MONEY CAN BE  
9 CONVERTED, AND I WOULD LIKE TO CITE TO THE COURT THAT --  
10 HAIGLER VERSUS DONNELLY, H-A-I-G-L-E-R, VERSUS DONNELLY, 18  
11 CAL.2D 674 AT 681. ONLY A SPECIFIC SUM OF MONEY CAPABLE OF  
12 IDENTIFICATION MAY BE SUBJECT --

13 THE COURT: SLOW DOWN.

14 MR. NAKASE: RECITE, YOUR HONOR?

15 THE COURT: I HAVE THE CITE, BUT YOU'RE READING SO  
16 FAST, THE REPORTER CANNOT POSSIBLY KEEP UP WITH YOU.

17 MR. COHAN: SPARKS ARE FLYING.

18 MR. NAKASE: ONLY A SPECIFIC SUM OF MONEY CAPABLE OF  
19 IDENTIFICATION MAY BE THE SUBJECT OF CONVERSION BUT  
20 EARMARKING IS NOT NECESSARY. ALSO SEE WITKIN AT SECTION  
21 703. THERE'S A THREE-PART TEST TO DETERMINE WHETHER A  
22 PROPERTY RIGHT CAPABLE OF BEING CONVERTED EXISTS, CITING TO  
23 KREMEN, K-R-E-M-E-N. THE CITE IS 337 F.3D AT 1030.  
24 QUOTING G.S. RASMUSSEN AND ASSOCIATES, INC., VERSUS KALITTA  
25 FLYING SERVICES, INC., APPLYING CALIFORNIA LAW, THE  
26 THREE-PART TEST IS FIRST THERE MUST BE AN INTEREST CAPABLE

1 OF PRECISE DEFINITION. SECOND, IT MUST BE CAPABLE OF  
2 EXCLUSIVE POSSESSION OR CONTROL. AND, THIRD, THE PUTATIVE  
3 OWNER MUST HAVE AN ESTABLISHED CLAIM TO EXCLUSIVITY.

4 THERE'S NO QUESTION HERE THAT DARWIN TING HAS  
5 TAKEN MONEY, SPECIFICALLY THE EXACT AMOUNT OF LIMITED  
6 PARTNERSHIP MONEY OF APPROXIMATELY OVER \$400,000.

7 THE COURT: THAT WORD "APPROXIMATELY" THAT GETS A  
8 LITTLE SCARY HERE.

9 MR. NAKASE: WE HAVE CHECK IMAGES IN THE LEDGER. IT'S  
10 PRECISE. YOU JUST ADD IT UP. THAT IS AT EXHIBIT, WHICH  
11 HAS BEEN STIPULATED INTO EVIDENCE, EXHIBIT 53. EXHIBIT 53  
12 IS A LEDGER OF EVERY DATE, THE PAYEE, AND HOW MUCH WAS  
13 BEING PAID. THE COURT CAN ADD THAT ALL UP. AND EXHIBIT 54  
14 ARE U.N.T. II'S CHECKS TO DIVINE CREATIONS, LLC, WHICH  
15 DARWIN TING IS A MANAGER AND MEMBER AND SO ARE THE  
16 DEFENDANTS.

17 ADD THOSE UP, ADD THE CHECK THAT WENT TO PATRICIA  
18 TING IN AUGUST OF 2012, THAT MONEY CAN BE TRACED DIRECTLY  
19 BACK TO LIMITED PARTNERSHIP ASSET AT EXHIBIT 422. AND THE  
20 AMOUNT THAT DEFENDANT RECEIVED DIRECTLY AND INDIRECTLY IS  
21 EXACTLY 2.5 MILLION DOLLARS; ONE MILLION DOLLARS DIRECTLY  
22 TO THEM, AND ONE AND A HALF MILLION DOLLARS TO THE CHANG  
23 CHIH INTERNATIONAL. THOSE NUMBERS ARE ALL PRECISE  
24 ARITHMETIC. THERE'S NO QUESTION AS TO WHAT THE AMOUNT IS.  
25 IT'S JUST ADDING IT UP.

26 THE COURT: OKAY. WE'LL SEE YOU BACK AFTER LUNCH AT

1 1:45, PLEASE.

2 MR. BURNS: YES, YOUR HONOR.

3 THE COURT: I HAVE TO RUN TO A MEETING. SEE YOU BACK.  
4 WE'LL PRESS ON WITH MR. NAKASE'S RESPONSE OR OFFERS OF  
5 PROOF.

6 (LUNCH RECESS TAKEN.)

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1 SANTA ANA, CALIFORNIA - THURSDAY, NOVEMBER 13, 2014

2 AFTERNOON SESSION

3 (THE FOLLOWING PROCEEDINGS WERE HAD IN OPEN  
4 COURT:)

5 THE COURT: DO WE HAVE AN ATTORNEY FOR EAST WEST BANK  
6 IN THE COURTROOM?

7 MR. COHAN: THE LADY THAT SHOWED UP AT 9:30 APPARENTLY  
8 IS NOT BACK HERE. HER NAME WAS LOUISA WANG, I BELIEVE. I  
9 DON'T KNOW WHY SHE'S NOT HERE.

10 THE COURT: HAVE YOU HEARD FROM COUNSEL?

11 THE COURTROOM ATTENDANT: NOT UNLESS SOMEBODY CALLED  
12 FOR PROCEDURES AND I JUST GAVE THEM THE PROCEDURES.

13 THE COURT: I CAN'T RECALL A CASE WHERE I HAD SO MUCH  
14 TROUBLE JUST GETTING THE TRIAL LAUNCHED.

15 MR. NAKASE, YOU WERE JUST, I THINK, FINISHED WITH  
16 CONVERSION. YOU HAD TWO OTHER CAUSES OF ACTION.

17 MR. NAKASE: YES, YOUR HONOR. BEFORE WE BEGIN,  
18 PLAINTIFF MOVES TO HAVE WITNESSES, MR. ZHANG, WHO IS A  
19 WITNESS IN THIS CASE, TO BE EXCLUDED FROM THE COURTROOM.

20 THE COURT: WE'RE NOT IN TRIAL. SO, YOU KNOW, WHEN  
21 WE'RE IN TRIAL, THAT'S FINE, BUT WE HAVEN'T QUITE GOT THERE  
22 YET.

23 MR. NAKASE: MAY I FINISH WITH THE CONVERSION, YOUR  
24 HONOR?

25 THE COURT: I THOUGHT YOU WERE FINISHED.

26 MR. NAKASE: I WAS GOING TO TELL THE JUDGE A PRECISE

1       NUMBER, WHAT THE TOTAL AMOUNT WAS.

2           THE COURT:  WELL, ALL RIGHT.  YOU'RE MAKING AN OFFER  
3       OF PROOF.  NEXT TIME I EXPECT YOU TO BE MORE FORTHRIGHT  
4       WITH RESPECT TO WHERE YOU ARE IN THE PRESENTATION, BECAUSE  
5       WHEN WE LEFT OFF, IT WAS CONVERSION OVER AND OUT, GOING TO  
6       MOVE TO ANOTHER CAUSE OF ACTION, AND NOW AFTER LUNCH WE'RE  
7       TRYING TO RESURRECT SOMETHING.  I DO NOT APPRECIATE THE WAY  
8       THIS IS BEING HANDLED, MR. NAKASE.

9           MR. NAKASE:  EXHIBIT 53, YOUR HONOR, AND 54, THE  
10       GENERAL LEDGER FOR U.N.T. II AND THE CHECK IMAGES.

11          THE COURT:  YOU TOLD ME ABOUT 53.  I ALREADY HAVE 53  
12       IN MY NOTES.  YOU TOLD ME ABOUT THAT BEFORE LUNCH.  NOW  
13       AFTER LUNCH AGAIN YOU'RE ATTEMPTING TO RESURRECT THIS  
14       CONVERSION ARGUMENT.  YOU'RE RE-TELLING ME THE SAME THING,  
15       GO SEE EXHIBIT 53.  SO THAT'S WHAT THIS IS ABOUT.  YOU'VE  
16       BEEN HERE FOR LAW AND MOTION.  YOU KNOW I DO NOT LIKE TO  
17       REVISIT STUFF I'VE ALREADY SEEN IN PAPERS OR RE-HEARD  
18       BEFORE.

19          MR. NAKASE:  THE TOTAL AMOUNT, THE PRECISE AMOUNT, IS  
20       400 -- 446,555.  EXHIBIT 51 IS \$450,000.  THAT'S AT PAGE  
21       11.  PAGE 14, EXHIBIT 51, ON MARCH 5TH, 2012, IS \$500,100  
22       TO PATRICIA TING.  MARCH 12, 2012, 500,000 TO PATRICIA  
23       TING.  EXHIBIT 49, MARCH 27TH, 2012, ONE MILLION DOLLARS TO  
24       CHANG CHIH INTERNATIONAL.  THE TOTAL AMOUNT IS \$2,896,655.

25               NOW, TO PENAL CODE --

26           THE COURT:  2,896,000.



1 MR. NAKASE: 655.

2 THE COURT: ALL THESE SUMS WERE WRITTEN ON A -- OR OUT  
3 OF THE ACCOUNT FOR ATIA COMPANY, L.P.?

4 MR. NAKASE: IT CAN BE TRACED TO ATIA COMPANY.

5 THE COURT: ALL THESE SUMS WERE WRITTEN OUT OF THE  
6 ACCOUNT OF ATIA COMPANY, L.P.? THAT'S THE QUESTION. DON'T  
7 ANSWER WITH SOME OTHER QUESTION. I WANT AN ANSWER TO THE  
8 QUESTION I JUST POSED.

9 MR. NAKASE, MY PATIENCE HAS ALREADY GROWN SHORT  
10 WITH RESPECT TO THIS. IF YOU CANNOT ANSWER THE COURT'S  
11 QUESTIONS, WE MIGHT AS WELL CALL IT A DAY NOW.

12 MR. NAKASE: ONLY THE 446,555 IS DIRECTLY FROM THE  
13 PARTNERSHIP'S ACCOUNT.

14 THE COURT: SO THAT WAS EXHIBIT 53.

15 MR. NAKASE: CORRECT.

16 THE COURT: AND THE OTHERS WERE FROM WHAT ACCOUNT OR  
17 ACCOUNTS?

18 MR. NAKASE: FROM DARWIN TING'S ACCOUNT TO PATRICIA  
19 TING AND CHANG CHIH INTERNATIONAL.

20 THE COURT: AND WHEN YOU SAY THAT THESE SUMS CAN BE  
21 TRACED BACK TO ATIA, HOW SO? EXPLAIN THE TRACING PROCESS.

22 MR. NAKASE: EXHIBIT 422 IS THE COMPENDIUM THAT DARWIN  
23 TING HAS CREATED OF EACH DATE THE MONEY WAS RECEIVED FROM  
24 THE PARTNERSHIP ACCOUNT TO DARWIN TING'S ACCOUNT. IN MARCH  
25 OF 2012, OVER TWO AND A HALF MILLION DOLLARS WAS TAKEN OUT  
26 FROM THE PARTNERSHIP'S ACCOUNT TO DARWIN TING'S ACCOUNT.

1        THAT SAME MONTH, DAYS LATER, THOSE FUNDS WENT DIRECTLY TO  
2        PATRICIA TING AND CHANG CHIH INTERNATIONAL.

3                THE COURT:    ARE YOU SAYING THAT THE ONLY FUNDS IN THE  
4        DARWIN TING ACCOUNT WERE THOSE FUNDS, OR WERE THEY  
5        COMMINGLED WITH OTHER FUNDS?

6                MR. NAKASE:    THOSE MONEY THAT ARE IN HIS ACCOUNT CAME  
7        FROM THE PARTNERSHIPS MONEY, ON EXHIBIT 422.    THERE WERE NO  
8        OTHER SOURCES OF FUNDS.

9                THE COURT:    I GUESS I BETTER HAVE A LOOK AT 422.

10                SO WHAT PAGE, OR PAGES, AM I GOING TO BE LOOKING  
11        AT IN 422?

12                MR. NAKASE:    INVITING THE COURT'S ATTENTION TO --  
13        INVITING THE COURT'S ATTENTION TO EXHIBIT 422, PAGE 77.

14                ON THE LEFT-HAND COLUMN, FOUR COLUMNS FROM THE  
15        RIGHT, ARE MONEY THAT WENT FROM PARTNERSHIP MONEY TO DARWIN  
16        TING'S ACCOUNT.    AND INVITING THE COURT'S ATTENTION TO JUST  
17        FROM FEBRUARY ALL THE WAY THROUGH MARCH 30TH, TWO AND A  
18        HALF MILLION DOLLARS, CLOSE TO THREE MILLION DOLLARS, WENT  
19        FROM PARTNERSHIP ACCOUNT TO DARWIN TING'S ACCOUNT.

20                THE COURT:    OKAY.    SO I'M NOT SURE THAT I FULLY  
21        COMPREHEND.    MONEY YOUR -- EVIDENCE WILL SHOW THAT MONEY  
22        WAS TRANSFERRED FROM ATIA INTO MR. TING'S PERSONAL BANK  
23        ACCOUNT; IS THAT RIGHT?

24                MR. NAKASE:    THAT'S CORRECT.

25                THE COURT:    AND THE EVIDENCE WILL SHOW THAT MR. TING  
26        HAD NO OTHER FUNDS OR MONEY IN HIS OWN PERSONAL BANK

1 ACCOUNT, SAVE AND EXCEPT FOR THOSE FUNDS TRANSFERRED  
2 DIRECTLY FROM ATIA, IMPROVIDENT OR IMPROPER.

3 MR. NAKASE: WE DON'T HAVE OTHER EVIDENCE THAT SHOWS  
4 THAT HE HAS FUNDS FROM OTHER ACCOUNTS. WE JUST KNOW THAT  
5 THESE MONEY WENT TO HIS ACCOUNT AND DAYS LATER IT WENT TO  
6 PATRICIA TING'S ACCOUNT OUT OF THE SAME BANK ACCOUNT.

7 THE COURT: SOMETHING WENT TO PATRICIA TING'S ACCOUNT.

8 MR. NAKASE: CORRECT.

9 THE COURT: WHAT'S TO PREVENT IN THE SCHEME OF THINGS  
10 MR. TING TO COME IN AND TESTIFY, YOU KNOW, I HAD THREE  
11 MILLION DOLLARS IN THAT ACCOUNT AND, YEAH, ATIA TRANSFERRED  
12 THIS MONEY TO ME, AND IT ALL GOT COMMINGLED TOGETHER? HAVE  
13 YOU EVER DONE FAMILY LAW? THIS IS SORT OF A FAMILY LAW  
14 TERM. THIS SEEMS TO BE A LITTLE BIT OF A FAMILY LAW CASE,  
15 AT LEAST BACKHANDEDLY.

16 SOME MONEY WAS SENT OUT FROM THE TING ACCOUNT,  
17 BUT IS IT THE DISCRETE IDENTICAL SUM? I SUGGEST THAT THE  
18 CASES THAT HAVE BEEN CITED BY OPPOSING COUNSEL WOULD  
19 INDICATE TO THE CONTRARY, THAT THIS IS NOT SUBJECT OF  
20 CONVERSION. YOU HAVE PLENTY OF OTHER CAUSES OF ACTION.  
21 THE DISCRETE AMOUNT NEEDS TO HAVE BEEN SEQUESTERED AND  
22 MOVED FROM ONE PLACE TO ANOTHER. THAT'S NOT WHAT YOU'RE  
23 ALLEGING RIGHT NOW.

24 MR. NAKASE: OKAY. HAVING UNDERSTOOD WHAT THE COURT  
25 SAYS, THE PRECISE AMOUNT THAT CAN BE DIRECTLY TRACED FROM  
26 ATIA TO DEFENDANT WOULD JUST BE THE 446,555.

1 THE COURT: OKAY. I AM GOING TO LOOK AT EXHIBIT 53 ON  
2 THAT ONE; RIGHT?

3 MR. NAKASE: CORRECT.

4 THE COURT: LET ME GO THERE.

5 MR. NAKASE: FOR THEIR BENEFIT, TO THE FAMILY'S  
6 BAKERY.

7 THE COURT: 53 IS A ONE-PAGE EXHIBIT, AND SO THIS  
8 SAYS, ROWLAND HEIGHTS GENERAL LEDGER. WHAT IS 53? OFFER  
9 OF PROOF?

