

IN THE CIRCUIT COURT OF THE
FIFTEENTH JUDICIAL CIRCUIT, IN AND
FOR PALM BEACH COUNTY, FLORIDA.

CASE NO. 502012CP004391XXXXNBIH
CP - Probate

IN RE:

ESTATE OF SIMON L. BERNSTEIN,

**TRUSTEE'S RESPONSE IN OPPOSITION TO STANSBURY'S MOTION FOR
DISCHARGE FROM FURTHER RESPONSIBILITY FOR THE FUNDING OF THE
ESTATE'S PARTICIPATION IN THE CHICAGO LIFE INSURANCE LITIGATION**

Trustee, Ted S. Bernstein ("Trustee"), files his Response in Opposition to William E. Stansbury's Motion for Discharge from Further Responsibility for the Funding of the Estate's Participation in the Chicago Life Insurance Litigation.

INTRODUCTION

The issue before the court is whether to excuse Stansbury from complying with this Court's Amended Order Appointing Administrator Ad Litem dated June 23, 2014 (the "Order"), requiring Stansbury to pay all attorneys' fees and costs incurred by the Estate in the Illinois insurance litigation.

Specifically, the Order (Exhibit A) provides:

2. For the reasons and subject to the conditions stated on the record during the May 23, 2014 hearing, ***all attorneys' fees and costs incurred***, including for the Curator in connection with his work as Administrator Ad Litem and any counsel retained by the Administrator Ad Litem, ***will initially be borne by William Stansbury***.

3. The Court will consider any subsequent Petition for Fees and Costs by William Stansbury; however, ***Mr. Stansbury shall not be reimbursed for any fees and costs incurred from either the decedent's estate or trust unless there is a recovery in the Illinois Litigation*** on behalf of the estate which results in a net benefit (after any such fees and costs are paid) to the estate.

As the Court will note from the transcript excerpts,¹ the agreement to fund the expenses was the critical part of the Court's willingness to approve Stansbury's request to cause the Estate to intervene in the Illinois Litigation. Indeed, the Court's final statement before ruling was:

THE COURT: . . . part of this is what I think is the sincerity of Mr. Feaman's side here. And it's kind of a good thing we have the ability to use Mr. Stansbury's funds that way. **They've made the pledge to do it. I don't think they're going to go back on their word.**

MR. ROSE: I understand. I think Mr. Stansbury should at least, under oath - -

THE COURT: . . . Your request is denied. **Mr. Feaman is an officer of the court.**

(Exhibit B, Hearing Transcript at 43.)

Stansbury did not appeal the Order. To the contrary, Stansbury accepted all of the benefits of the Order, including the right to be involved with selecting and communicating with the Estate's Illinois counsel. **But Stansbury and his counsel did go back on their word.** Stansbury has not lived up to his part of the bargain – he unilaterally stopped paying the Estate's counsel, resulting in an outstanding debt of more than \$40,000 which he hopes to foist on the Estate. That is wrong.

Stansbury seeks not only discharge of the \$40,000-plus now owing and all future legal fees and costs – the linchpin of the agreement reached with the Court – but also wants to be immediately repaid for the expenses he has already advanced, in direct violation of the representation in the transcript and the express wording of the Order.

The Motion for Discharge should be denied because (i) Stansbury has violated the Order and cannot be relieved of responsibility; and (ii) there is no reason to deviate from the Order, which clearly is in the best interests of the Estate and its beneficiaries.

¹ For the Court's convenience, the relevant pages of the transcript are highlighted and included as Exhibit B. The full transcript is in the court file at DE 148.

STANSBURY'S VIOLATION OF THE ORDER BARS RELIEF

At the time the Order was issued, Trustee (as sole residuary beneficiary of the Estate) as well as the prior co-Personal Representatives of the Estate did not believe that the potential claims were valid or that the Estate could prevail in the Illinois litigation. As fiduciaries, they believed this modest Estate (with very limited liquid assets) should not incur substantial legal expenses pursuing a losing claim. However, Stansbury, as a potential claimant of the Estate, believed there was merit in the Estate's claim, and agreed to fund its pursuit.

James Stamos ("Stamos"), an Illinois attorney, was hired with Stansbury's consent, and more importantly with his agreement to pay Stamos to represent the Estate in the Illinois litigation.

