

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF WASHINGTON AT TACOMA

In Re:)
SUSAN FAYE DONES,)
)
Debtor.) Bankruptcy
) No. 10-45608-BDL
)
NXIVM CORPORATION, a Delaware)
corporation,) Adversary
) No. 10-04338-BDL
)
Plaintiff,)
)
vs.)
)
SUSAN FAYE DONES,)
)
Defendant.)

VIDEOTAPED DEPOSITION OF SUSAN F. DONES

November 23, 2010
Tacoma, Washington

Byers & Anderson, Inc.

Court Reporters/Video/Videoconferencing

One Union Square	2208 North 30th Street, Suite 202
600 University St.	Tacoma, WA 98403
Suite 2300	(253) 627-6401
Seattle, WA 98101	(253) 383-4884 Fax
(206) 340-1316	scheduling@byersanderson.com
(800) 649-2034	www.byersanderson.com

Serving Washington's Legal Community since 1980

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

APPEARANCES

For the Plaintiff:

Robert D. Crockett
Latham & Watkins
355 South Grand Avenue
Los Angeles, CA 90071-1560
1.213.485.1234
1.213.891.8763 Fax
bob.crockett@lw.com

For the Defendant:

Susan F. Dones, Pro Se

Also present:

Cody Malone, videographer

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

EXAMINATION INDEX

EXAMINATION BY:

PAGE NO.

Mr. Crockett

5

EXHIBIT INDEX

EXHIBIT NO.

DESCRIPTION

PAGE NO.

Exhibit No. 1	2-page e-mail from Susan Dones dated 10/21/10.	14
Exhibit No. 2	3-page e-mail from Susan Dones dated 10/21/10.	18
Exhibit No. 3	2-page intensive program application.	34
Exhibit No. 4	2-page intensive program application.	36
Exhibit No. 5	1-page 12 point mission statement by Keith Raniere.	37
Exhibit No. 6	5-page confidentiality agreement.	42
Exhibit No. 7	1-page letter to Susan Dones from Robert D. Crockett dated 3/22/10.	76
Exhibit No. 8	1-page document titled "Schedule B - Personal Property."	86

1 BE IT REMEMBERED that on Tuesday,
2 November 23, 2010, at 1201 Pacific Avenue, Suite 1200,
3 Tacoma, Washington, at 10:38 a.m., before Valerie L.
4 Torgerson, Certified Court Reporter, RPR, appeared **SUSAN**
5 **F. DONES**, the witness herein;

6 WHEREUPON, the following proceedings
7 were had, to wit:

8
9 <<<<<< >>>>>>

10
11 THE VIDEOGRAPHER: Good morning. We
12 are now on the record. My name is Cody Malone,
13 videographer for Byers & Anderson Court Reporters and
14 Video. We are located at 2208 North 30th Street,
15 Suite 202 in Tacoma, Washington 98403. The telephone
16 number is 253-627-6401. Today's Tuesday, the 23rd day of
17 November, and the -- 2010. The time is now 10:38 a.m.

18 This is the video recorded deposition of Susan Faye
19 Dones -- or Dones being taken in the case of Susan Faye
20 Dones, Debtor, and NXIVM Corporation, Plaintiff, versus
21 Susan Faye Dones, Defendant. The cause numbers are
22 Bankruptcy No. 10-45608-BDL and Adversary No.
23 10-04338-BDL respectively in the United States Bankruptcy
24 Court in and for the Western District of Washington at
25 Tacoma. This deposition is taking place at the offices

1 of Eisenhower & Carlson, PLLC, at 1201 Pacific Avenue,
2 Suite 1200, in Tacoma, Washington, and was noticed to
3 begin at 10 a.m.

4 I would ask the counsel present to please identify
5 yourself on your record.

6 MR. CROCKETT: Robert Crockett for the
7 plaintiff.

8 THE VIDEOGRAPHER: Thank you. The
9 court reporter today is Valerie Torgerson of Byers &
10 Anderson. If you would, please swear in the witness and
11 proceed with the deposition.

12

13 Susan F. Dones, having been first duly sworn
14 by the Notary, deposed and
15 testified as follows:

16

17

EXAMINATION

18 BY MR. CROCKETT:

19 Q Ms. Dones, have you ever been deposed before.

20 A No, sir.

21 Q Can you please state your full name?

22 A Yes. It's Susan Faye Dones. F --

23 Q And what --

24 A F-A-Y-E is the spelling of the middle name.

25 Q What's your date of birth?

1 **A** 3/2/57.

2 **Q** And what is your residence address?

3 **A** It's 616 Ninth Avenue Southwest, Puyallup,
4 P-U-Y-A-L-L-U-P, Washington 98371.

5 **Q** What -- do you have a business address?

6 **A** No.

7 **Q** What's your residence telephone number?

8 **A** Well, I mostly use my cell phone as my primary contact.
9 It's 253-677-5923. I do have a home phone. That number
10 is 253- -- sorry. I never call myself -- 581-4981.

11 **Q** Do you have an e-mail address you use?

12 **A** Yes. It's Call2action, C-A-L-L, number 2, A-C-T-I-O-N at
13 MSN.com. And I also use Susan.call2action@gmail.com.

14 **Q** I see you've produced some documents today; is that
15 correct?

16 **A** Yes.