10 MR. NAKASE: IT'S THE QUICK BOOK ACCOUNTING THAT WAS  
11 GIVEN TO US BY BOB MOSIER. HE RECEIVED IT FROM MR. TING.  
12 AND WE HAVE -- THE DEFENSE HAVE STIPULATED TO AUTHENTICITY.

13 THE COURT: OKAY. IT'S A QUICK BOOKS ACCOUNT PROVIDED  
14 BY MOSIER FROM MR. TING, BUT IT'S AN ACCOUNT FOR WHAT  
15 PERSON OR ENTITY?

16 MR. NAKASE: THE ENTITY IS U.N.T. II, WHICH IS A  
17 SUBSIDIARY OF ATIA COMPANY, OWNED BY ATIA COMPANY.

18 THE COURT: OKAY. AND SO THE \$446,555 IS A  
19 COMPILATION OF THE SUMS THAT HAVE ARROWS POINTING AT THEM?

20 MR. NAKASE: YES. THEY POINT TO THE WORD "EAT CAKE."  
21 THAT'S THE FICTITIOUS NAME FOR DIVINE CREATIONS, LLC.

22 THE COURT: HOW ABOUT "EAR CAKE"? IS THAT A DIFFERENT  
23 COMPANY? HALF OF THESE SAY "EAT CAKE." THE OTHER HALF SAY  
24 "EAR CAKE."

25 MR. COHAN: THERE'S ONLY ONE, YOUR HONOR. IT'S A  
26 TYPOGRAPHICAL ERROR.

1 THE COURT: WHOSE? YOU GUYS DIDN'T MAKE IT; RIGHT?

2 MR. COHAN: NO, ATIA CO. DID. ATIA CO.'S BOOKS, YOUR  
3 HONOR.

4 MR. NAKASE: IN DEFENDANTS' REQUEST -- RESPONSE TO  
5 REQUEST FOR ADMISSIONS, THEY HAVE ADMITTED TO EACH OF THESE  
6 TRANSACTIONS.

7 THE COURT: OKAY. ANYTHING ELSE?

8 MR. NAKASE: MAY I MOVE ONTO THE NEXT ONE, YOUR HONOR,  
9 WHICH IS THE PENAL CODE 496?

10 THE COURT: ABSOLUTELY.

11 MR. NAKASE: PENAL CODE 496 STATES THAT WHEN THE  
12 DEFENDANT HAVE POSSESSION OF STOLEN PROPERTY, AND THAT THE  
13 PROPERTY WAS STOLEN, AND THEY KNEW IT WAS STOLEN, THAT THEY  
14 WOULD BE LIABLE UNDER PENAL CODE 496. AND IN PEOPLE VERSUS  
15 KING, 81 CAL.APP.4TH 472, AT 476, THE ELEMENT, AS SET FORTH  
16 AS, 1, PROPERTY WAS STOLEN; 2, DEFENDANT HAVE POSSESSION OF  
17 STOLEN PROPERTY; 3, DEFENDANT KNEW THAT THE PROPERTY WAS  
18 STOLEN.

19 THE COURT: IT'S THAT THIRD ELEMENT THAT MR. BURNS  
20 RELIES ON.

21 MR. NAKASE: CORRECT, YOUR HONOR. AND ON EXHIBIT 28,  
22 IS A PRELIMINARY INJUNCTION THAT THE COURT ISSUED IN THE  
23 CASE AGAINST MR. TING. THE PLAINTIFF IN THAT CASE HAD TO  
24 PROVE THAT THEY WERE LIKELY TO PREVAIL, AND THE PLAINTIFF  
25 DID. WE DID. THE COURT ISSUED A PRELIMINARY INJUNCTION ON  
26 SEPTEMBER 20, 2012. ASSUMING THE DEFENDANT DID NOT KNOW

1 ABOUT THE PRELIMINARY INJUNCTION, EXHIBIT 1, AUGUST 15,  
2 2013, AFTER A FULL TRIAL ON PHASE 1, THE COURT ISSUED A  
3 LENGTHY MINUTE ORDER STATING THAT MR. TING BREACHED HIS  
4 DUTY AND HE STOLE MONEY.

5 PHASE 2 ONLY HAS TO DO WITH THE EXACT, PRECISE  
6 NUMBER OF THE DAMAGES. AS OF OCTOBER 15TH -- SORRY, AUGUST  
7 15TH, 2013, DEFENDANT WOULD HAVE BEEN PUT ON NOTICE THAT  
8 THESE MONEY WERE INDEED STOLEN THAT SHE RECEIVED, BUT ON  
9 AUGUST -- OCTOBER OF 2013 --

10 THE COURT: DOES THAT PREDATE OR ANTEDATE THE RECEIPT  
11 OF THE FUNDS?

12 MR. NAKASE: THE RECEIPT OF THE FUNDS WAS BEFORE  
13 AUGUST 15 OF 2013, BUT ON AUGUST 15, 2013, SHE WAS ON  
14 NOTICE THAT THE MONEY WAS STOLEN, AND SHE HAD POSSESSION OF  
15 IT.

16 THE COURT: WELL, WHAT IS THE EFFECTIVE DATE OF A  
17 RECEIPT OF STOLEN PROPERTY, BECAUSE THAT'S THE DATE THAT  
18 ONE WOULD NEED TO HAVE KNOWLEDGE OR UNDERSTANDING? IF IT'S  
19 STOLEN PROPERTY, MY NEIGHBOR'S TELEVISION IS STOLEN,  
20 SOMEBODY WALKS UP AND HANDS ME A TELEVISION SET AND SAYS,  
21 CONGRATULATIONS, YOU WON THE GRAND PRIZE, A NEW, ALMOST  
22 NEW, TV SET. HERE IT IS.

23 AND THEN A FEW WEEKS LATER I'M TOLD, OH, YOUR  
24 NEIGHBOR'S TELEVISION SET WAS STOLEN TWO WEEKS AGO. SO  
25 THERE IT IS IN YOUR LIVING ROOM. IS THAT RECEIVING STOLEN  
26 PROPERTY WHEN YOU JUST FOUND OUT ABOUT IT FOR THE FIRST

1 TIME?

2 MR. NAKASE: WELL, PENAL CODE 496, YOUR HONOR, HAS TO  
3 DO THE WITHHOLDING OF STOLEN PROPERTY ALSO. PRECISE WORD  
4 IS "WITHHOLDING." AND PATRICIA TING WITHHELD THE MONEY.  
5 NOW IT GETS TO THIS: IF I GAVE MR. BURNS ONE MILLION  
6 DOLLARS, AND HE DIDN'T KNOW IT WAS STOLEN, BUT LATER ON HE  
7 FINDS OUT THAT IS STOLEN, AND I STOLE IT FROM YOU, AND HE  
8 WITHHELD IT, HE'S VIABLE FOR PENAL CODE 496. HE'S  
9 WITHHOLDING. HE CAN'T KEEP THAT MONEY.

10 THE COURT: HAS THERE BEEN ANY JUDICIAL DETERMINATION  
11 THAT THE MONEY WAS STOLEN?

12 MR. NAKASE: YES.

13 THE COURT: THAT WAS JUDGE HUNT.

14 MR. NAKASE: THAT'S CORRECT, ON AUGUST 15, 2013.

15 THE COURT: THAT SOME MONEY WAS STOLEN BY WHO? BY  
16 THIS DEFENDANT?

17 MR. NAKASE: BY DARWIN TING. ON AUGUST 15TH, A  
18 DECISION, A COURT DECISION, WAS RENDERED THAT MR. TING  
19 BREACHED HIS DUTY, AND THAT MONEY WAS STOLEN BY MR. TING,  
20 AND THAT MONEY -- IT WASN'T DECIDED THAT MONEY WAS GIVEN TO  
21 PATRICIA, BUT THAT'S WHAT THIS CASE WAS ABOUT. THAT MONEY  
22 WAS GIVEN TO PATRICIA TING AND SHE WITHHELD THAT MONEY.

23 THE COURT: ANYTHING ELSE?

24 MR. NAKASE: ON THE AIDING AND ABETTING, YOUR HONOR,  
25 THE CASE, BERG & BERG ENTERPRISE VERSUS SHERWOOD LAYS OUT  
26 THE ELEMENT. THE CITATION IS 131 CAL.APP.4TH, 802, AT 823,

1 FOOTNOTE 10. THE ELEMENTS ARE ACTUAL KNOWLEDGE OF  
2 FIDUCIARY BREACH, A CONSCIOUS DECISION TO PARTICIPATE, AND  
3 UNJUST ENRICHMENT. AGAIN, ON EXHIBIT 1, WHICH IS THE PHASE  
4 1 DECISION, ON AUGUST 15TH, THE JUDGE SAYS THAT MR. TING  
5 BREACHED HIS FIDUCIARY DUTY. HE CANNOT BE ANY MORE CLEAR.

6 SO THAT WOULD PUT MS. PATRICIA TING AND MICHAEL  
7 LEE ON NOTICE THAT HE BREACHED -- THAT MR. TING BREACHED  
8 HIS DUTY. THAT WILL FULFILL THE FIRST ELEMENT OF AIDING  
9 AND ABETTING.

10 THE SECOND ELEMENT IS CONSCIOUS DECISION TO  
11 PARTICIPATE. ON OCTOBER 20TH, 2013, PATRICIA TING  
12 TRANSFERS OVER A MILLION DOLLARS TO HER FATHER AND ALSO IN  
13 ASIA. AND SHE TESTIFIED THAT SHE KNEW ABOUT THE COURT'S  
14 DECISION AND THAT SHE JUST DOESN'T CARE. AND IF THE COURT  
15 WOULD LIKE ME TO READ VERBATIM WHAT SHE TESTIFIED TO, I  
16 WILL DO THAT RIGHT NOW, BUT THAT'S WHAT SHE TESTIFIED TO.

17 I DON'T CARE. THE COURT MADE A MISTAKE. I KNOW  
18 MY FATHER. I LOVE HIM. ALTHOUGH SHE HAS TURNED POSSESSION  
19 OF OVER A MILLION DOLLARS TO HER FATHER WHO NOW LIVES IN  
20 ASIA, WHO TRANSFERRED THE MONEY TO ASIA, SHE KEPT CONTROL  
21 OF THE MONEY. HER FATHER IS PAYING HER INTEREST ON THE  
22 MONEY THAT SHE GAVE TO HIM.

23 AND THERE'S CHECK IMAGES TO SHOW THAT MR. TING IS  
24 PAYING HER INTEREST, PATRICIA TING INTEREST, AND SHE HAS  
25 ADMITTED THAT MR. TING IS PAYING HER INTEREST ON THAT  
26 MONEY. THAT'S ALL, YOUR HONOR.



1 THE COURT: OKAY. SO, FINE. WITH RESPECT TO YOUR  
2 MOTION FOR NONSUIT IS GRANTED WITH RESPECT TO THE RECEIVING  
3 STOLEN PROPERTY CAUSE OF ACTION. DENIED WITH RESPECT TO  
4 THE CONVERSION CAUSE OF ACTION, AT LEAST WITH RESPECT TO  
5 THE \$446,555 SUM REFLECTED BY EXHIBIT 53. I HAVE NO  
6 DECISION OR OPINION WITH RESPECT TO THE BALANCE OF OTHER  
7 FUNDS THAT MR. NAKASE HAS INDICATED. AND WITH RESPECT TO  
8 THE AIDING AND ABETTING CAUSE OF ACTION, DENIED.

9 SO THAT LEAVES US WITH THREE CAUSES OF ACTION.  
10 IN TRUTH, THE PRIMARY CAUSE OF ACTION, THE ONE I THINK  
11 WE'RE ALL GOING TO BE FOCUSING ON IS FRAUDULENT TRANSFER,  
12 WHICH WAS THE ONE CAUSE OF ACTION FOR WHICH MR. BURNS DID  
13 NOT SEEK NONSUIT. ALL RIGHT.

14 AND SO I AM EXPECTING THE LAWYER ON BEHALF OF  
15 EAST WEST BANK TO BE HERE MOMENTARILY, I THINK IT'S  
16 MS. WANG, SINCE WE CALLED HER AND INVITED HER BACK OVER  
17 HERE. SHE MAY HAVE BEEN UNDER SOME MISAPPREHENSION WITH  
18 RESPECT TO THIS RATHER UNIQUE SITUATION. SO SHE'S  
19 DEFINITELY NOT IN TROUBLE FOR NOT BEING HERE.

20 THE CLERK: SHE NEVER APPEARED THIS AFTERNOON. SHE  
21 CALLED YESTERDAY TO ASK THE PROCEDURE. SHE GAVE US HER  
22 CELL PHONE NUMBER.

23 THE COURT: WHY DON'T WE GET LAUNCHED ANY FURTHER  
24 UNTIL I'VE HEARD FROM MS. WANG ON THIS.

25 MR. COHAN: WITH RESPECT TO WHAT TOOK PLACE THIS  
26 MORNING, I WAS IN JUDGE GLASS'S COURT ON --

1 THE COURT: JUDGE GLASS AND I HAVE EXCHANGED E-MAILS.

2 MR. COHAN: I UNDERSTAND.

3 THE COURT: SO I'M FOR THE FIRST TIME ACTUALLY GOING  
4 TO HOLD A BRIEF HEARING. SOME SERIOUS ALLEGATIONS HAVE  
5 BEEN MADE AGAINST MR. NAKASE, IN PARTICULAR, AND I WANT TO  
6 GET TO THE BOTTOM OF THAT BEFORE MAKING A DECISION ON THIS.  
7 AND THAT IS REALLY SOMETHING I CAN'T HEAR FROM YOU UNTIL I  
8 HAVE EVERYBODY IN THE COURTROOM FOR THAT.

9 ONCE AGAIN WITH APOLOGIES, WE'LL TAKE A BREAK  
10 UNTIL MS. WANG GETS HERE. I AM HOPING IT WILL ONLY BE IN  
11 TEN MINUTES OR SO.

12 MR. BURNS: THANK YOU, YOUR HONOR.

13 (RECESS TAKEN.)

14 (ATTORNEY, LOUISA WANG, REPRESENTING EAST WEST  
15 BANK, IS PRESENT IN THE COURTROOM DURING THE FOLLOWING  
16 PROCEEDINGS.)

17 THE COURT: WE'RE BACK ON THE RECORD IN NISHIUCHI  
18 VERSUS TING. WE HAVE A NEW ATTORNEY SITTING OVER AT  
19 COUNSEL TABLE.

20 MS. WANG: GOOD AFTERNOON.

21 THE COURT: YOUR NAME FOR THE RECORD, PLEASE.

22 MS. WANG: MY NAME IS LOUISA WANG, REPRESENTING EAST  
23 WEST BANK.

24 THE COURT: MS. WANG, GOOD AFTERNOON. SO I UNDERSTAND  
25 THAT YOU WERE SOMEPLACE ELSE AND MANAGED TO GET OVER HERE  
26 IN FAIRLY SHORT ORDER. THANK YOU FOR YOUR ARRIVAL. WHERE

1 DID WE DRAG YOU OUT OF?

2 MS. WANG: I WAS WORKING FROM MY HUSBAND'S OFFICE IN  
3 IRVINE, SO --

4 THE COURT: GOOD. SO I HAVE TWO EX PARTE APPLICATIONS  
5 BEFORE ME RIGHT NOW. THE FIRST WAS FILED IN THIS CASE.  
6 IT'S A MOTION TO QUASH, AND THIS IS FOR THE PERSONAL  
7 APPEARANCE AND PRODUCTION OF DOCUMENTS AT TRIAL, AND I'M  
8 NOT SO SURE BUT WHAT THIS ISN'T MOOTED OUT. I THINK WE  
9 NEED TO -- BEFORE WE EVEN CONSIDER THAT ONE, WE NEED TO  
10 TURN TO THE OTHER EX PARTE APPLICATION, THIS ONE FILED IN  
11 THE CASE ENTITLED "NISHIUCHI VERSUS LI, YONG FEN LI, CASE  
12 NUMBER 2014-00725247.