Nearly two years after the Order was entered, on May 4, 2016, Stansbury filed his *Motion for Discharge from Further Responsibility for the Funding of the Estate's Participation in the Chicago Life Insurance Litigation and for Assumption of Responsibility by the Estate and for Reimbursement of Advanced Funds* (the "Motion"). Stansbury sought to be discharged from paying Stamos, and also sought—in direct violation of the Order—immediate reimbursement from the Estate for the expenses he already had paid in the Illinois litigation.

During the disqualification hearings on February 16, 2017, Brian O'Connell, the Estate's personal representative testified:

Q: Because that's the deal we have, Mr. Stansbury is funding the litigation in Illinois and he gets to sort of be involved in it and have a say in it, how it turns out? Because he stands to improve his chances of winning some money if the Illinois case goes the way he wants, right?

A: Well, he is paying, he is financing it.

Q: So he hasn't paid in full, right? You know he is \$40,000 in arrears with the lawyer?

A: Approximately, yes. . . .

Q: And the Court will consider a petition to pay back Mr. Stansbury. If the estate wins in Illinois, we certainly have to pay back Mr. Stansbury first because he has fronted all the costs, right?

A: Absolutely.

Q: Okay. So despite that order, you have personal knowledge that he is \$40,000 in arrears with the Chicago counsel?

A: I have knowledge from my counsel.

(Exhibit C, Hearing Transcript at 86:11-22; 88:4-13 (Feb. 16, 2017).

A party who violates a court order is "not entitled to a hearing or a trial of his cause out of which the contempt arose until he purges himself of the contempt." *Slowinski v. Sweeney*, 117 So.3d 73, 77 (Fla. 1st DCA 2013). "A party against whom a judgment of contempt is entered has the right to purge himself of the contempt and thereupon to be reinstated to all his rights and privileges." *Palm Shores v. Nobles*, 149 Fla. 103, 106 (Fla. 1941).

O'Connell's testimony above shows that Stansbury is in violation of the Order. Stansbury should be forced to comply in full with the Order or show cause why he should not be held in contempt as a result of his violation. If determined to be in contempt, Stansbury's Motion should be denied unless and until he first complies with the Order. (Indeed, Stansbury should be barred from any further participation in this case until he purges himself of the contempt by paying Stamos the total amounts due.)

THE ORDER SHOULD NOT BE VACATED

The original Personal Representatives declined involvement in the Illinois case because they had personal knowledge of Simon Bernstein's estate plan and, specifically, his intent with respect to the life insurance proceeds. The residuary beneficiary of the Estate, Simon Bernstein Trust, is in the same position because its successor Trustee knows Simon Bernstein's intent and plan for these life insurance proceeds. Moreover, back in June 2014 and now three years later, the Trustee remains greatly concerned with the Estate's use of its limited assets.

The only person outside the Bernstein family who stands to benefit if the insurance proceeds come into the Estate is Stansbury. Absent his involvement as a potential claimant against the Estate, the Estate would have had no involvement in the Illinois Litigation. But Stansbury does have a large potential claim – he is seeking more than \$2.5 million in damages. Thus, it is in Stansbury's best interest that the Estate have sufficient funds to satisfy his claim, if he succeeds. It is for that reason Stansbury sought relief in the first place, asking this Court to cause the Estate to intervene in the Illinois Litigation.

As noted above, that issue was argued to this Court at length, and this Court made a clear ruling that the Estate would be allowed to intervene based upon Mr. Stansbury's assurance that he would pay the costs of the Estate's Illinois counsel, as well as the additional expense incurred by the fiduciary to manage the litigation. Stansbury agreed that he would only be repaid, would only be allowed to seek a motion for repayment, from the net proceeds of the insurance litigation if the estate were successful in pursuing its claim. As the Court will see from the transcript of the hearing, the Trustee and his counsel was concerned with the sincerity and genuineness of Stansbury's

representations. This Court accepted the representations of Stansbury's counsel, Peter Feaman, and relied upon those representations, in entering its Order.

As a result of the lengthy argument, and the promises made during the hearing, this Court entered the Order allowing the Estate to intervene in the litigation, and required Stansbury to pay the expenses of that. This Court should not reconsider its prior unappealed ruling. The reasons that existed in June 2014 have not changed between then and June 2017. But for Stansbury's representations and promises, this Court would not have allowed the Estate to intervene. There is no reason to alter course now.

If Stansbury still believes in the merits of the Illinois Litigation, he should be willing to continue funding the litigation. If the Estate prevails, Stansbury will receive back from the net proceeds all of the legal fees and costs he has advanced. If he is wrong about his view of the merits of the case, no harm will befall the Estate because Stansbury will have advanced all of the costs and the legal fees of a losing effort.

On the other hand, if Stansbury is unwilling to take the risk of losing, why should he burden the Estate, of which he is merely a potential claimant, with that same burden.

CONCLUSION

As a *quid pro quo* for Stansbury funding the litigation, Stansbury insisted upon having access and influence in the litigation, and the right to speak with and confer with counsel. (Exhibit B, p. 38) **He has received the benefit of his bargain.** The Estate intervened. Stansbury has been included in the activities of Illinois counsel for the Estate. Yet Stansbury unilaterally decided not to comply with the Order, has not paid the lawyers, and now seeks reimbursement before any recovery has occurred.

There is always risk in litigation of an unsuccessful result. The issue here is who should bear the risk of the attorney's fees and expenses incurred if the Estate is unsuccessful in the Illinois litigation. (If the Estate wins, Stansbury will get his money back.) The Trustee's only concern is that the Estate not be forced to bear that risk. If Stansbury, who agreed to bear that risk, is no longer willing to do so, or if he believes the risk of loss is too great, why should the Estate be burdened? Stansbury has done everything he could to delay the administration of this Estate, seek removal of the Trustee (for personal reasons), seek disqualification of the Estate's chosen counsel, and provide active assistance to Eliot Bernstein in his "adverse and destructive" efforts. Stansbury deserves no break and should be given none. In short, the Court should enforce the Order as written.

CERTIFICATE OF SERVICE

I CERTIFY that a copy of the foregoing has been furnished to parties listed on attached Service List by: ☐ Facsimile **and** U.S. Mail; ☐ U.S. Mail; ☒ E-mail Electronic Transmission; ☐ FedEx; ☐ Hand Delivery this 26th day of May, 2017.

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IN THE CIRCUIT COURT OF THE
FIFTEENTH JUDICIAL CIRCUIT FOR
PALM BEACH COUNTY, FLORIDA

IN RE: ESTATE OF

PROBATE DIVISION

SIMON L. BERNSTEIN,

FILE NO.: 502012CP004391XXXXSB

Deceased.

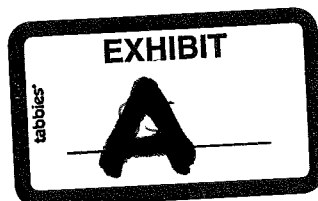
Amended

ORDER APPOINTING ADMINISTRATOR AD LITEM

THIS MATTER came before the Court on May 23, 2014 upon the Curator's Amended Motion for Instructions/Determination regarding Estate Entitlement to Life Insurance Proceeds and upon William Stansbury's Petition for Appointment of Administrator Ad Litem, to intervene in the U.S. District Court case styled *Simon Bernstein Irrevocable Insurance Trust DTD 6/21/95 v. Heritage Union Life Insurance*, Case No. 13-cv-03643, currently pending in the United States District Court for the Northern District Court of Illinois, and the Court having heard argument of counsel and being otherwise duly advised in the premises, it is

ORDERED and ADJUDGED as follows:

1. The Court appoints Benjamin Brown, Esquire, who is currently serving as Curator, as the Administrator Ad Litem on behalf of the Estate of Simon L. Bernstein to ~~make a~~ *ASSERT* ~~determination concerning~~ the interests of the Estate in the Illinois Litigation involving life insurance proceeds on the decedent's life in the U.S. District Court case styled *Simon Bernstein Irrevocable Insurance Trust DTD 6/21/95 v. Heritage Union Life Insurance*, Case No. 13-cv-03643, currently pending in the United States District Court for the Northern District Court of Illinois.



2. For the reasons and subject to the conditions stated on the record during the May 23, 2014 hearing, all attorney's fees and costs incurred, including for the Curator in connection with his work as Administrator Ad Litem and any counsel retained by the Administrator Ad Litem, will ^{INITIALLY} be borne by William Stansbury.