13 THIS IS A CASE THAT'S CURRENTLY ASSIGNED TO AND  
14 IN THE INVENTORY OF JUDGE JEFF GLASS. JUDGE GLASS,  
15 PURSUANT TO AGREEMENT WITH ME, SENT THIS EX PARTE  
16 APPLICATION FOR MY DETERMINATION BECAUSE IT DIRECTLY  
17 AFFECTED THE MATTERS THAT ARE PRESENTLY BEFORE THE COURT  
18 FOR TRIAL IN THE NISHIUCHI VERSUS TING CASE.

19 AND SO I REVIEWED YOUR EX PARTE APPLICATION, AND  
20 AMONG OTHER THINGS, SOME FAIRLY SERIOUS ALLEGATIONS, I  
21 THINK, MADE AGAINST PLAINTIFF'S COUNSEL, PARTICULARLY  
22 MR. NAKASE, WITH RESPECT TO EITHER NOT PROPERLY GIVING  
23 NOTICE OR HIDING THE BALL IN SOME FASHION WITH RESPECT TO  
24 NOTICE TO CONSUMER WITH RESPECT TO THE ATTAINING OF  
25 DOCUMENTS FROM EAST WEST BANK PURSUANT TO A SUBPOENA DUCES  
26 TECUM.

1           AND SO ORDINARILY I EXPECT SOME KIND OF WRITTEN  
2           OPPOSITION. THIS IS KIND OF UNIQUE, SO I DON'T KNOW, WAS  
3           THERE A WRITTEN OPPOSITION? MR. COHAN, YOU WERE UPSTAIRS,  
4           WHEREVER JUDGE GLASS'S DEPARTMENT IS, I GUESS IT'S  
5           UPSTAIRS.

6           MR. COHAN: YES, UPSTAIRS, YOUR HONOR, THE 9TH FLOOR.  
7           I HAVE NOT SEEN ANY WRITTEN OPPOSITION, BUT MY  
8           UNDERSTANDING OF WHAT HAPPENED, MR. NAKASE SERVED YONG FEN  
9           LI'S ATTORNEY, THE ATTORNEY WHO APPEARED AFTER YONG FEN LI  
10          WAS SUED.

11          THE COURT: MS. BENDER.

12          MR. COHAN: BEG YOUR PARDON. NO. THIS PRECEDED  
13          MS. BENDER. MS. BENDER REPRESENTED ANDY ZHANG AND QING  
14          LIANG, AND WE'RE TALKING ABOUT A TOTALLY DIFFERENT PERSON,  
15          ALTHOUGH THEY NOT COINCIDENTALLY OFFICE IN THE SAME  
16          IDENTICAL PLACE.

17                 AND SO YONG FEN LI IS IN LEAGUE WITH MR. ZHANG IN  
18          THESE FESTIVITIES THAT WE'RE EXPLORING HERE BEFORE YOUR  
19          HONOR. THIS MILLION AND A HALF DOLLARS THAT'S REFLECTED IN  
20          THE CHECKS THAT YOU HAVE BEFORE YOU, WAS SUBPOENAED BY  
21          MR. NAKASE, AFTER GIVING NOTICE TO THE PERSON WHO HAD RIGHT  
22          TO NOTICE; THAT IS, YONG FEN LI. YONG FEN LI ISSUED THE  
23          TWO CHECKS TOTALING A MILLION AND A HALF DOLLARS.

24                 NOTICE WAS GIVEN TO BIN LI. MR. NAKASE REMINDED  
25          ME, HE HAS THIS ATTORNEY'S DECLARATION. THAT SERVICE WAS  
26          PROPER. THERE WAS NOTHING IMPROPER DONE BY MR. NAKASE.

1            THEN AFTER APPARENTLY SOME COMMUNICATIONS, THE  
2            DETAILS OF WHICH WE DO NOT KNOW, SUDDENLY YONG FEN LI, WHO  
3            WAS GOING TO COOPERATE WITH US, DECIDES NOT TO COOPERATE  
4            WITH US. AND NOW THE ATTORNEY WHO REPRESENTED YONG FEN LI  
5            DOESN'T REPRESENT YOUNG FEN LI ANYMORE.

6            THERE'S NO MISCONDUCT WITH MR. NAKASE HERE, YOUR  
7            HONOR. THIS IS ONGOING CONCEALMENT AND FRAUD. I WAS  
8            PERSONALLY PRESENT WHEN I TOOK THE DEPOSITION OF DARWIN  
9            TING, AND DARWIN TING WHEN ASKED ABOUT THIS MILLION AND A  
10          HALF DOLLARS THAT HE SENT TO YONG FEN LI, BY ME, I SAID  
11          WHOSE YONG FEN LI? WHY DID YOU SEND THIS PERSON A MILLION  
12          AND A HALF DOLLARS?

13          THE REPORTER: COUNSEL, COULD YOU SLOW DOWN, PLEASE.

14          THE COURT: YOU'RE ACCELERATING AS YOU GO.

15          MR. COHAN: MY PASSION IS DIFFICULT TO CONTROL  
16          SOMETIMES, YOUR HONOR. I APOLOGIZE.

17          THE COURT: YOU KNOW THE OLD PHRASE, GET A GRIP.

18          MR. COHAN: ALL RIGHT. YES, YOUR HONOR.

19                WHEN I DEPOSED MR. TING ON ONE OF THOSE OCCASIONS  
20                AND ASKED HIM ABOUT THE MILLION AND A HALF DOLLARS THAT HE  
21                TRANSFERRED TO SOMEONE NAMED YONG FEN LI, HIS TESTIMONY  
22                WAS, OH, THAT'S AN OLD FRIEND OF MINE THAT I OWED A MILLION  
23                AND A HALF DOLLARS TO. I ASKED, DID YOU HAVE ANY  
24                PAPERWORK? OH, NO. AS WITH ALL SO-CALLED LOANS, THERE'S  
25                NO PAPERWORK, THERE'S NO EVIDENCE WHATSOEVER, BUT WE FOUND  
26                OUT THAT YONG FEN LI OFFICES IN THE SAME OFFICE AS

1 MR. ZHANG.

2 THIS MILLION AND A HALF DOLLARS IMMEDIATELY WENT  
3 FROM YONG FEN LI TO MR. ZHANG. THAT'S WHAT I SAID,  
4 IMMEDIATELY. APPARENTLY THERE WAS A TWO-DAY LAG. THAT'S  
5 WHAT THIS IS ABOUT, YOUR HONOR.

6 AND THE ATTEMPT TO DISCREDIT MR. NAKASE IS ITSELF  
7 AN ATTEMPT TO DEFRAUD THE COURT. YOU MAY WANT MORE DETAIL  
8 FROM MR. NAKASE. HE HAS MORE PERSONAL KNOWLEDGE.

9 THE COURT: JUST A SECOND.

10 MS. WANG, TO YOU.

11 MS. WANG: CAN I SPEAK ABOUT THE PROOF OF SERVICE ON  
12 THE YONG FEN LI SUBPOENA THAT THE BANK PRODUCED RECORDS  
13 PURSUANT TO?

14 THE COURT: KIND OF WHERE I WAS EXPECTING TO GO.

15 MS. WANG: I'M LOOKING AT THE PROOF OF SERVICE FOR  
16 THIS SUBPOENA. IT SAYS SERVED UPON ATTORNEY FOR U.N.T.  
17 ATIA CO., II, ELLEN BENDER AND THEN NINE DIFFERENT  
18 ADDRESSES FOR YONG FEN LI. THESE -- NONE OF THESE  
19 ADDRESSES ARE VALID ADDRESSES FOR YONG FEN LI.

20 AND WE RECEIVED A WRITTEN STATEMENT FROM YONG FEN  
21 LI SAYING THAT SHE HAD NEVER RECEIVED NOTICE TO CONSUMER.  
22 SHE NEVER WAIVED HER PRIVACY RIGHTS AND HAVING THESE BANK  
23 RECORDS RELEASED. AND WE ALSO SPOKE TO MS. BENDER, AND SHE  
24 SAID SHE WAS NEVER SERVED WITH A COPY OF THIS SUBPOENA  
25 EITHER. SO THAT'S WHY EAST WEST BANK BELIEVES THESE  
26 RECORDS WERE IMPROPERLY OBTAINED FROM THE BANK.

1 THE BANK RELIED ON THE NOTICE TO CONSUMER THAT  
2 WAS ATTACHED TO THE SUBPOENA AND THE PROOF OF SERVICE, AND  
3 THE FACT THAT THE BANK DIDN'T RECEIVE ANY WRITTEN  
4 OBJECTIONS FROM YONG FEN LI OR HER ATTORNEY, AND THAT'S WHY  
5 WE WENT AHEAD AND PRODUCED THESE RECORDS IN LATE AUGUST.

6 AND WE WERE ALSO GIVEN A COPY OF THE CASE  
7 MANAGEMENT STATEMENT FILED BY MR. NAKASE IN THIS YONG FEN  
8 LI CASE. I BELIEVE THIS WAS FILED IN LATE SEPTEMBER.

9 THE COURT: LET ME JUST ASK YOU A QUESTION, SINCE YOU  
10 ARE, AS AN ATTORNEY, AGENT FOR EAST WEST BANK. HAVE YOU OR  
11 FOR THAT MATTER ANY OF YOUR CLIENTS REVIEWED ALL OF THE  
12 BANK RECORDS TO ASCERTAIN WHETHER ANY OF THE ADDRESSES THAT  
13 WERE LISTED ON THE PROOF OF SERVICE WERE IN ANY WAY, SHAPE,  
14 OR FORM EVER ATTACHED TO YONG FEN LI AT ANY TIME, I.E., A  
15 BANK STATEMENT THAT WAS MAILED TO A PARTICULAR ADDRESS, OR  
16 AN ACCOUNT OPENING AT A PARTICULAR ADDRESS? DO ANY OF  
17 THOSE ADDRESSES MATCH ANY OF THESE ADDRESSES, OR WAS THAT  
18 EFFORT EVER MADE, UNDERTAKEN BY THE BANK?

19 MS. WANG: I AM NOT SURE IF WE, THE BANK, CHECKED TO  
20 SEE IF ANY OF THESE ADDRESSES WERE PREVIOUSLY ATTACHED TO  
21 YONG FEN LI.

22 THE COURT: WHAT DID THE BANK DO?

23 MS. WANG: THE BANK LOOKED AT THEIR RECORDS FOR YONG  
24 FEN LI'S ADDRESS, AND IT DID NOT MATCH ANY OF THESE  
25 RECORDS -- OR ANY OF THE ADDRESSES LISTED IN THE PROOF OF  
26 SERVICE. AND WE ALSO DIDN'T RECEIVE ANY OBJECTION FROM HER

1 ATTORNEY, ELLEN BENDER, ON THE PROOF OF SERVICE. IT SAID  
2 IT WAS SERVED ON ELLEN BENDER.

3 WHEN WE SPOKE TO MS. BENDER, SHE SAID THAT SHE  
4 NEVER RECEIVED A COPY OF THIS SUBPOENA OR ELSE SHE WOULD  
5 HAVE SUBMITTED WRITTEN OBJECTIONS.

6 MR. NAKASE: MS. BENDER HAS NEVER BEEN YONG FEN LI'S  
7 COUNSEL. MS. BENDER IS IN THE BACK.

8 THE COURT: WHY WAS MS. BENDER THEN SERVED WITH THIS?

9 MR. NAKASE: BECAUSE THE CHECK WAS MADE TO ANDY ZHANG.  
10 THAT'S THE CLIENT, THAT'S MS. BENDER'S CLIENT. YONG FEN  
11 LI'S ATTORNEY IS BIN LI.

12 THE COURT: YOU TOOK THE EXTRA STEP NOTIFYING THE  
13 RECIPIENT OF THE CHECK AS WELL?

14 MR. NAKASE: YES. I WOULD LIKE TO REQUEST JUDICIAL  
15 NOTICE OF A DECLARATION FILED BY ATTORNEY BIN LI ON OCTOBER  
16 9TH, 2014, IN THE CASE NUMBER ENDING IN 99555. READING HIS  
17 DECLARATION VERBATIM, I, BIN LI, B-I-N, L-I, DECLARE I AM  
18 AN ATTORNEY FOR NONPARTY, YONG FEN LI. I HAVE PERSONAL  
19 KNOWLEDGE OF THE FACTS OF THIS CASE --

20 THE COURT: SLOW DOWN.

21 MR. NAKASE: -- AND IF CALLED AS A WITNESS CAN AND  
22 WILL COMPETENTLY TESTIFY TO THEM UNDER OATH. MY CLIENT  
23 RESIDES IN SHANGHAI, CHINA. IF YOU CHOOSE TO TAKE HER  
24 DEPOSITION IN PERSON, YOU NEED TO GO TO CHINA, AND I CAN  
25 GIVE YOU HER ADDRESS IN SHANGHAI, CHINA. IF YOU WANT TO  
26 TAKE HER DEPOSITION VIA SKYPE WE CHAT OR TELECOMMUNICATE



1       DEVICES, I AM WILLING TO ACCOMMODATE THAT REQUEST BY  
2       ARRANGING IT WITH MY CLIENT AND SETTING UP IN MY OFFICE.

3               THE COURT LAST WEEK, THIS DEPARTMENT, YOUR HONOR,  
4       ISSUED A TENTATIVE. THE TENTATIVE WAS FOR ME TO TELL THE  
5       COURT HOW THAT VIDEO CONFERENCE OR VIDEO DEPOSITION WAS  
6       GOING TO TAKE PLACE. THAT SAME DAY, BIN LI CALLED ME UP  
7       AND SAID HIS CLIENT FIRED HIM.

8               THE COURT: OKAY. SO QUESTION TO YOU, MR. NAKASE.  
9       THERE ARE NINE ADDRESSES LISTED ON THE PROOF OF SERVICE  
10      THAT MS. WANG WAS JUST REFERRING TO. WHERE DID THESE COME  
11      FROM? HOW DO YOU ATTACH THESE ADDRESSES TO MS. LI?

12              MR. NAKASE: I WILL HAVE THE RECORD -- I WILL PROVIDE  
13      THE COURT, I DID A SKIP TRACE. WE RAN IT THROUGH ACCURINT,  
14      LEXIS, AND PUBLIC INFORMATION, AND WE RAN IT THROUGH YONG  
15      FEN LI'S NAME AND AGE. IT CAME UP WITH THESE ADDRESSES,  
16      AND I DID NOT KNOW, WHICH WE SENT DDS LEGAL PROCESS SERVER  
17      TO STAKE OUT THE HOUSE AND SERVE HER. NO ONE EVER SHOWED  
18      UP.

19              WE SPENT THOUSANDS OF DOLLARS TRYING TO GET THIS  
20      PERSON SERVED. WE COULDN'T GET THEM SERVED, SO THE NEXT  
21      BEST THING WAS TO SERVE ALL THE ADDRESSES THAT WAS ON THE  
22      COMPREHENSIVE REPORT WE HAVE FOR YONG FEN LI. I STILL HAVE  
23      THE REPORT. I DIDN'T KNOW WHERE SHE LIVED. I RELIED ON  
24      PUBLIC INFORMATION.

25              THE COURT: WELL, WHEN YOU TALKED TO BIN LI, HOW LONG  
26      AGO WAS THAT? LAST WEEK?

1           MR. NAKASE: THE MOST RECENT WAS LAST FRIDAY. HE WAS  
2 FIRED.

3           THE COURT: HAVE YOU AT ANY TIME ASKED HIM FOR A  
4 PERMANENT ADDRESS FOR MS. LI?

5           MR. NAKASE: HE WOULD NOT -- IN SHANGHAI. BASED ON  
6 HIS DECLARATION, HE SAYS HE WILL GIVE IT TO ME IF I TAKE  
7 THE DEPOSITION IN SHANGHAI. OTHERWISE, IT'S GOING TO BE A  
8 VIDEO DEPOSITION.

9           WE HAVE E-MAIL. I HAVE RECORDS. SHE WAS WILLING  
10 TO COOPERATE AND EVERYTHING, THEN SUDDENLY GONE.

11          THE COURT: CAN YOU REPRESENT WHETHER OR NOT MS. LI  
12 HAS EVER LIVED IN CALIFORNIA?

13          MR. NAKASE: I HAVE PERSONAL -- NO PERSONAL KNOWLEDGE.  
14 WHAT I DO HAVE, YOUR HONOR, ARE THE PUBLIC RECORDS, AND I  
15 LATER FOUND OUT THAT MS. LI -- I HAVE A CERTIFIED COPY OF  
16 THE STATEMENT OF INFORMATION FILED WITH THE CALIFORNIA  
17 SECRETARY OF STATE. YONG FEN LI AND YONG ZHANG'S OFFICES  
18 ARE BASED IN THE SAME ADDRESS.