3. The Court will consider any subsequent Petition for Fees and Costs by William Stansbury; however, Mr. Stansbury shall not be reimbursed for any fees or costs incurred from either the decedent's estate or trust unless there is a recovery in the Illinois Litigation on behalf of the estate which results in a net benefit (after any such fees and costs are paid) to the estate.

DONE AND ORDERED at Delray Beach, Palm Beach County, Florida, this _____ day of June, 2014.

The Honorable _____
Circuit Court Judge

SIGNED & DATED
JUN 12 2014
MARTIN H. COLIN
CIRCUIT JUDGE

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IN THE FIFTEENTH JUDICIAL CIRCUIT COURT
IN AND FOR PALM BEACH COUNTY, FLORIDA
CASE NO: 502012CP004391XXXXSB

IN RE: THE ESTATE OF SIMON L. BERNSTEIN

-----/

PROCEEDINGS BEFORE
HONORABLE MARTIN COLIN

DATE: MAY 23, 2014

TIME: 9:00 a.m. to 10:00 a.m.

PLEASANT

EXHIBIT

BEK & MARSAA

tabbies

B

1 APPEARANCES:

2

3 APPEARING ON BEHALF OF WILLIAM STANSBURY:

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20 APPEARING PRO SE:

21 ELIOT BERNSTEIN

22

23

24

25

1 THE COURT: It's an opening to tell me
2 what's going on. I just want your position.

3 MR. ROSE: ^{Teacher} Tetra (phonetic) and Spallina,
4 who were the prior PRs, believe that the claim
5 to the insurance policy by the estate had no
6 merit because of their discussions with their
7 client, because of their investigation of
8 facts. These people have no evidence to
9 support -- they have no parol evidence. This
10 is a fight over an insurance policy that only
11 beneficiary -- there's no dispute that the
12 beneficiary the insurance company has on
13 record, there was a prior beneficiary which was
14 a company pension plan that the company is
15 dissolved, and that's out -- the only
16 contingent beneficiary, and there's an
17 affidavit that's been filed attached to one of
18 their motions in this Court where the insurance
19 company says the only other beneficiary ever
20 named was the Simon Bernstein Irrevocable Life
21 Insurance Trust. There's a shorthand in a
22 computer system, where somebody shorthanded it
23 in the computer, and the affidavit in the
24 insurance company addressing that which says
25 that's shorthand, but in our forms the only

1 beneficiary ever listed is this irrevocable
2 life insurance trust, their only piece of
3 evidence supporting their claim is that the
4 insurance trust cannot be found. But the trust
5 did exist. It has a tax ID number from -- a
6 federal tax ID number. There's numerous
7 references to it between different lawyers and
8 nobody can find the trust document now. That's
9 an issue that's going to be resolved in
10 Illinois. But they have no evidence -- other
11 than the fact that the trust doesn't exist --
12 they don't have any parol evidence. They don't
13 have any documents. They don't have anything
14 on behalf of the estate.

15 Our concern is they're going to spend the
16 precious few estate assets that are remaining
17 to go to Illinois and fight an issue that has
18 no merit, can subject the estate to a claim,
19 you know, for fees or indemnification or
20 prevailing party attorney's fees award.

21 The policy was owned by Simon Bernstein.
22 That means it's included in his taxable estate.
23 But it does not mean it's owned in his probate
24 estate. The beneficiary is the beneficiary.
25 The policy proceeds are in Illinois. They've

1 been deposited into the court --

2 THE COURT: What's the issue that the
3 Illinois judge is being asked to decide?

4 MR. ROSE: Being asked to decide, among
5 competing claims, to the proceeds of this race.
6 Eliot Bernstein is there asserting the exact
7 position that Mr. Stansbury wants to go there
8 to assert. Eliot is asserting that the money
9 should go to the estate and not the irrevocable
10 life insurance trust. That issue is going to
11 require, you know, a summary judgment or a
12 trial with parol evidence to determine who the
13 beneficiary is of that policy.

14 Mr. Stansbury has gone there to intervene
15 and was denied by the judge the right to
16 intervene in the case already once.

17 Our main concern really is twofold. The
18 expense on both -- what's actively being spent.
19 We want to make sure no estate funds are being
20 expended to pursue this. In an estate that
21 has a very limited amount of funds here --

22 THE COURT: Mr. Feaman says that his
23 client will not seek fees for his role as
24 administrator ad litem unless and until a
25 recovery might take place and then he'll make

1 an application with funds then available,
2 meaning the \$1.7 million would then apparently
3 come into the estate.

4 MR. ROSE: I haven't heard testimony to
5 that effect yet.

6 THE COURT: That's a representation.

7 MR. ROSE: He'd also need to represent
8 that he would indemnify and hold the estate
9 harmless if there's any adverse action as a
10 result of him intervening in that case and
11 losing either an award of attorneys fees or --

12 THE COURT: I'm not sure about that part
13 yet. I got your position.

14 MR. ROSE: And then the final point is
15 Mr. Stansbury is a potential creditor of the
16 estate. To the extent he goes and -- even if
17 he would win that lawsuit and bring money into
18 the estate I don't think it's fair to let him
19 get a -- I don't know what his fee arrangement
20 would be.

21 THE COURT: I'd hear that. Under the
22 statute he has to prove that he provided a
23 benefit to the estate.

24 MR. ROSE: We don't even know if his claim
25 will still exist --

1 money coming into the estate, absolutely.

2 THE COURT: But someone who is more
3 neutral may be the right move there. If that's
4 where I'm going on this, what is your position
5 on that?

6 MR. FEAMAN: If that's where you're going
7 on that then Ben Brown is acceptable in that
8 regard. I would just -- since Mr. Stansbury is
9 the one that's volunteering, if you will, to
10 fund initially the cost of this, then he needs,
11 through me, some input with Mr. Brown.

12 THE COURT: Sure.

13 MR. FEAMAN: On all matters.

14 THE COURT: You'd be allowed to have input
15 with him. But Mr. Brown would be there,
16 assuming he's willing to take the assignment,
17 to preserve issues of confidentiality and other
18 concerns that could exist. He sounded, all
19 along, from the beginning, as the perfect
20 centerpiece to do this. What do you say?

21 MR. BROWN: Actually, I -- a few things to
22 say, Your Honor. The first thing is with
23 regard to the privilege issue. I'm not aware
24 of any privilege that would apply.

25 THE COURT: And I'm not either. But let's

1 the documents -- I mean you're not talking --
2 how many pages of documents could the
3 beneficiary forms be? It can't be that many.
4 When we sign our life insurance forms we sign a
5 page or two, that's about it. It's not like
6 it's going to be really exotic litigation.
7 This is a narrow, single issue who the
8 beneficiary is of this policy. You know, it
9 may be that it is clear that it's this
10 irrevocable trust and then they'll go from
11 there to see whether that really is an entity
12 that exists. That may be a separate issue. If
13 the judge says -- someone can name on the life
14 insurance policy, you know, the Star Spangled
15 Banner Fund and if that doesn't exist then we
16 know from contract law what happens if you name
17 a beneficiary that doesn't exist. You go to
18 the next level. You certainly want the life
19 insurance funds going somewhere. That's what
20 we would determine if that took place. Step 1,
21 step 2, step 3, doesn't sound to be that
22 complexed. Last word.

23 MR. ROSE: If I understand what you are
24 saying, which makes sense, Mr. Brown will keep
25 separate time for the time he spends as curator

1 working on the Illinois issue. He will hire
2 counsel and the fees of Mr. Brown and the
3 Illinois counsel, under his direction and his
4 discretion, would be paid by Mr. Stansbury?

5 THE COURT: That's the case. Subject to a
6 claim for reimbursement under the statute.

7 MR. ROSE: I'd want to hear from
8 Mr. Stansbury under oath that he's willing to
9 undertake that expense. Not to talk out of
10 school, but I haven't had discussion with
11 counsel and I didn't necessarily get the sense
12 that that was going to be the case.

13 THE COURT: All right. Well, Mr. Feaman
14 can represent them.

15 MR. FEAMAN: I am representing as an
16 officer of the Court, Your Honor.

17 THE COURT: Okay.

18 MR. FEAMAN: My only concern is if
19 there's -- basically Mr. Stansbury is funding
20 this there's -- there has to be some type of, I
21 don't want to use the word control, but real
22 input into the process.