19          THE COURT: WHAT ADDRESS IS THAT?

20          MR. NAKASE: MAY I HAVE A SECOND TO PULL IT UP, YOUR  
21 HONOR?

22          THE COURT: SURE. WE REFER TO THIS AS DUMPSTER  
23 DIVING.

24          MR. COHAN: THE SECRETARY OF STATE, THERE IS ON FILE  
25 WITH THE SECRETARY OF STATE, YOUR HONOR.

26          THE COURT: I THOUGHT HE WAS GOING FOR HIS BRIEFCASE.

1 MR. NAKASE: I HAVE THE ORIGINAL COPY OF THE STATEMENT  
2 OF INFORMATION. LET ME FIND IT.

3 MS. WANG: YOUR HONOR, MAY I SAY SOMETHING ABOUT THE  
4 ADDRESSES LISTED ON THE SUBPOENA?

5 THE COURT: SURE.

6 MS. WANG: EAST WEST BANK BELIEVES THAT MR. NAKASE  
7 KNEW THAT THESE ADDRESSES WERE INVALID WHEN HE SERVED THE  
8 SUBPOENA ON THE BANK. THERE WAS A PREVIOUS SUBPOENA IN  
9 ANOTHER CASE, I BELIEVE, ISSUED TO EAST WEST BANK IN JUNE,  
10 ASKING FOR YONG FEN LI'S RECORDS. YONG FEN LI WAS NOT A  
11 PARTY IN THAT CASE. AT THAT TIME FOR THAT SUBPOENA, IT DID  
12 NOT EVEN INCLUDE NOTICE TO CONSUMER AT ALL.

13 AND WE RECEIVED A WRITTEN OBJECTION FROM YONG FEN  
14 LI'S LAWYER, MS. BENDER, FOR THAT SUBPOENA. AND THAT'S HOW  
15 THE BANK KNOWS THAT MS. BENDER IS MS. LI'S ATTORNEY.

16 AT THAT TIME WE TOLD MR. NAKASE WE WERE NOT GOING  
17 TO PRODUCE ANY OF YONG FEN LI'S RECORDS BECAUSE IT DID NOT  
18 CONTAIN NOTICE TO CONSUMER, AND HE TRIED TO BOUNCE SEVERAL  
19 ADDRESSES OFF THE BANK, SAYING IS THIS THE ADDRESS? IS  
20 THIS THE ADDRESS? I CAN SERVE IT TO THIS ADDRESS. AND  
21 NONE OF THEM, WE TOLD HIM, NO, IT DOES NOT MATCH OUR BANK  
22 RECORDS.

23 THE COURT: WELL, ALL RIGHT. NOW, WE HAVE ANOTHER  
24 INTERESTING FACTUAL DISPUTE, WHICH ONLY ONE PERSON  
25 APPARENTLY WOULD BE CAPABLE OF RESOLVING. MS. BENDER, COME  
26 ON DOWN. YOU KNEW THIS WAS GOING TO HAPPEN.

1 MS. BENDER: NO PROBLEM, YOUR HONOR.

2 THE COURT: MS. BENDER, I'M NOT GOING TO ASK YOU TO  
3 DIVULGE CLIENT CONFIDENCES. I WANT TO KNOW WHO YOUR  
4 CLIENTS OR CLIENT IS OR ARE.

5 MS. BENDER: I WAS ASKED --

6 THE COURT: JUST TO BE CLEAR HERE, I WAS JUST TOLD BY  
7 MR. NAKASE THAT YOUR CLIENT IS MR. ZHANG. I WAS TOLD BY  
8 MS. WANG THAT YOUR CLIENT IS MS. LI. IT MAY BE THAT THEY  
9 BOTH ARE YOUR CLIENTS. I WOULD LIKE TO KNOW FOR  
10 CLARIFICATION PURPOSES.

11 MS. BENDER: I'M HAPPY TO RESPOND, YOUR HONOR. FOR  
12 CLARIFICATION, IN MAY I WAS ASKED BY YONG FEN LI TO OBJECT  
13 TO THE MAY SUBPOENA, AND I DON'T RECALL NOW WHAT CASE THAT  
14 IT WAS SERVED IN, AND BECAUSE IT HAD NO NOTICE TO CONSUMER,  
15 SHE WAS IN SHANGHAI, AND I WROTE A LETTER TO THE BANK ON  
16 HER BEHALF STATING THAT YONG FEN LI OBJECTED. THERE WAS NO  
17 NOTICE TO CONSUMER AND, THEREFORE, IT WAS INVALID.

18 I NEVER AGAIN HEARD OF ANY OTHER SUBPOENAS AFTER  
19 THAT. THAT WAS THE ONLY POINT IN TIME THAT I REPRESENTED  
20 HER. AND I DIDN'T HEAR OF ANY OF THE OTHER SUBPOENAS THAT  
21 WERE ISSUED. THE FIRST TIME I LEARNED ABOUT THESE 11 OTHER  
22 SUBPOENAS --

23 THE COURT: YOU WROTE TO THE BANK?

24 MS. BENDER: IN THE MAY SUBPOENA.

25 THE COURT: DID YOU ALSO COMMUNICATE THAT TO  
26 MR. NAKASE?

1 MS. BENDER: NO. I ONLY TOLD THE BANK THAT WE -- THAT  
2 THERE WAS AN OBJECTION WITH NO NOTICE TO CONSUMER AND THERE  
3 WERE OTHER PROBLEMS WITH THE SUBPOENA, THAT IT WAS OVERLY  
4 BROAD, ASKED FOR ALL OF HER RECORDS. THAT'S THE ONLY THING  
5 THAT I DID AT THAT POINT. IT'S MY UNDERSTANDING THAT THE  
6 BANK WENT IN BEFORE THE COURT, AND THE COURT QUASHED THAT  
7 SUBPOENA. I HAD NO INFORMATION ABOUT THE 11 ADDITIONAL  
8 SUBPOENAS. EVEN THOUGH I'M LISTED ON A PROOF OF SERVICE,  
9 THEY WERE NEVER SENT TO MY OFFICE. WE HAVE GONE THROUGH --  
10 FIRST TIME I LEARNED OF THOSE WAS TWO WEEKS AGO.

11 FIRST TIME I LEARNED ABOUT BIN LI WAS IN RECEIPT  
12 OF THE E-MAIL -- THERE WAS A MOTION FILED ON THE LI CASE  
13 ASKING FOR A PROTECTIVE ORDER. I ASSUMED THAT YONG FEN LI  
14 HAD OBTAINED OTHER COUNSEL, BUT SO I REPRESENTED YONG FEN  
15 LI FOR THAT PURPOSE IN THE MAY SUBPOENA, BUT IF I HAD KNOWN  
16 THAT THERE WERE 11 OTHER SUBPOENAS SERVED TO ADDRESSES THAT  
17 DID NOT MATCH, I WOULD HAVE INQUIRED ABOUT WHAT THIS CLIENT  
18 WANTED. I ASSUMED SHE HAD GOTTEN OTHER COUNSEL.

19 THERE'S BEEN A LOT OF FACTUAL ALLEGATIONS HERE,  
20 YOUR HONOR, THAT ARE NOT TRUE.

21 THE COURT: YOU ALSO HEARD A REPRESENTATION AGAIN FROM  
22 MR. NAKASE THAT YOU REPRESENT MR. ZHANG, AND THAT NOTICE  
23 WAS GIVEN TO YOU BECAUSE MR. ZHANG WAS THE RECIPIENT OF ONE  
24 OF THE CHECKS THAT'S THE SUBJECT OF THIS PARTICULAR  
25 SUBPOENA.

26 MS. BENDER: I DON'T KNOW WHAT WAS IN HIS MIND WHEN HE

1 PUT MY NAME ON THE PROOF OF SERVICE, BUT I CAN TELL YOU  
2 THAT I NEVER RECEIVED -- MY OFFICE NEVER RECEIVED 11  
3 SUBPOENAS. WE RECEIVED OTHER SUBPOENAS AGAINST OTHER BANKS  
4 FOR OTHER RECORDS, BUT NONE WITH RESPECT TO YONG FEN LI.  
5 I'M SORRY TO SAY, BUT I THINK THEY WERE SEWER SERVED.

6 WE HAVE A PROCESS AT OUR OFFICE, ANYTHING THAT  
7 COMES IN IN TERMS OF A SUBPOENA IS CALENDARED, RETURN DATE  
8 IS CALENDARED. WE MAY HAVE ELECTRONIC FILES. WE NEVER  
9 RECEIVED THESE.

10 IT'S POSSIBLE THAT THEY GOT MISDIRECTED, BUT ALL  
11 GOT MISDIRECTED. WE RECEIVED OTHER SUBPOENAS TO OTHER  
12 BANKS FOR OTHER THINGS.

13 THE COURT: WHEN, IF AT ALL, HAVE YOU REPRESENTED  
14 MR. ZHANG?

15 MS. BENDER: I REPRESENT HIM NOW IN RESPECT TO OTHER  
16 PENDING LITIGATION IN THIS -- BEFORE YOUR HONOR, IN THE  
17 CASE THAT MERI NISHIUCHI HAS FILED. I DON'T HAVE A CASE  
18 NUMBER, BUT I CAN PROVIDE THAT TO YOU. I ALSO REPRESENT  
19 HIM IN CONNECTION WITH ANOTHER LITIGATION MATTER TOO, ALL  
20 RELATED TO THE SAME RELATED FACTS.

21 THE COURT: THANK YOU, MS. BENDER.

22 MR. NAKASE, YOU WANTED TO SAY.

23 MR. NAKASE: I HAVE A CERTIFIED COPY, YOUR HONOR, OF  
24 THE STATEMENT OF INFORMATION.

25 THE COURT: WHAT'S THE ADDRESS?

26 MR. NAKASE: THE ADDRESS -- I JUST ACTUALLY JUST

1 RECENTLY RETRIEVED THIS. THERE'S A DATE STAMP, OCTOBER  
2 22ND, 2014, AND THE ADDRESS YONG FEN LI IS TO BE SERVED AT,  
3 23741 EAST LA PALMA AVENUE.

4 MS. BENDER: MAY I SEE THAT, COUNSEL. MAY I ADDRESS  
5 THAT? WHEN WE GET -- IF WE, IN FACT, DO GET INTO TESTIMONY  
6 ON THIS, YOUR HONOR WILL LEARN THAT MR. ZHANG SOLD THE  
7 SHOPPING CENTER -- ACTUALLY DIDN'T SELL THE SHOPPING  
8 CENTER, SOLD THE LIMITED PARTNERSHIP THAT OWNS THE SHOPPING  
9 CENTER IN YORBA LINDA, SO THE LIMITED PARTNERSHIP'S ADDRESS  
10 IS THE SAME AS MR. ZHANG'S, BECAUSE WHEN THOSE SHARES WERE  
11 SOLD TO HER, AND SHE NOW OWNS THE SHOPPING CENTER THROUGH  
12 HER LIMITED PARTNERSHIP?

13 THE COURT: "SHE" WHO?

14 MS. BENDER: YONG FEN LI. THERE IS A SHOPPING CENTER  
15 IN YORBA LINDA THAT IS WHOLLY OWNED BY A LIMITED  
16 PARTNERSHIP. YONG FEN LI BOUGHT THOSE LIMITED PARTNERSHIP  
17 INTERESTS FROM MR. ZHANG. THAT IS WHY THERE'S A MATCH OF  
18 THIS ADDRESS ON THIS. ON THE DOCUMENT THAT COUNSEL HAS  
19 JUST HANDED TO ME, YOU CAN SEE THAT IT HAS TO DO WITH THE  
20 LIMITED PARTNERSHIP.

21 THE COURT: EARLIER TODAY, NOT MUCH EARLIER TODAY, I  
22 HEARD FROM MR. NAKASE THAT MR. ZHANG'S OFFICE IS IN DIAMOND  
23 BAR. MR. ZHANG'S OFFICE WAS ADJACENT TO OR NEARBY MS. LI'S  
24 OFFICE, ALSO IN DIAMOND BAR. AM I MISUNDERSTANDING THAT?

25 MR. NAKASE: YES. I AM NOT DONE WITH THE OTHER ONE.  
26 (INDICATING). THE OTHER STATEMENT OF INFORMATION IS RIGHT

1        HERE.    AND YONG FEN LI, THE OTHER SECOND ADDRESS IS AT  
2        23341 GOLDEN SPRING DRIVE, SUITE 200.    THAT'S THE SAME  
3        ADDRESS AS MR. ZHANG.

4                MS. BENDER:    IT'S MY UNDERSTANDING, YOUR HONOR, THAT  
5        YONG FEN LI NEVER CONDUCTED BUSINESS OUT OF THOSE  
6        LOCATIONS.    THOSE ARE JUST -- WERE AFFILIATED WITH THE  
7        LIMITED PARTNERSHIP INTERESTS THAT SHE PURCHASED FROM  
8        MR. ZHANG FOR THE PROMISSORY NOTE AND PURCHASE AND SALE  
9        AGREEMENT.    I CAN PROVIDE TO THE COURT, THESE ARE THE  
10       TRANSACTIONAL DOCUMENTS FROM WHICH YOU CAN SEE THAT THIS  
11       PURCHASE WAS MADE, AND ALL OF THESE ALLEGATIONS ABOUT  
12       MONIES FLOWING HERE, THERE, AND EVERYWHERE, ALL HAVE TO DO  
13       WITH PAYMENTS MADE FOR THE SHOPPING CENTER WHEN SHE  
14       PURCHASED FOR THE LIMITED PARTNERSHIP INTEREST THAT SHE  
15       PURCHASED.

16               THE COURT:    HERE'S THE PROBLEM:    NONE OF THE ADDRESSES  
17       THAT YOU HAVE JUST READ FROM THOSE RECORDS MATCH ANY OF THE  
18       ADDRESSES THAT ARE ON THIS NOTICE TO CONSUMER, AND SO THE  
19       ONLY POSSIBLE HOOK, IF YOU WILL, THAT WOULD OTHERWISE ALLOW  
20       THE COURT TO NOT QUASH THIS SUBPOENA IS THE NOTICE TO  
21       MS. BENDER.    MS. BENDER IS BASICALLY HERE TO SAY SHE NEVER  
22       SAW IT.    AND SO YOU ALL PUT THE COURT IN SOMETHING OF A  
23       QUANDARY.

24               I AM NOT PUTTING ANYBODY UNDER OATH HERE.    YOU'RE  
25       OFFICERS OF THE COURT.    YOU HAVE AN OBLIGATION TO SPEAK TO  
26       THE COURT CORRECTLY.    THERE IS -- AND TRUTHFULLY THERE IS



1 NO WAY TO DEMONSTRATE, ONE, THAT THE MAILING WAS NOT MADE,  
2 AND THERE'S NO WAY TO DEMONSTRATE THAT THE MAILING WAS  
3 RECEIVED.

4 THE LAW, OF COURSE, BASICALLY DOESN'T REQUIRE  
5 TECHNICALLY EVIDENCE OF RECEIPT. IT REQUIRES WHAT? PROOF  
6 THAT THE MAILING WAS MADE. AND SO WHAT I HAVE HERE IS A  
7 PROOF OF SERVICE EXECUTED BY SOMEBODY NAMED LISA PHILIPSON,  
8 INDICATING JULY 21, 2014, AT SAN DIEGO, CALIFORNIA, SHE PUT  
9 IN THE MAIL THESE NOTICES.

10 AGAIN, I TEND TO AGREE THAT IN THE ABSENCE OF AT  
11 LEAST SOME VERIFICATION OF MS. LI'S HAVING ACTUALLY  
12 OCCUPIED ONE OR MORE OF THESE NINE ADDRESSES, PROBABLY NOT  
13 GOOD NOTICE. I, HOWEVER, THINK THAT MS. BENDER HAD ENOUGH  
14 REPRESENTATIVE CAPACITY WITH RESPECT TO MS. LI, HAVING  
15 PREVIOUSLY REPRESENTED HER, I AM NOT AWARE BECAUSE SHE'S  
16 NOT TOLD ME, OF ANY NOTICE OF WITHDRAWAL AS COUNSEL OR  
17 MOTION TO BE RELIEVED IF SHE'S APPEARED IN LITIGATION ON  
18 MS. LI'S BEHALF, SO I THINK IT FAIR FOR MR. NAKASE TO  
19 UNDERSTAND THAT MS. LI WAS STILL REPRESENTED BY MS. BENDER,  
20 EVEN IF, AS SUGGESTED TO ME A FEW MINUTES AGO, THAT HIS  
21 NOTICE WAS SENT TO MS. BENDER BECAUSE SHE REPRESENTED  
22 MR. ZHANG. I THINK THERE'S ENOUGH CONFUSION ALREADY IN  
23 THESE CASES.

24 SO HERE'S WHERE WE ARE: I INTEND TO DENY THE  
25 BANK'S MOTIONS TO QUASH. I INTEND, HOWEVER, NEXT WEEK TO  
26 CONSIDER ANY OBJECTIONS AND APPLICATION FOR PROTECTIVE

1 ORDER EX PARTE MS. BENDER WISHES TO FILE ON BEHALF OF MS.  
2 LI, IF MS. LI WISHES HER TO GO THAT ROUTE.

3 ANY QUESTIONS FROM ANY OF YOU FINE LAWYERS?

4 MR. NAKASE: WE'LL STIPULATE TO A PROTECTIVE ORDER,  
5 YOUR HONOR.

6 THE COURT: WELL, YOU KNOW, MS. BENDER IS IN SOMETHING  
7 OF AN AWKWARD POSITION RIGHT NOW. SHE'S NOT ENTIRELY SURE  
8 THAT SHE HAS REPRESENTATIVE CAPACITY FOR THIS PARTICULAR  
9 INSTANCE, EVEN THOUGH I THINK SHE HAD ENOUGH CAPACITY TO BE  
10 A RECIPIENT OF NOTICE, SO --

11 MS. BENDER: ONE OTHER POINT. IN THE CODE OF CIVIL  
12 PROCEDURE, NOTICE TO AN ATTORNEY ON BEHALF OF SOMEONE WHO'S  
13 RECORDS ARE BEING SOUGHT IS ONLY GOOD WHEN THEY ARE A PARTY  
14 TO A LITIGATION; THAT IS, THE ATTORNEY HAS APPEARED IN THE  
15 LITIGATION. I HAVE NOT APPEARED ON BEHALF OF YONG FEN LI  
16 IN CONNECTION WITH THE LITIGATION THAT THESE SUBPOENAS WERE  
17 SERVED SO, THEREFORE, EVEN IF IT WAS SUPPOSEDLY TO BE  
18 SERVED UPON ME, IT SHOULD HAVE BEEN SERVED -- THEY HAD AN  
19 OBLIGATION TO TRY TO SERVE PROPER ADDRESS, AND AS I THINK  
20 THE COUNSEL FOR THE BANK WAS BEGINNING TO POINT OUT, IN THE  
21 YONG FEN LI CASE, WHICH MR. ZHANG IS ALSO ON A COMPLETELY  
22 UNRELATED CAUSE OF ACTION A DEFENDANT, THERE WAS A CASE  
23 MANAGEMENT CONFERENCE THREE WEEKS AGO IN WHICH MR. NAKASE  
24 STATED THAT HE HAS BEEN UNABLE TO SERVE YONG FEN LI BECAUSE  
25 HE DOES NOT HAVE A VALID ADDRESS.

26 SO ALL OF THOSE SUBPOENAS WERE SERVED WITH THE

1 KNOWLEDGE OF MR. NAKASE THAT THOSE WERE -- THAT HE DID NOT  
2 HAVE A PROPER ADDRESS.

3 MR. NAKASE: MAY I SAY ONE THING? AT ISSUE TODAY IS  
4 THE SUBPOENA TO EAST WEST BANK. THEY WERE SUPPOSED TO SHOW  
5 UP AT TRIAL TODAY AND AUTHENTICATE TWO CHECK IMAGES.

6 THE COURT: YOU MAKE AN INTERESTING POINT HERE. THE  
7 NOTICE TO CONSUMER PROVISIONS REQUIRED BY THE CODE OF CIVIL  
8 PROCEDURE BASICALLY REQUIRE NOTICE TO CONSUMER AT SOME  
9 ADDRESS.

10 MR. NAKASE: YES.

11 THE COURT: AND RIGHT NOW THE INFORMATION I'M BEING  
12 SUPPLIED WITH SEEMS TO SUGGEST -- I MAKE NO FACTUAL FINDING  
13 AT THIS POINT, SEEMS TO SUGGEST THAT MS. LI HAS VERY  
14 INTENTIONALLY ABSENTED HERSELF FROM THE JURISDICTION. SHE  
15 RESIDES IN A FAR AWAY COUNTRY WITH LAWYERS HOLDING UP A  
16 SHIELD TO REFUSE TO REVEAL HER LOCATION, SO I THINK I CAN  
17 LEGITIMATELY AND PROBABLY WILL LEGITIMATELY FIND THAT HER  
18 NOTICE POINT WAS IN FACT EAST WEST BANK, AND WHEN THEY  
19 RECEIVED THE SUBPOENA, THEY WERE EFFECTIVELY RECEIVING IT  
20 ALSO AS A FORM OF NOTICE.

21 I HAVE TO SAY I'M STARTING TO BECOME A LITTLE ALARMED.  
22 YOU ALL MIGHT RECALL AN OLD TELEVISION SERIES CALLED MY  
23 FAVORITE MARTIAN, THE LATE GREAT RAY WALSTON. WHEN  
24 MR. WALSTON WAS THE MARTIAN, WHENEVER HIS MARTIAN  
25 SENSIBILITIES WERE IN SOME WAY IMPACTED, A LITTLE ANTENNA  
26 USED TO RISE UP FROM THE BACK OF HIS HEAD. RIGHT NOW IN

1       SOMETHING OF A SIMILAR ANALOGOUS FASHION, LITTLE ANTENNAS  
2       ARE STARTING TO RISE UP FROM THE BACK OF MY HEAD WITH SOME  
3       CONCERN ABOUT WHAT'S GOING ON WITH MS. LI HERE.

4               SO WHAT I'VE OFFERED IS AT THIS POINT I'M DENYING  
5       THE MOTION TO QUASH, BUT I'M LEAVING THE DOOR OPEN FOR  
6       MS. LI, THROUGH YOU OR SOME OTHER ATTORNEY, NEXT WEEK,  
7       BECAUSE THIS TRIAL IS GOING TO BE OVER BY THE END OF NEXT  
8       WEEK, TO BASICALLY BRING OBJECTIONS ON BEHALF OF THE  
9       CONSUMER.

10       MS. BENDER: I UNDERSTAND, YOUR HONOR.

11       THE COURT: AND SO, MS. WANG, THANK YOU FOR YOUR  
12       ATTENDANCE HERE. YOUR MOTIONS ARE DENIED TODAY, BUT THAT  
13       DOESN'T MEAN THAT -- I'M DENYING IN EFFECT WITHOUT  
14       PREJUDICE BECAUSE I THINK THE CONSUMER IS ENTITLED STILL TO  
15       HAVE SOME OPPORTUNITY TO MAKE OTHER APPROPRIATE OBJECTIONS.

16       MS. WANG: I UNDERSTAND. THANK YOU, YOUR HONOR.

17       THE COURT: THANK YOU BOTH.

18       MS. BENDER: THANK YOU, YOUR HONOR.

19       THE COURT: WELL, MR. BURNS, MS. MOSS, MS. WANG HAS  
20       KEPT YOUR CHAIR WARM FOR YOU.

21               ALL RIGHT. SO TECHNICALLY THE FIRST WITNESS FOR  
22       THE PLAINTIFF WAS THE DARWIN TING DEPOSITION SET OF  
23       EXCERPTS. I'M ONLY PART WAY THROUGH THAT. I THINK IN  
24       TERMS OF LIVE TESTIMONY WE CAN GO TO THE PLAINTIFF'S NEXT  
25       WITNESS.

26       MR. NAKASE: YES, YOUR HONOR. PLAINTIFF CALLS

1 NONPARTY, ANDY YONG ZHANG.

2 THE COURT: THERE WAS A MOTION TO EXCLUDE WITNESSES.  
3 WITNESSES IN THE CASE OTHER THAN PARTIES ARE EXCLUDED AT  
4 THIS POINT IN TIME.

5 THE CLERK: ARE YOU USING AN INTERPRETER?

6 MR. NAKASE: YES, WE ARE. SHE'S CERTIFIED.

7 THE CLERK: YOU SHOULD HAVE TOLD US EARLIER AND GIVEN  
8 US THE NAME.

9 THE COURT: OKAY. I'M SORRY. WE'VE GOT TO GET  
10 THROUGH THE BUREAUCRACY HERE. THIS IS SILLY. SO GOOD  
11 AFTERNOON, MA'AM. YOUR NAME IS?

12 THE INTERPRETER: CATHERINE SHU, YOUR HONOR.

13 THE COURT: IS THAT WITH A K OR A C?

14 THE INTERPRETER: WITH A C, YOUR HONOR, AND THE LAST  
15 NAME IS --

16 THE COURT: C-A-T-H-E-R-I-N-E. THE LAST NAME IS?

17 THE INTERPRETER: SHU, S-H-U.

18 THE COURT: PRONOUNCE IT AGAIN.

19 THE INTERPRETER: CATHERINE SHU.

20 THE COURT: GIVE ME A COUPLE OF WEEKS FOR A ONE  
21 SYLLABLE NAME. I'LL GET IT RIGHT. AND SO YOU HAVE YOUR  
22 CERTIFICATION. I SEE YOU HAVE A NAME BADGE.

23 THE INTERPRETER: HERE.

24 THE COURT: SO YOU HAVE BEEN CERTIFIED AS A COURT  
25 INTERPRETER IN WHAT LANGUAGE?

26 THE INTERPRETER: MANDARIN CHINESE.

1 THE COURT: AND THE CERTIFYING ENTITY WAS WHAT?

2 THE INTERPRETER: CALIFORNIA JUDICIAL COUNCIL.

3 THE COURT: THAT SEEMS PRETTY IMPRESSIVE.

4 THE INTERPRETER: THANK YOU, YOUR HONOR.

5 THE COURT: ALL RIGHT. MS. BENDER, DO YOU HAVE ANY

6 OTHER QUESTIONS FOR THE INTERPRETER?

7 MS. BENDER: NO, YOUR HONOR.

8 THE COURT: JUST CHECKING. ALL RIGHT.

9 SO, MR. ZHANG, RAISE YOUR RIGHT HAND.

10 (MANDARIN CHINESE INTERPRETER CATHERINE SHU  
11 INTERPRETED THE FOLLOWING PROCEEDINGS FOR MR ZHANG.)

12 ANDY YONG ZHANG

13 CALLED AS A WITNESS ON BEHALF OF THE PLAINTIFF, HAVING BEEN  
14 FIRST DULY SWORN, WAS EXAMINED AND TESTIFIED AS FOLLOWS:

15 THE CLERK: PLEASE STATE YOUR FULL NAME, SPELL IT FOR  
16 THE RECORD.

17 THE WITNESS: MY NAME IS YONG ANDY ZHANG, Z-H-A-N-G,  
18 A-N-D-Y, Y-O-N-G.

19 THE COURT: SIR, HAVE A SEAT RIGHT HERE.

20 MR. BURNS: YOUR HONOR, I'M JUST GOING TO ASK BECAUSE  
21 I DON'T KNOW FOR SURE, BUT IS THE CLERK SUPPOSED TO SWEAR  
22 IN THE INTERPRETER?

23 THE COURT: WHEN THEY'RE CERTIFIED, NO.

24 MR. BURNS: THANK YOU, SIR.

25 I'VE SEEN IT.

26 THE COURT: NON-CERTIFIED INTERPRETERS GET SWORN.

1 MR. NAKASE: DOES THE COURT WANT THE WITNESS'S  
2 DEPOSITION TRANSCRIPT?

3 THE COURT: GOOD IDEA.

4 YOU'LL FORGIVE ME. I AM NOT SURE THAT I AM FULLY  
5 APPRISED OF HOW THE CULTURE EXPRESSES NAMES AND SURNAMES.  
6 I WOULD UNDERSTAND THAT I WOULD CALL YOU MR. ZHANG. YOU  
7 PRONOUNCE IT "ZHANG" OR "ZHANG."

8 THE WITNESS: EITHER ONE WOULD BE FINE.

9 THE COURT: I WOULD LIKE TO DO IT THE WAY YOU PREFER.

10 THE WITNESS: ZHANG WILL BE FINE.

11 THE COURT: IN THE CHINESE CULTURE, WOULD IT BE  
12 ANALOGOUS TO OUR NAMING TO SAY THAT YOUR FIRST NAME IS  
13 YONG.

14 THE WITNESS: UH-HUH.

15 THE COURT: AND IS ANDY A NICKNAME OR IS THAT A GIVEN  
16 NAME?

17 THE WITNESS: WHEN I WAS NATURALIZED HERE, I USED ANDY  
18 AS MY ENGLISH NAME. WHEN I JUST IMMIGRATED HERE IN THE  
19 BEGINNING, MY NAME WAS YONG ZHANG.

20 THE COURT: THANK YOU. I HAVE A FEW REQUESTS FOR YOU.  
21 IT'S IMPORTANT THAT WE ALL HEAR WHAT YOU HAVE TO SAY, SO  
22 PLEASE SPEAK UP. THE INTERPRETER IS GOING TO BE  
23 INTERPRETING FROM THE ENGLISH LANGUAGE TO THE CHINESE  
24 LANGUAGE, THE QUESTIONS, AND, IN TURN, SHE'S GOING TO  
25 INTERPRET YOUR ANSWERS FROM THE CHINESE LANGUAGE TO THE  
26 ENGLISH LANGUAGE.

1 I HAVE NO DOUBT THAT YOU HAVE SOME CONVERSANT  
2 ABILITIES IN THE ENGLISH LANGUAGE.

3 THE WITNESS: A LITTLE.

4 THE COURT: WE NEED FOR YOU TO GO AHEAD AND RESPOND IN  
5 THE MANDARIN CHINESE LANGUAGE.

6 THE WITNESS: OKAY.

7 THE COURT: OTHERWISE YOU'LL CONFUSE ALL OF US.  
8 PLEASE KNOW THAT YOU'RE NOT HAVING A CONVERSATION WITH THE  
9 INTERPRETER. HER OBLIGATION IS TO REPEAT IN ENGLISH WORD  
10 FOR WORD WHAT YOU SAID IN CHINESE. AND SO IF YOU ASK HER A  
11 QUESTION, SHE JUST HAS TO REPEAT THE QUESTION.

12 WE BEGIN.

13 MR. NAKASE: THANK YOU, YOUR HONOR.

14 DIRECT EXAMINATION

15 BY MR. NAKASE: Q YOUR NAME IS ANDY ZHANG, ANDY YONG  
16 ZHANG; CORRECT?

17 A YES.

18 Q ARE YOU PRESENTLY A DEFENDANT IN A RELATED MATTER  
19 AGAINST YOU BY THE SAME PLAINTIFF?

20 A WHICH LAWSUIT?

21 Q ARE YOU INVOLVED IN MORE THAN ONE LAWSUIT?

22 A JUST THIS LAWYER FILED A LAWSUIT AGAINST ME.

23 Q OKAY. BY THE SAME PLAINTIFF, ATIA COMPANY,  
24 LIMITED PARTNERSHIP?

25 A YES. ATIA IS THE PLAINTIFF.

26 MR. BURNS: COULD YOU POSSIBLY PULL THE MICROPHONE



1 CLOSER. I'M HAVING TROUBLE HEARING YOU.

2 THE COURT: MS. SHU, WE'RE GOING TO NEED FOR YOU TO  
3 KEEP YOUR VOICE UP TOO.

4 THE INTERPRETER: THANK YOU, YOUR HONOR.

5 BY MR. NAKASE: Q DO YOU KNOW A PERSON BY THE NAME OF  
6 YONG FEN LI?

7 A YES.

8 Q YONG FEN LI IS A FEMALE; IS THAT CORRECT?

9 A YONG FEN LI IS A LAWYER. SHE'S A LADY.

10 Q HOW LONG HAVE YOU KNOWN YONG FEN LI?

11 A I MET HER IN 2009. I SOLD HER A SHOPPING PLAZA.  
12 SHE PURCHASED A SHOPPING PLAZA FROM ME.

13 Q DO YOU KNOW IF YONG FEN LI AND DARWIN TING KNOW  
14 EACH OTHER?

15 A I DON'T KNOW.

16 THE COURT: I WANT TO GO BACK FOR A SECOND. THE  
17 ANSWER THAT YOU GAVE WAS THAT MS. LI PURCHASED A SHOPPING  
18 CENTER FOR YOU. DID YOU MEAN THAT SHE REPRESENTED YOU OR  
19 DID YOU MEAN THAT SHE BOUGHT A SHOPPING CENTER FROM YOU?