23 THE COURT: Well, he's allowed to, like
24 anyone else in cases like this, you could have
25 conversations with Mr. Brown and his lawyer.

1 bad news for your side. But if that's what
2 they conclude then that's what they conclude.
3 If they conclude they do they will continue
4 advocating. It's things we do as lawyers all
5 the time. We go after cases with merit, and
6 shy away from those we think don't have merit.

7 MR. FEAMAN: Yes.

8 THE COURT: There's multilevel here. If
9 someone says that the Bernstein Irrevocable
10 Trust is the beneficiary but that it doesn't
11 exist there may be an argument that could be
12 made how then still as a result of that the
13 estate should get the funds, that would be
14 something that Mr. Brown and counsel could
15 consider advocating. But it's all in good
16 faith stuff.

17 MR. FEAMAN: Sure. I just want to make
18 sure --

19 THE COURT: You'll get copies of the
20 bills. You'll be able to see what's that. If
21 at anytime you think that Mr. Brown and the
22 lawyer are, you know, going way beyond what you
23 think they should, from an expense point of
24 view, you can always come back to me.

25 MR. FEAMAN: I'm less concerned with the

1 expense, although it is important, more with
2 being able to pick up the phone and speak to
3 counsel in Chicago and say, hey, have you
4 considered this, I have information that may
5 help your case.

6 THE COURT: I'm not going to micromanage
7 that part. Today if you want to call Mr. Brown
8 for this hearing, for example, and say, Mr.
9 Brown, this is what I think, what do you think,
10 you're allowed to have a discussion on that.
11 That happens all the time, doesn't it?

12 MR. BROWN: It does. It does with
13 everybody in the case, emails and phone calls.

14 THE COURT: You guys email between each
15 other like crazy now.

16 MR. BROWN: That's true. Your Honor, the
17 only -- as far as keeping my time, if I kept my
18 time at my rate as curator is Mr. Stansbury
19 supposed to pay for that, or is that still
20 payable by the estate?

21 THE COURT: Your time and the lawyer's
22 time are the only rate I approve --

23 MR. BROWN: Paid by Mr. Stansbury.

24 THE COURT: -- the hourly rate, I approve
25 of 350.

1 THE COURT: Hold on. Mr. Brown --

2 MR. ROSE: He's a practical guy --

3 THE COURT: -- he's going to find a good
4 lawyer with a reasonable rate, and that's a
5 little higher. He's not going to hire a
6 \$1,000-an-hour-guy.

7 MR. ROSE: But if he hires a lawyer and
8 the bill is \$12,000 and Mr. Stansbury's counsel
9 looks at it and says we don't think we should
10 pay it, Mr. Brown is retaining the person on
11 behalf of the estate, we need to have not a
12 chance for them to complain about bills.

13 THE COURT: Okay. I'm not worried about
14 that now. There's too much -- I'm not finding,
15 you know -- I mean one -- part of this is what
16 I think is the sincerity of Mr. Feaman's side
17 here. And it's kind of a good thing that we
18 have the ability to be able to use
19 Mr. Stansbury's funds that way. They've made
20 the pledge to do it. I don't think they're
21 going to go back on their word.