20 THE WITNESS: SHE PURCHASED ONE SHOPPING PLAZA FROM  
21 ME. AND I -- A JOINT COMPANY. OH, NOT A JOINT COMPANY.  
22 WHEN SHE PURCHASED THE SHOPPING PLAZA FROM ME, ACTUALLY SHE  
23 PURCHASED MY BUSINESS. NOT BUSINESS, A COMPANY, LLC.

24 THE COURT: THANK YOU.

25 THE WITNESS: LLC INTEREST, JUST A SHARE.

26 THE COURT: I UNDERSTAND.

1 BY MR. NAKASE: Q DO YOU KNOW THAT DARWIN TING MET  
2 YONG FEN LI OR TESTIFIED THAT HE MET YONG FEN LI BACK IN  
3 1994?

4 MR. BURNS: THE QUESTION CALLS FOR HEARSAY AND  
5 SPECULATION.

6 THE COURT: SUSTAINED.

7 MR. NAKASE: YOUR HONOR, THE EVIDENCE HAS BEEN -- THE  
8 EVIDENCE OF DARWIN TING HAS BEEN GIVEN TO THE COURT AS A  
9 FIRST WITNESS, AND HE TESTIFIED IN HIS DEPOSITION THAT HE  
10 MET YONG FEN LI.

11 THE COURT: MR. TING TESTIFIED HE MET MS. LI IN '94.

12 MR. NAKASE: YES.

13 THE COURT: AND SO YOU'RE ASKING THIS WITNESS TO,  
14 WHAT, CONFIRM THAT MR. TING MET MS. LI IN '94?

15 MR. NAKASE: LET ME ASK IT IN A DIFFERENT WAY, YOUR  
16 HONOR.

17 THE COURT: SO FAR WHAT I KNOW IS THAT MR. ZHANG MET  
18 MS. LI IN 2009, AND EVEN IF HE WAS PRESENT FOR THE  
19 DEPOSITION OF MR. TING, ALL HE WOULD BE DOING IS REPEATING  
20 HEARSAY; RIGHT?

21 MR. NAKASE: CORRECT, YOUR HONOR.

22 THE COURT: TECHNICALLY A DEPOSITION, THAT IS IN AND  
23 OF ITSELF HEARSAY.

24 MR. NAKASE: CORRECT.

25 THE COURT: BUT THERE ARE EXCEPTIONS TO THE RULE.

26 MR. NAKASE: YES.

1 THE COURT: SO DO YOU HAVE AN EXCEPTION TO THE RULE?

2 MR. NAKASE: THE EXCEPTION IS THAT THE DECLARANT IS  
3 UNAVAILABLE, YOUR HONOR.

4 THE COURT: "DECLARANT" MEANING?

5 MR. NAKASE: DARWIN TING.

6 THE COURT: BUT IT'S IN HIS DEPOSITION TRANSCRIPT YOU  
7 JUST TOLD ME, SO WHY ARE WE GOING THERE?

8 MR. COHAN: MAY WE HAVE A MOMENT, YOUR HONOR?

9 THE COURT: SURE. ABSOLUTELY.

10 MR. NAKASE: I'LL MOVE ON, YOUR HONOR.

11 THE COURT: IF YOU PLEASE.

12 BY MR. NAKASE: Q HAVE YOU HEARD OF A COMPANY BY THE  
13 NAME OF AMERICA JAI LI INVESTMENT, INC.?

14 A YES, I HAVE.

15 Q DO YOU KNOW WHO THE PRINCIPAL OF AMERICA JAI LI  
16 INVESTMENT IS?

17 A YONG FEN LI.

18 Q AND DO YOU KNOW IF AMERICA JAI LI INVESTMENT,  
19 INC., HAS EVER DONE BUSINESS AT 23341 GOLDEN SPRING DRIVE,  
20 SUITE 200, DIAMOND BAR, CALIFORNIA, 91765?

21 A NO.

22 Q THAT'S YOUR ADDRESS; IS THAT CORRECT, SIR?

23 A THAT'S MY OFFICE BUILDING. I LEASE MY OFFICE  
24 BUILDING OUT.

25 Q INVITING YOUR -- INVITING YOUR ATTENTION TO  
26 EXHIBIT 41, PLEASE.

1 MR. NAKASE: MAY I HELP THE WITNESS, YOUR HONOR?

2 THE COURT: SURE.

3 MR. NAKASE: MAY I APPROACH, YOUR HONOR?

4 THE COURT: GO AHEAD.

5 BY MR. NAKASE: Q EXHIBIT 41, FOR THE RECORD, IS A  
6 STATEMENT OF INFORMATION FILED WITH THE SECRETARY OF STATE  
7 ON JULY 11, 2012, BY AMERICA JAI LI INVESTMENT, INC. SIR,  
8 CAN YOU READ ENGLISH, SIR?

9 A A LITTLE BIT.

10 Q YOU SEE NUMBER 1 IT SAYS, AMERICA JAI LI  
11 INVESTMENT, INC., SIR?

12 A YES.

13 Q CAN YOU READ THAT?

14 A YES.

15 Q AND YOU SEE WHERE IT SAYS LINE NUMBER 2, STREET  
16 ADDRESS, PRINCIPAL EXECUTIVE OFFICE. AND IT SAYS, 23341  
17 GOLDEN SPRING DRIVE, SUITE 200, DIAMOND BAR, CALIFORNIA,  
18 91765. DID I READ THAT CORRECTLY, SIR?

19 A YOU DID RIGHT.

20 Q THAT'S YOUR OFFICE ADDRESS. COULD YOU EXPLAIN  
21 WHY AMERICA JAI LI INVESTMENT, INC., IS FILING A STATEMENT  
22 OF INFORMATION WITH THE SECRETARY OF STATE THAT ITS OFFICE  
23 IS AT THE SAME AS YOUR OFFICE?

24 MR. BURNS: QUESTION CALLS FOR SPECULATION.

25 THE COURT: SUSTAINED.

26 BY MR. NAKASE: Q CAN YOU EXPLAIN WHY AMERICA JAI LI

1 INVESTMENT, INC., HAS THE SAME OFFICE ADDRESS AS YOUR  
2 OFFICE?

3 MR. BURNS: QUESTION ALSO CALLS FOR SPECULATION.

4 THE COURT: YOU CAN ANSWER, IF YOU KNOW.

5 THE WITNESS: LET ME TELL YOU, ACTUALLY FOR SUITE 200  
6 WE HAVE A, B, AND NUMBER 200. MY COMPANY OCCUPIED AS 200.  
7 FOR THEM IT'S "A," 200-A, WHICH WAS DIFFERENT FROM NUMBER  
8 200. WHEN SHE PURCHASED THE SHOPPING PLAZA FROM ME,  
9 ACTUALLY I SOLD HER THE COMPANY. THE COMPANY -- THE LLC  
10 COMPANY REGISTER AT 200. AT THAT TIME HIS COMPANY, JAI LI,  
11 ALSO PROPOSED TO LEASE SUITE NUMBER 200, BUT AT THE END  
12 THEY DID NOT PROCEED. I DON'T KNOW WHY THE COMPANY'S  
13 ADDRESS HERE WAS REGISTERED AT 200-A.

14 WHEN SHE PURCHASED THE SHOPPING CENTER, SHE HAD  
15 NO PLACE TO GO. SHE WAS A CHINESE IMMIGRANT HERE. AFTER  
16 SHE PURCHASED OUR COMPANY, SHE SAID SHE WAS GOING TO USE  
17 OUR COMPANY AS THE COMPANY'S ADDRESS, HOWEVER, SHE PROMISED  
18 ME THAT SHE WILL CHANGE HER ADDRESS TO THE ADDRESS TO THE  
19 SHOPPING CENTER LATER. AFTER SHE OBTAINED THE SHOPPING  
20 CENTER, AFTER SHE PURCHASED THE SHOPPING CENTER, OUR  
21 COMPANY AT SUITE NUMBER 200 SHE HAS NEVER USED.

22 Q BUT SHE, YONG FEN LI, DID SHARE WITH YOU THAT SHE  
23 WAS GOING TO USE THE SAME ADDRESS AS YOURS; IS THAT  
24 CORRECT?

25 A SHE WAS AT 200-A. I WAS AT 200. DIFFERENT.

26 Q THE ENTIRE BUILDING AT 23341 GOLDEN SPRING DRIVE

1 IN DIAMOND BAR, YOU OWN THAT BUILDING; IS THAT CORRECT?

2 A I OWN THAT BUILDING, AND THERE WERE ABOUT 20  
3 UNITS, AROUND 20 UNITS OCCUPIED BY DIFFERENT BUSINESS,  
4 DIFFERENT COMPANY, DIFFERENT COMPANIES.

5 Q JUST ONE MORE QUESTION. WE'LL MOVE ON TO THE  
6 NEXT ONE. BACK TO EXHIBIT 41, SIR. YOU SEE WHERE IT SAYS  
7 LINE 5, CHIEF EXECUTIVE OFFICERS. IT SAYS YONG FEN LI'S  
8 ADDRESS IS AT 23341 GOLDEN SPRING DRIVE, NUMBER 200-A,  
9 DIAMOND BAR, CALIFORNIA, 91765. DID I READ THAT CORRECTLY,  
10 SIR?

11 A 200-A, NOT 200.

12 Q CORRECT. 200-A?

13 A THERE'S NO SIGNATURE HERE.

14 Q IT'S PROBABLY E-FILED.

15 A I DON'T KNOW, THIS IS THE FIRST TIME I HAVE SEEN  
16 THIS DOCUMENT.

17 Q OKAY. BUT YONG FEN LI DID SHARE WITH YOU THAT  
18 SHE WAS GOING TO TAKE OFFICE AT THE ADDRESS THAT -- AT THE  
19 BUILDING THAT YOU OWNED; IS THAT CORRECT?

20 A NO. NO. NEVER. SHE HAD NEVER WORK AT MY PLACE.

21 Q NO. I'M NOT ASKING IF SHE WORKED AT YOUR PLACE.  
22 I AM ASKING YOU IF YONG FEN LI HAD EVER USED THE ADDRESS AT  
23 23341 GOLDEN SPRING AS A MAILING ADDRESS.

24 A I'M NOT SURE. I'M NOT SURE.

25 Q LET'S MOVE ON TO THE NEXT SUBJECT. LET US TALK  
26 ABOUT A BUILDING LOCATED AT 70 NORTH CATALINA AVENUE,

1 PASADENA, CALIFORNIA. ARE YOU FAMILIAR WITH THAT ADDRESS,  
2 SIR?

3 A YES.

4 Q FOR THE PURPOSE OF THIS TRIAL, SO THAT I DON'T --  
5 WE DON'T CONTINUE READING THE ENTIRE ADDRESS, MAY WE REFER  
6 TO THAT AS THE CATALINA PROPERTY?

7 A IT'S A CONDOMINIUM LOCATED ON CATALINA. THERE  
8 ARE ABOUT 30 UNITS.

9 Q I'M TALKING ABOUT THE ADDRESS, 70 CATALINA. FOR  
10 THE PURPOSES OF THIS TRIAL, I'LL JUST REFER TO IT AS THE  
11 CATALINA PROPERTY. IS THAT OKAY WITH YOU?

12 A OKAY. OKAY. OKAY.

13 Q IN 2011 DID YOU BUY 27 UNITS AT THE CATALINA  
14 PROPERTY?

15 A YES. THEY HAD 30 UNITS IN TOTAL. I BOUGHT 27 OF  
16 THEM.

17 Q DO YOU REMEMBER WHAT MONTH AND YEAR THAT WAS?

18 A THE FIRST HALF OF THE YEAR 2011.

19 Q IT WAS SOMETIME IN MARCH 2011. DOES THAT REFRESH  
20 YOUR RECOLLECTION?

21 A YES.

22 Q DO YOU REMEMBER HOW MUCH YOU PAID FOR THE 27  
23 UNITS AT CATALINA PROPERTY?

24 A I SPENT ABOUT 7.20 MILLION DOLLARS -- 7.2  
25 MILLION. 7.2 MILLION.

26 Q YOU PAID 7.2 MILLION DOLLARS FOR 27 UNITS AT THE

1 CATALINA PROPERTY?

2 A THAT'S THE PURCHASE PRICE, YES.

3 Q ARE YOU MARRIED, SIR?

4 A YES.

5 Q WHAT IS YOUR WIFE'S NAME?

6 A YONG STEPHANIE QING.

7 HER CHINESE NAME IS YONG QING. HER ENGLISH NAME  
8 IS STEPHANIE.

9 Q DOES SHE ALSO GO BY QING LIANG, Q-I-N-G,  
10 L-I-A-N-G?

11 A YES, YES.

12 Q WHEN YOUR WIFE, WHEN SHE SIGNS DOCUMENTS SHE  
13 SIGNS IT, Q-I-N-G, L-I-A-N-G; IS THAT CORRECT?

14 A YES, YES. HER SIGNATURE SOMETIMES IS QING LIANG,  
15 SOMETIMES WILL BE STEPHANIE LIANG.

16 Q DID YOU SELL ANY UNITS AT THE CATALINA PROPERTIES  
17 TO PATRICIA TING?

18 A YES, I DID. I SOLD HER THREE UNITS IN YEAR 2012.

19 Q AND WHEN DID PATRICIA TING INFORM YOU THAT SHE  
20 WANTED TO BUY THREE UNITS AT THE CATALINA PROPERTY?

21 A WHEN WE HAD THAT DISCUSSION REGARDING PURCHASE,  
22 MY THREE UNITS IN CATALINA -- ON CATALINA, THAT WAS IN YEAR  
23 2012, JANUARY OF 2012, SOMETIME IN JANUARY OR FEBRUARY OF  
24 2012.

25 Q YOU DIDN'T OWN THE CATALINA PROPERTY UNTIL  
26 FEBRUARY OR MARCH OF 2011; CORRECT?



1           A     I HAD -- I HAD OBTAINED THE OWNERSHIP IN YEAR  
2     2011 WHEN I PURCHASED THAT PROPERTY.

3           Q     SO YOU MUST HAVE HAD THE DISCUSSION WITH PATRICIA  
4     TING TO SELL HER THE THREE UNITS IN 2012; IS THAT CORRECT?

5           A     WE HAD THAT DISCUSSION IN JANUARY OF 2012.

6           Q     AND DID YOU ULTIMATELY SELL HER SOME UNITS AT THE  
7     CATALINA PROPERTIES?

8           A     THREE UNITS, YES.

9           Q     THAT'S WHAT THE CONTRACT SAYS; IS THAT CORRECT?

10          A     YES.

11          Q     AND DID YOU TRANSFER HER -- TO PATRICIA TING  
12     THREE UNITS OR 27 UNITS?

13          A     THREE UNITS. 101, 102, AND 103.

14          Q     DID YOU RECEIVE -- DID YOU RECEIVE THE MONEY  
15     FIRST BEFORE YOU TRANSFERRED TITLE TO PATRICIA TING?

16          A     OF COURSE.

17          Q     AND DID YOU SELL PATRICIA TING ANY OTHER  
18     PROPERTIES?

19          A     YES.

20          Q     WHAT OTHER PROPERTIES DID YOU SELL PATRICIA TING?

21          A     THAT WAS -- THAT WOULD BE THREE UNITS APARTMENT  
22     LOCATED ON 628 EAST DEL MAR, PASADENA, CALIFORNIA.

23          Q     DID SHE BUY THE ENTIRE PROPERTY?

24          A     YES, YES. THE WHOLE APARTMENT.

25          Q     FOR THE PURPOSE OF THIS TRIAL, LET US REFER TO  
26     THAT AS THE DEL MAR PROPERTY; IS THAT OKAY?

1 A OKAY.

2 Q AND DID YOU TRANSFER THE TITLE TO PATRICIA TING?

3 A YES.

4 Q HOW MUCH DID PATRICIA TING PAY YOU FOR THE DEL  
5 MAR PROPERTY?

6 A ONE MILLION.

7 Q DID PATRICIA TING PAY YOU DIRECTLY OR SOMEBODY  
8 ELSE DID?

9 A THEY WIRED THE MONEY TO ME.

10 Q WHO WIRED THE MONEY TO YOU?

11 A PATRICIA TING HAS TOLD ME THAT SHE WAS GOING TO  
12 WIRE MONEY TO ME.

13 I TOLD HER TWO PROPERTIES. IN TOTAL THE CATALINA  
14 PROPERTY COST ONE MILLION AND THE DEL MAR PROPERTY ALSO  
15 COST ONE MILLION, SO SHE WIRED TWO MILLION DOLLARS TO ME  
16 SOMETIME IN FEBRUARY OR MARCH.

17 Q OKAY. I'M ASKING YOU, DID ANYBODY -- LET ME ASK  
18 YOU: DID DARWIN TING WIRE YOU ONE MILLION DOLLARS SO THAT  
19 PATRICIA TING CAN GET TITLE TO THE DEL MAR PROPERTY?

20 A PATRICIA TING HAD TOLD ME THAT ONE MILLION WILL  
21 BE WIRED TO ME BY HER DIRECTLY. THE OTHER MILLION WOULD BE  
22 WIRED BY HER FATHER ON HER BEHALF.

23 Q AND DID YOU RECEIVE THE MONEY FOR THE DEL MAR  
24 PROPERTY BEFORE YOU GAVE PATRICIA THE GRANT DEED?

25 A FOR THE DEL MAR PROPERTY? ACCORDING TO THE  
26 CONTRACT, IT HAS TO BE TRANSFERRED BY THE END OF DECEMBER

1 OF 2012.

2 Q WHAT TRANSFERRED? YOU WERE TALKING ABOUT THE  
3 GRANT DEED.

4 A THE CONTRACT WOULD BE ENDED IN DECEMBER OF 2012.

5 Q INVITING YOUR ATTENTION TO EXHIBIT 46, PLEASE.

6 A WHAT IS 46 -- YES, YES, YES.

7 Q ON EXHIBIT 46, PAGE 1, THERE'S A CHECK IMAGE  
8 00 -- CHECK NUMBER 0096 MADE PAYABLE TO QING LIANG?

9 THE REPORTER: I'M SORRY?

10 MR. NAKASE: Q-I-N-G, L-I-A-N-G.

11 MR. COHAN: FOR THE RECORD, THAT'S TWO WORDS. Q-I-N-G  
12 L-I-A-N-G.

13 THE WITNESS: WHERE?

14 MR. NAKASE: EXHIBIT 46, PAGE 1.

15 THE COURT: BOTTOM, CHECK NUMBER 96. VERY BOTTOM  
16 CHECK ON THAT PAGE.

17 THE WITNESS: YES.

18 BY MR. NAKASE: Q DO YOU RECOGNIZE THAT CHECK, SIR,  
19 MADE PAYABLE TO QING LIANG FOR ONE MILLION DOLLARS ON APRIL  
20 2ND, 2012?

21 A THIS WAS PAID BY YONG FEN LI; RIGHT?

22 Q CORRECT.

23 DO YOU RECOGNIZE THAT CHECK?

24 A YES. THAT'S HER PAYMENT TO MY SHOPPING PLAZA.

25 Q ON OR ABOUT APRIL 2ND, 2012, DID YONG FEN LI PAY  
26 TO YOUR WIFE ONE MILLION DOLLARS?

1 A YES.

2 Q AND DID YOU RECEIVE THAT ONE-MILLION-DOLLAR CHECK  
3 FROM YONG FEN LI?

4 A YES.

5 Q AND DID YOU ASK YONG FEN LI TO WRITE YOU THAT  
6 ONE-MILLION-DOLLAR CHECK ON OR ABOUT APRIL 2ND, 2012, MADE  
7 PAYABLE TO YOUR WIFE, QING LIANG?

8 A I DIDN'T ASK HER TO DO THAT, BUT SHE WAS SUPPOSED  
9 TO DO IT. SHE HAD TO PAY ME. SHE DELIVERED THE CHECK TO  
10 MY OFFICE.

11 Q YOU PERSONALLY RECEIVED A MILLION DOLLAR CHECK  
12 FROM YONG FEN LI ON OR ABOUT APRIL 2ND, 2012, MADE PAYABLE  
13 TO YOUR WIFE, QING LIANG; IS THAT CORRECT?

14 MR. BURNS: I OBJECT. THIS IS CUMULATIVE AT THIS  
15 POINT. I ASK FOR SOME PROFFER ABOUT WHAT ANY OF THIS HAS  
16 TO DO WITH MY CLIENTS OR PLEADINGS AGAINST MY CLIENT. IT  
17 APPEARS TO ME THE PLAINTIFF IS ESSENTIALLY TRYING TO GET A  
18 PREVIEW OF THEIR COLLATERAL LITIGATION AGAINST THIS  
19 WITNESS, YONG FEN LI CASE. I SUSPECTED THAT WAS GOING TO  
20 HAPPEN. THAT'S WHY I FILED MY MOTION IN LIMINE IN THAT  
21 REGARD.

22 THE COURT: OFFER OF PROOF, PLEASE.

23 MR. NAKASE: ON MARCH 30TH -- AROUND MARCH 30TH AND  
24 APRIL 2ND, THERE WAS A --

25 MR. COHAN: 2012.

26 MR. NAKASE: 2012. THAT SAME DAYS, WITHIN THOSE DAYS

1       APART, THERE'S A WIRE TRANSFER AND A CHECK IMAGE FROM  
2       DARWIN TING TO YONG FEN LI. WE'RE DRAWING THE CONNECTION  
3       HERE IN CONNECTION WITH THE SALES OF THE PASADENA PROPERTY  
4       AND THE SALES OF THE CANYON POINT PROPERTY, CANYON POINT  
5       PLAZA.

6           MR. BURNS: WHATEVER MR. TING'S FINANCIAL ARRANGEMENTS  
7       WITH THIS LADY OR HIS FINANCIAL ARRANGEMENTS WITH  
8       MR. ZHANG, STILL NOTHING HAVING TO DO WITH TRANSFERS TO MY  
9       CLIENT. THESE PEOPLE HAVE WHATEVER FINANCIAL DEALS THEY  
10      HAD. THAT'S FINE. HE HAS ANOTHER LAWSUIT. HE'S JUST  
11      TRYING TO GET A PREVIEW OF HIS OTHER LAWSUIT. THIS HAS  
12      NOTHING TO DO WITH MY CLIENTS.

13           THE COURT: WHAT DOES THIS HAVE TO DO WITH THIS CASE?

14           MR. NAKASE: OUR THEORY IS, YOUR HONOR, THIS WIRE  
15      TRANSFER TO YONG FEN LI THEN DAYS AFTER TO QING LIANG WAS  
16      FOR PATRICIA'S BENEFIT. THEY'RE NOT GOING TO TESTIFY TO  
17      THAT, BUT AN INFERENCE CAN BE DRAWN, YOUR HONOR. IT'S NOT  
18      A COINCIDENCE THAT THESE PEOPLE WHO DON'T KNOW EACH OTHER,  
19      SUDDENLY WRITE CHECKS TO EACH OTHER, FROM QING LIANG TO  
20      YONG FEN LI, WHO HAS THE SAME ADDRESS AS MR. ZHANG.

21           MR. BURNS: NONE OF WHICH IS MONEY PAID TO MY CLIENT,  
22      WHICH IS THE GIST OF THIS ACTION.

23           MR. NAKASE: IT'S NOT MONEY PAID TO PATRICIA TING.  
24      IT'S MONEY THAT WAS PAID TO A THIRD PARTY FOR PATRICIA  
25      TING'S BENEFIT.

26           THE COURT: HOW DO YOU TEASE MS. TING'S BENEFIT OUT OF

1 THIS?

2 MR. NAKASE: SHE ACQUIRED REAL PROPERTIES, YOUR HONOR,  
3 IN PASADENA, 27 UNITS, AND THE GRANT DEED SAYS 27 UNITS.  
4 I'LL OFFER IT TO THE COURT IF THE COURT WOULD LIKE TO LOOK  
5 AT THE GRANT DEED. IT'S EXHIBIT 172, YOUR HONOR, ON PAGE  
6 3.

7 AT THE BOTTOM OF PAGE 3, YOUR HONOR, THERE'S AN  
8 ASSESSOR'S PARCEL NUMBER. THERE ARE -- 5738-005-0062, AND  
9 THEN THERE ARE SEMI-COLONS WITH SUFFIXES. THERE ARE 27  
10 UNITS.

11 THE COURT: LET ME UNDERSTAND. THE CHECK FOR A  
12 MILLION DOLLARS REPRESENTED AT EXHIBIT 47 WAS WRITTEN BY  
13 MS. LI TO MR. ZHANG.

14 MR. NAKASE: CORRECT.

15 THE COURT: SO SOMEHOW YOUR ARGUMENT OR YOUR INFERENCE  
16 IS THAT MR. TING WAS BEHIND THE CHECK AND THAT AS A RESULT  
17 OF THE CHECK BEING DELIVERED TO MR. ZHANG TITLE TO 27 OF 30  
18 UNITS WAS DELIVERED TO MS. TING.

19 MR. NAKASE: THAT'S CORRECT, YOUR HONOR.

20 THE COURT: AND SO HOW DO WE GET FROM A TO Z ON THIS?

21 MR. NAKASE: WELL, WE --

22 THE COURT: Z BEING MR. ZHANG.

23 MR. NAKASE: MR. ZHANG WAS THE ONE, HIS COMPANY, CHANG  
24 CHIH INTERNATIONAL IS THE ONE WHO TRANSFERRED TITLE TO THE  
25 PASADENA PROPERTY TO PATRICIA TING. AND IT WAS --

26 THE COURT: MAYBE WE SHOULD START INSTEAD -- SINCE A

1 REVERSE ORDER BECAUSE RIGHT NOW I'M NOT FINDING THE CAUSAL  
2 CONNECTION. WE'RE KIND OF ON THE VERGE OF A 352 OBJECTION  
3 AS IT IS. SO IT MIGHT BE HELPFUL TO KNOW WHAT GENERATED  
4 THIS TRANSFER, IF MR. ZHANG IS IN A POSITION TO TESTIFY.  
5 ONE OF THE PROBLEMS IS THAT MR. ZHANG ACTUALLY IS NOT THE  
6 PERSON WHO SIGNED THIS DEED.

7 MR. NAKASE: THAT'S CORRECT. IT'S HIS WIFE, YOUR  
8 HONOR. WE'RE GOING TO CALL HER AS OUR NEXT WITNESS.

9 THE COURT: OKAY. MAYBE HE KNOWS SOMETHING BUT LET'S  
10 GO WITH THAT.

11 MR. NAKASE: HE ALREADY TESTIFIED THAT HE TRANSFERRED  
12 ONLY THREE BUT THE DEED SAYS 27.

13 THE COURT: HE MIGHT KNOW AND HE MIGHT NOT. HAVE YOU  
14 PUT THE DEED IN FRONT OF MR. ZHANG AND ASKED HIM ABOUT THE  
15 27 VERSUS THREE?

16 MR. NAKASE: OKAY.

17 BY MR. NAKASE: Q MR. ZHANG, DO YOU KNOW WHY YOUR  
18 WIFE TRANSFERRED 27 UNITS?

19 THE COURT: LET'S START WITH ASKING THE WITNESS TO  
20 LOOK AT EXHIBIT 172.

21 BY MR. NAKASE: Q MR. ZHANG, WOULD YOU LOOK AT  
22 EXHIBIT 172, PAGE 3, PLEASE.

23 THE COURT: I SUGGEST YOU HAVE HIM START AT PAGE 2,  
24 WHICH IS THE COVER OF THE DEED ITSELF, WHICH HAS SOME  
25 RELEVANT INFORMATION YOU MIGHT WANT TO INQUIRE ABOUT.

26 THE WITNESS: YES.

1 BY MR. NAKASE: Q SIR, DO YOU RECOGNIZE EXHIBIT 172,  
2 PAGE 2?

3 A YES.

4 Q PLEASE TELL US WHY YOU RECOGNIZE THE DOCUMENT.  
5 THE INTERPRETER: WHERE?

6 BY MR. NAKASE: Q PLEASE SHARE WITH US WHY YOU  
7 RECOGNIZE THE DOCUMENT.

8 A WHEN MY WIFE SIGNED ON THIS DOCUMENT, I WAS  
9 PRESENT.

10 Q DO YOU KNOW WHY 27 UNITS WAS TRANSFERRED TO  
11 PATRICIA TING?

12 A WE HAD NEVER DONE THAT TRANSFERRING 27 UNITS TO  
13 PATRICIA TING. HERE THE ATM NUMBER IS 5738005062. ALSO  
14 STATED CLEARLY HERE FOR THE TRANSFER TAX THAT WE HAD PAID  
15 WAS \$1100, WHICH WAS THE PERCENTAGE FROM THE PURCHASE PRICE  
16 OF ONE MILLION.

17 Q DID YOU KNOW THAT PATRICIA TING RECEIVED A  
18 PROPERTY TAX FROM THE ASSESSOR FOR 27 UNITS OF CONDOMINIUMS  
19 THAT YOU SOLD HER?

20 LET ME REASK THE QUESTION. DID YOU KNOW THAT  
21 PATRICIA TING RECEIVED PROPERTY TAX FOR 27 UNITS?

22 A YES. LET ME TELL YOU RIGHT NOW. WHEN WE  
23 REGISTERED THE GRANT DEED, WE BROUGHT THIS DOCUMENT TO THE  
24 COUNTY OFFICE, WE BROUGHT THIS DOCUMENT TO THE L.A. COUNTY  
25 RECORDING OFFICE. THE STAFF OVER THERE TOLD US THAT THEY  
26 REQUIRE US TO PRESENT ANOTHER DOCUMENT, LIKE TYPE "A"



1 DOCUMENT. HOWEVER, WHEN WE WENT THERE, WE ONLY BROUGHT THE  
2 GRANT DEED WITHOUT DOCUMENT "A," SO THE STAFF TOLD US WE  
3 PAID \$8 AND THEY WILL PRINT OUT THE DOCUMENT "A" FOR US.  
4 AT THE END HE OR SHE PUT THESE TWO DOCUMENTS TOGETHER.

5 IN APRIL PATRICIA TING RECEIVED A NOTICE OF THE  
6 TAX -- PROPERTY TAX FROM THE COUNTY. SO WE WENT TO THE  
7 RECORDING OFFICE IMMEDIATELY. THE RECORDING OFFICE TOLD US  
8 THAT WAS A MISTAKE. THAT'S WHY WE GOT THE CORRECTION. AT  
9 THAT TIME THEY DID NOT CROSS OUT THE REST OF THE UNITS ON  
10 THE "A" DOCUMENT. THAT WAS A MISTAKE MADE BY THE RECORDING  
11 COUNTY OFFICE. THAT'S WHY WE WENT THERE AND MADE ANOTHER  
12 REGISTRATION, ALSO TOLD THEM THAT THERE WILL BE ONLY THREE  
13 UNITS.

14 AFTERWARDS WE RECEIVE A LETTER FROM THE COUNTY  
15 OFFICE TELLING US THAT THEY MADE A MISTAKE. THEY WOULD  
16 CORRECT IT. THEY DID CORRECT IT. BUT THE GRANT DEED  
17 ITSELF STATED CLEARLY.

18 Q ON OR ABOUT APRIL 6, 2012, DID YONG FEN LI PAY  
19 YOU HALF A MILLION DOLLARS?

20 A YES.

21 Q SO THAT FIRST WEEK -- LAST QUESTION, SIR, THE  
22 LAST QUESTION, THAT FIRST WEEK OF APRIL 2012, YONG FEN LI  
23 PAID YOU AND YOUR WIFE A TOTAL OF ONE AND A HALF MILLION  
24 DOLLARS; IS THAT CORRECT?