22 MR. ROSE: I understand. I think
23 Mr. Stansbury should at least, under oath --

24 THE COURT: Your request is denied.
25 Mr. Feaman is an officer of the court. He

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<p>1 trust beneficiaries, have requested that we consent</p> <p>2 to what we have just outlined, ad litem and your</p> <p>3 representation, those items.</p> <p>4 Q. And clearly you are adverse to</p> <p>5 Mr. Stansbury, right?</p> <p>6 A. Yes.</p> <p>7 Q. But in this settlement letter your lawyer</p> <p>8 in Chicago is copying Mr. Stansbury and Mr. Feaman</p> <p>9 about settlement position, right?</p> <p>10 A. Correct.</p> <p>11 Q. Because that's the deal we have,</p> <p>12 Mr. Stansbury is funding litigation in Illinois and</p> <p>13 he gets to sort of be involved in it and have a say</p> <p>14 in it, how it turns out? Because he stands to</p> <p>15 improve his chances of winning some money if the</p> <p>16 Illinois case goes the way he wants, right?</p> <p>17 A. Well, he is paying, he is financing it.</p> <p>18 Q. So he hasn't paid in full, right? You</p> <p>19 know he is \$40,000 in arrears with the lawyer?</p> <p>20 A. Approximately, yes.</p> <p>21 Q. And there's an order that's already in</p> <p>22 evidence, and the judge can hear that later, but --</p> <p>23 okay. So --</p> <p>24 THE COURT: I don't have an order in</p> <p>25 evidence.</p>	<p>1 ad litem will initially be borne by William</p> <p>2 Stansbury. You have seen that order before, right?</p> <p>3 A. I have seen the order, yes.</p> <p>4 Q. And the Court will consider a petition to</p> <p>5 pay back Mr. Stansbury. If the estate wins in</p> <p>6 Illinois, we certainly have to pay back</p> <p>7 Mr. Stansbury first because he has fronted all the</p> <p>8 costs, right?</p> <p>9 A. Absolutely.</p> <p>10 Q. Okay. So despite that order, you have</p> <p>11 personal knowledge that he is \$40,000 in arrears</p> <p>12 with the Chicago counsel?</p> <p>13 A. I have knowledge from my counsel.</p> <p>14 Q. Okay. That you shared with me, though?</p> <p>15 A. Yes. It's information everyone has.</p> <p>16 Q. Okay.</p> <p>17 A. Should have.</p> <p>18 Q. Would you agree with me that you have</p> <p>19 spent almost no money defending the estate so far</p> <p>20 in the Stansbury litigation?</p> <p>21 A. Well, there's been some money spent. I</p> <p>22 wouldn't say no money. I have to look at the</p> <p>23 billings to tell you.</p> <p>24 Q. Very minimal. Minimal?</p> <p>25 A. Not a significant amount.</p>
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<p>1 MR. ROSE: You do. If you look at Exhibit</p> <p>2 Number 2, page --</p> <p>3 THE COURT: Oh, in the Illinois?</p> <p>4 MR. ROSE: Yes, they filed it in Illinois.</p> <p>5 THE COURT: Oh, in the Illinois.</p> <p>6 MR. ROSE: But it's in evidence now, Your</p> <p>7 Honor.</p> <p>8 THE COURT: Yes, I am sorry, I didn't</p> <p>9 realize it was in --</p> <p>10 MR. ROSE: I am sorry.</p> <p>11 THE COURT: No, no, that's okay.</p> <p>12 MR. ROSE: I was going to save it for</p> <p>13 closing.</p> <p>14 THE COURT: In the Illinois is the Florida</p> <p>15 order?</p> <p>16 MR. ROSE: Yes.</p> <p>17 THE COURT: Okay. That's the only thing I</p> <p>18 missed.</p> <p>19 MR. ROSE: Right.</p> <p>20 BY MR. ROSE:</p> <p>21 Q. The evidence it says for the reasons and</p> <p>22 subject to the conditions stated on the record</p> <p>23 during the hearing, all fees and costs incurred,</p> <p>24 including for the curator in connection with his</p> <p>25 work, and any counsel retained by the administrator</p>	<p>1 Q. Okay. Minimal in comparison to what it's</p> <p>2 going to cost to try the case?</p> <p>3 A. Yes.</p> <p>4 Q. Have you had the time to study all the</p> <p>5 documents, the depositions, the exhibits, the tax</p> <p>6 returns, and all the stuff that is going to need to</p> <p>7 be dealt with in this litigation?</p> <p>8 A. I have reviewed some of them. I can't say</p> <p>9 reviewed all of them because I would have to</p> <p>10 obviously have the records here to give you a</p> <p>11 correct answer on that.</p> <p>12 Q. And you bill for your time when you do</p> <p>13 that?</p> <p>14 A. Sure.</p> <p>15 Q. And if Ted is not the administrator ad</p> <p>16 litem, you are going to have to spend money to sit</p> <p>17 through a two-week trial maybe?</p> <p>18 A. Yes.</p> <p>19 Q. You are not willing to do that for free,</p> <p>20 are you?</p> <p>21 A. No.</p> <p>22 Q. Okay. Would you agree with me that you</p> <p>23 know nothing about the relationship, personal</p> <p>24 knowledge, between Ted, Simon and Bill Stansbury,</p> <p>25 personal knowledge? Were you in any of the</p>