25 A WHEN YONG FEN LI PURCHASE OUR SHOPPING CENTER,  
26 SHE GOT A LOAN FROM US. THAT LOAN WAS 3.78 MILLION.

1 MR. NAKASE: MOVE TO STRIKE AS NONRESPONSIVE, YOUR  
2 HONOR.

3 THE COURT: I'M NOT SURE IT IS. I'M STILL WAITING TO  
4 HEAR THE REST OF THE ANSWER BEFORE I KNOW.

5 THE COURT: THE INTERPRETER IS VERY GOOD, BUT  
6 INTERPRETERS NEED TO GET IT IN SMALL BITES INSTEAD OF JUST  
7 HAVING THE DUMP AND THEN TRYING TO REMEMBER EVERYTHING.  
8 SO, SIR, IF YOU'LL JUST GIVE HER SEGMENTS OF YOUR ANSWER,  
9 WE'LL BREAK IT UP. THAT WAY THE INTERPRETER CAN GIVE US AN  
10 ACCURATE RECITATION.

11 THE WITNESS: WHEN YONG FEN LI AND THE COMPANY, JAI  
12 LI, PURCHASE OUR SHOPPING PLAZA, THE PURCHASE PRICE WAS 18  
13 MILLION DOLLARS. AND THEY GOT A LOAN ABOUT 14.2 MILLION  
14 FROM THE BANK. AND THEN SHE GOT A LOAN FROM US FOR 3.78  
15 MILLION.

16 SHE PAID IT OFF IN APRIL OF 2012. THAT'S WHAT  
17 YOU WERE REFERRING TO, THE ONE MILLION AND A HALF MILLION  
18 DOLLARS.

19 MR. NAKASE: MOVE TO STRIKE AS NONRESPONSIVE, YOUR  
20 HONOR.

21 THE COURT: DENIED.

22 MR. NAKASE: NOTHING FURTHER FOR THIS WITNESS, YOUR  
23 HONOR.

24 THE COURT: QUESTIONS?

25 CROSS-EXAMINATION

26 BY MR. BURNS: Q GOOD AFTERNOON, SIR. THE EXHIBIT

1 BOOK THAT YOU HAVE IN FRONT OF YOU, I BELIEVE YOU STOPPED  
2 AT 172, THE GRANT DEED. COULD YOU OPEN IT BACK UP TO THAT,  
3 PLEASE.

4 MR. BURNS: YOUR HONOR, MAY I MAY INQUIRE FROM THE  
5 TABLE?

6 THE COURT: OF COURSE. WITHOUT A JURY HERE, YOU'RE  
7 WELCOME TO STAY SEATED, IF YOU LIKE, TO ASK YOUR QUESTIONS.

8 MR. BURNS: IT WOULD BE LIKE AN ELECTRIC TINGLE  
9 THROUGH MY BODY THAT WOULD NOT ALLOW THAT, BUT THANK YOU.

10 BY MR. BURNS: COULD YOU NOW GO TO THE VERY NEXT  
11 DOCUMENT 173. YOU MENTIONED -- DO YOU RECOGNIZE EXHIBIT  
12 173?

13 A YES.

14 Q AND YOU MENTIONED EARLIER THAT THERE WAS SOME  
15 SORT OF A DOCUMENT CREATED TO FIX THE MISTAKE IN THE FIRST  
16 GRANT DEED. IS THIS THAT DOCUMENT?

17 A YES.

18 Q AND COULD YOU GO TO 174. DO YOU RECOGNIZE 174 AS  
19 A RE-RECORDING OF THE DOCUMENT, AGAIN FIXING THE MISTAKE  
20 THAT SHOWED ON THE LEGAL DESCRIPTION TOO MANY UNITS BEING  
21 TRANSFERRED TO MRS. PATRICIA TING?

22 A IT SOUND LIKE OVER TRANSFER TOO MANY UNIT TO  
23 PATRICIA TING. ACTUALLY WE JUST TRANSFERRED THOSE THREE  
24 UNITS TO HER.

25 Q OF THE OTHER 27 UNITS, YOU HAD 27 UNITS, AND YOU  
26 HAD 24 LEFT AFTER YOU TRANSFERRED THREE TO PATRICIA;

1 CORRECT?

2 A YES.

3 Q DID YOU CONTINUE TO PAY THE MORTGAGE ON THOSE  
4 UNITS?

5 A AFTER I SOLD THOSE PROPERTIES TO HER, WE  
6 REFINANCED.

7 Q YOU PRESENTLY OWN THE REMAINING UNITS; IS THAT  
8 CORRECT?

9 A RIGHT NOW WE HAVE 24 UNITS.

10 Q DO YOU PAY ALL THE COSTS ASSOCIATED WITH THOSE  
11 UNITS, SUCH AS THE MORTGAGE, PROPERTY TAXES, UTILITIES,  
12 INSURANCE, THINGS LIKE THAT?

13 A OF COURSE.

14 Q AND THE RENTAL INCOME FROM TENANTS WHO LIVE  
15 THERE, YOU OR YOUR COMPANY ENJOY THOSE RENTALS; CORRECT?

16 A YES. I DO HAVE A MANAGING COMPANY. THE MANAGING  
17 COMPANY ENJOYS THE BENEFIT OF THE RENTAL INCOME.

18 Q DOES PATRICIA TING RECEIVE ANY FINANCIAL BENEFIT  
19 FROM THOSE 24 UNITS THAT YOU STILL OWN?

20 A WHY SHOULD I GIVE HER ANY?

21 Q DO YOU HAVE ANY SORT OF SECRET SIDE DEAL WITH  
22 PATRICIA TING, WHERE SHE ACTUALLY OWNS THESE UNITS AND  
23 YOU'RE JUST HOLDING THEM AS IN NAME?

24 A NEVER.

25 Q YOUR COMPANY PURCHASED A SHOPPING CENTER FROM THE  
26 ATIA COMPANY AT ONE POINT; CORRECT?

1 THE INTERPRETER: I'M SORRY?

2 THE COURT: ATIA, A-T-I-A.

3 MR. NAKASE: OBJECTION, YOUR HONOR. BEYOND THE SCOPE.

4 THE COURT: I'LL ALLOW THE QUESTION.

5 THE WITNESS: WE PURCHASED A LIMITED PARTNERSHIP. BY  
6 THE TIME WE PURCHASED THIS COMPANY, WE OWNED THE PLAZA.

7 BY MR. BURNS: Q YES. I'LL SAY IT -- TECHNICALLY IF  
8 I UNDERSTAND WHAT HAPPENED, RATHER THAN A TRANSFER OF THE  
9 UNDERLYING REAL ESTATE, YOUR COMPANY ACQUIRED OWNERSHIP OF  
10 THE COMPANY THAT OWNED THE SHOPPING CENTER; AM I CORRECT?

11 A WE ACQUIRED TWO COMPANIES FROM THEM.

12 Q AND WHAT IS THE NAME OF THE SHOPPING CENTER THAT  
13 YOU KNOW -- HOW DO YOU KNOW THE NAME THAT YOU ACQUIRED?

14 A THE NAME?

15 Q YES. CANYON POINT, IS THAT IT?

16 A CANYON POINT.

17 Q WHEN YOU BEGAN MANAGING THE COMPANY, WAS  
18 MRS. TING AND HER HUSBAND OPERATING A BAKERY IN THE  
19 SHOPPING CENTER?

20 A YES. WHEN I PURCHASED THE PLAZA THAT BAKERY  
21 ALREADY EXISTED.

22 Q WHEN YOU PURCHASED THE COMPANY THAT OWNED THE  
23 CANYON POINT PLAZA, DID YOU CUT ANY SECRET SIDE DEAL,  
24 BRIBE, ANYTHING IMPROPER WITH DARWIN TING?

25 A WHY ARE YOU ASKING ME THIS? UNTIL TODAY NO  
26 WHATSOEVER SORT OF SECRET DEAL WITH HIM.

1 NEVER. NEVER. NOTHING BETWEEN US.

2 MR. BURNS: NOTHING FURTHER.

3 THE COURT: REDIRECT.

4 REDIRECT EXAMINATION

5 BY MR. NAKASE: Q THE COMPANY THAT YOU BOUGHT THAT  
6 OWNED THE REAL ESTATE, DID THE REAL ESTATE -- IT'S CALLED  
7 CANYON POINT PLAZA; IS THAT CORRECT?

8 A IN TOTAL I PURCHASED TWO COMPANIES. ONE COMPANY  
9 HAD 99 PERCENT OF OWNERSHIP; THE OTHER COMPANY HAD 1  
10 PERCENT OF OWNERSHIP.

11 Q THE COMPANY THAT YOU BOUGHT, IS IT CALLED U.N.T.  
12 ATIA II, L.P., ATIA II, L.P.?

13 SAY IT ONE MORE TIME. THE COMPANY THAT YOU  
14 BOUGHT, THAT OWNS THE CANYON POINT MARKETPLACE, ALSO KNOWN  
15 AS CANYON POINT PLAZA, IS IT CALLED U.N.T. ATIA II, L.P.?

16 A THERE WERE TWO COMPANIES. ONE WAS U.N.T. ATIA  
17 II, L.P., WHICH OWNED 99 PERCENT, AND THE OTHER ONE WAS  
18 ATIA COLIMA, LLC, WHICH OWNED 1 PERCENT.

19 Q LET ME JUST INVITE YOU TO EXHIBIT 32, PLEASE.

20 SIR, DO YOU RECOGNIZE EXHIBIT 32?

21 A YES.

22 Q AND INVITING YOUR ATTENTION TO EXHIBIT 32, PAGE  
23 8, PLEASE.

24 A OKAY.

25 Q IS THAT YOUR SIGNATURE, SIR, WHERE IT SAYS, YONG  
26 ZHANG?

1 A YES.

2 Q DO YOU RECOGNIZE YOUR WIFE'S SIGNATURE WHERE IT  
3 SAYS, QING LIANG?

4 A YES.

5 Q DID YOU AND YOUR WIFE SIGN EXHIBIT 32, PAGE 8?

6 A YES.

7 Q CAN YOU TELL US WHAT EXHIBIT 32 IS, PLEASE?

8 A IT'S A PURCHASE AGREEMENT WHEN WE ACQUIRED THIS  
9 COMPANY.

10 MR. NAKASE: MOVE FOR THE ADMISSION OF EXHIBIT 32 INTO  
11 EVIDENCE, YOUR HONOR.

12 THE COURT: ANY OBJECTION?

13 MR. BURNS: NO, YOUR HONOR.

14 THE COURT: 32 IS RECEIVED.

15 (EXHIBIT 32 WAS RECEIVED INTO EVIDENCE.)

16 BY MR. NAKASE: Q READING WHERE IT SAYS "RECITAL,"  
17 THE FIRST PARAGRAPH, SIR, IT SAYS: WHEREAS, U.N.T. ATIA  
18 CO. II, A CALIFORNIA LIMITED PARTNERSHIP, PAREN, QUOTE,  
19 HOLDING, L.P., QUOTE, PAREN, IS THE FEE SIMPLE OWNER TO THE  
20 CERTAIN REAL PROPERTY DESCRIBED AS THE LEGAL DESCRIPTION  
21 ATTACHED HEREIN, COMMONLY KNOWN AS 19705-19775, EAST COLIMA  
22 ROAD, ROWLAND HEIGHTS. DID I READ THAT CORRECTLY, SIR?

23 A I CANNOT READ. I BELIEVE YOU ARE RIGHT.

24 Q OKAY. DOES THIS DOCUMENT REFRESH YOUR  
25 RECOLLECTION THAT YOU ARE BUYING THE COMPANY, U.N.T. ATIA  
26 CO. II, A CALIFORNIA LIMITED PARTNERSHIP?

1 A YES.

2 Q OKAY. INVITING YOUR ATTENTION TO ON THE FIRST  
3 PARAGRAPH IT STATES: THIS PURCHASE AND SALE AGREEMENT,  
4 PAREN, QUOTE, AGREEMENT, QUOTE, PAREN, IS MADE AS OF AUGUST  
5 15, 2011, BY AND AMONG ATIA COMPANY, A CALIFORNIA LIMITED  
6 PARTNERSHIP, PAREN, QUOTE, SELLER, L.P., QUOTE, PAREN. DO  
7 YOU SEE THAT, SIR?

8 A YES.

9 Q OKAY. NOW, INVITING YOUR ATTENTION TO THE SECOND  
10 PARAGRAPH IN THE RECITAL, IT STATES: WHEREAS, SELLER L.P.  
11 IS THE GENERAL PARTNER OF HOLDING L.P. AND OWNS 99 PERCENT  
12 PARTNERSHIP INTEREST IN HOLDING L.P.

13 DID I READ THAT CORRECTLY, SIR?

14 A YES.

15 Q DOES THE DOCUMENT REFRESH YOUR RECOLLECTION THAT  
16 YOU'RE BUYING 99-PERCENT OWNERSHIP INTEREST OF U.N.T. II  
17 FROM ATIA COMPANY, L.P.?

18 A HOW MANY PERCENTAGE?

19 Q 99 PERCENT.

20 A YES. I GOT 99 PERCENT OF THE OWNERSHIP --  
21 PERCENT OF THE OWNERSHIP FROM ATIA COMPANY.

22 Q INCLUDING ASSUMING DEBTS AND PAYING CASH, THE  
23 TOTAL PURCHASE PRICE WAS 27 MILLION .5 -- 27.5 MILLION; IS  
24 THAT CORRECT?

25 A THE TOTAL PRICE WAS 27.5 MILLION.

26 Q THANK YOU.



1 MR. NAKASE: NOTHING FURTHER, YOUR HONOR.

2 MR. BURNS: NOTHING, YOUR HONOR.

3 THE COURT: MR. ZHANG, THANK YOU. YOU CAN STEP DOWN.  
4 HAVE A GOOD AFTERNOON. WE MAY BE SEEING YOU LATER IN THE  
5 TRIAL. WE SHALL FIND OUT LATER.

6 THE WITNESS: THANK YOU.

7 THE COURT: SO, FOLKS, IT'S TIME TO GO HOME. YOU MAY  
8 OR MAY NOT KNOW, THEY MADE ALL THE COURT REPORTERS IN THIS  
9 BUILDING PART-TIME EMPLOYEES. SO -- NEVER MIND. I WON'T  
10 GIVE YOU ANY MORE OF MY EDITORIAL OPINION. SHE ALREADY  
11 KNOWS. SO ANYHOW WE WANT TO GET HER OFF BEFORE BAD THINGS  
12 HAPPEN. SO WE'LL SEE MONDAY AT TEN O'CLOCK.

13 MR. NAKASE: A LITTLE HOUSEKEEPING FOR OUR WITNESS ON  
14 MONDAY. SINCE PLAINTIFF IS WAIVING OUR RIGHT TO CALL  
15 MS. QING LIANG AS A LIVE WITNESS, MAY WE INSTEAD SUBMIT A  
16 DEPOSITION TRANSCRIPT EXCERPTS, FILE WITH THE COURT AND  
17 SERVE IT WITH DEFENSE COUNSEL?

18 THE COURT: WHAT DO YOU THINK, MR. BURNS?

19 MR. BURNS: I HAVE NO OBJECTION.

20 THE COURT: ALL RIGHT. LET'S DO IT.

21 THANKS. HAVE A GOOD WEEKEND.

22 MR. COHAN: SEE YOU AT TEN O'CLOCK MONDAY, YOUR HONOR.

23 (EVENING ADJOURNMENT.)

24

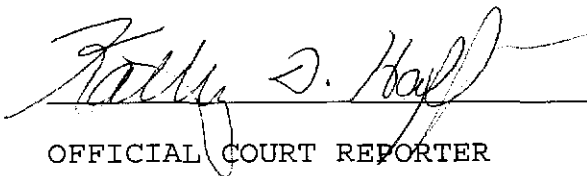
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REPORTER'S CERTIFICATE

I, KATHY D. HOFFMAN, CSR 5787, DO HEREBY CERTIFY THAT  
THE FOREGOING REPORTER'S TRANSCRIPT IS A FULL, TRUE AND  
CORRECT TRANSCRIPT OF MY SHORTHAND NOTES THEREOF, AND A  
FULL, TRUE AND CORRECT STATEMENT OF THE PROCEEDING HAD IN  
SAID CAUSE.

  
OFFICIAL COURT REPORTER

DATED: Dec. 9, 2014