17 **Q** We asked you for all e-mails, correspondence, and written
18 communications relating or concerning Plaintiff NXIVM
19 Corporation, its predecessors -- its predecessor,
20 Executive Success Programs, Inc., Keith Ranieri, Nancy
21 Salzman, or Clare and Sara Bronfman for the period
22 July 9, 2010, to date.

23 Did you think that you produced all of that
24 material?

25 **A** I believe so.

1 Q Did you go through your e-mail account?

2 A Yes.

3 Q And did you print everything there out?

4 A Yes.

5 Q Did you withhold anything?

6 A No, sir.

7 Q How about e-mails involving your lawyers?

8 A I did not bring any e-mails between myself and my lawyer.

9 I believe those are privileged information and that if I
10 show you a copy, which you had suggested, that that then
11 takes away my privileged confidential information.

12 Q I don't think I suggested that at all. I just said bring
13 it.

14 Did you --

15 A Well --

16 Q What lawyer -- what lawyer are you referring to?

17 A Well, the thing is that based on my understanding of the
18 e-mail is you said "Bring all. Once I look at them, then
19 you can call the judge." And so my belief is, is that --

20 Q No, I didn't say that.

21 A Well --

22 Q You have to double-check.

23 MR. CROCKETT: Move to strike.

24 Q (By Mr. Crockett) What's the --

25 A No, I don't want that stricken. I want that on the

1 record.

2 **Q** Let me just explain stuff. When I move to strike, it's
3 nonresponsive. It still is on the record, but what
4 happens is, let's say later on we want to read this part
5 at trial, then the judge makes a decision whether to
6 strike then or not.

7 **A** Right. Well, I just want to make sure that just because
8 you suggest that something be stricken from the record
9 and that -- for her to take that off, that I don't
10 necessarily agree with that.

11 **Q** Well, it's a federal crime for a reporter to actually
12 take stuff off the record, so --

13 **A** Well, I apologize, Mr. Crockett, you know.

14 **Q** No. It's --

15 **A** I'm not an attorney.

16 **Q** Hold it. Stop talking. All right? We're only going to
17 do questions and answers here. It's not a lecture. All
18 right? All I'm telling -- all I'm trying to do is
19 explain to you that when I move to strike, I'm preserving
20 an objection on the record.

21 **A** Right. And I --

22 **Q** Now, the question pending --

23 **A** And because I don't have an attorney --

24 **Q** Now, Ms. Dones --

25 **A** Because I don't have an attorney present, I believe that

1 I need to be very careful, and I have a right -- if I had
2 an attorney in the room that knew the law, they would --
3 there are certain things that they would object to that I
4 don't know whether to object to or not, and I don't
5 believe that you have my best interests in mind here.

6 **Q** Ms. Dones, who is the lawyer whose e-mails you're
7 withholding?

8 **A** Mr. Tiffany's.

9 **Q** Any other lawyers who you believe have advised you in the
10 past --

11 **A** No, sir.

12 **Q** Let me finish the question.

13 Just -- there's some, like, ground rules that happen
14 in depositions.

15 **A** Okay.

16 **Q** And one of them is -- this is -- this is not like an
17 ordinary conversation. You obviously know where my
18 question is going, so you -- in ordinary conversation,
19 you kind of want to, like, jump in and answer the
20 question. That would be okay in conversation but not in
21 a deposition.

22 **A** Okay.

23 **Q** I need to finish my question.

24 **A** Okay.

25 **Q** Similarly, I can't jump on you and start talking before

1 you, you know, finish your answer.

2 **A** Okay.

3 **Q** So the question specifically is: Have you had any other
4 lawyer helping you with your case since July 9, 2010?

5 **A** No, sir.

6 **Q** Now, last week you filed a declaration with the court
7 entitled "Declaration of Susan Faye Dones in Response to
8 Plaintiff's Complaint," et cetera. Do you remember doing
9 that?

10 **A** Yes, sir.

11 **Q** Do you remember filing it and it wasn't signed?

12 **A** Yes, sir.

13 **Q** And then did you, like, file some follow-up --

14 **A** Yes, sir.

15 **Q** -- signature?

16 All right. Did some lawyer help you file -- prepare
17 this declaration?

18 **A** No, sir.

19 **Q** Did you talk to anybody about the contents of that
20 declaration to help you prepare it?

21 **A** No, sir.

22 **Q** I mean --

23 **A** What -- I did do a lot of research. I knew that I needed
24 to get this done in order to make the deadline. And
25 there was not only the original complaint, but there was

1 an amended complaint which tripled it in size. And in
2 that time frame, I had a decision to make whether to do
3 the deposition myself to make the deadline or do I take
4 some time to try to find an attorney, which I don't even
5 know really truly how to go about doing that, especially
6 pro bono.

7 MR. CROCKETT: Move to strike as
8 nonresponsive.

9 Q (By Mr. Crockett) The specific question, Ms. Dones, is:
10 When you worked on your declaration, did you have other
11 people help you with that declaration?

12 A Yes, I did.

13 Q Who?

14 A Joe O'Hara helped me with it.

15 Q And did you communicate with him by e-mail about it?

16 A No.

17 Q So it was all on the telephone?

18 A Yes, sir.

19 Q But did you send him draft copies?

20 A No, sir.

21 Q Did anybody else help you with your declaration?

22 A I did talk to Toni Natalie about it, and I did talk to
23 Barbara Bouchey about it.

24 Q How much --

25 A I did send -- I actually -- if I remember correctly, I

1 did send Barbara a copy of it, but I can't remember if I
2 sent her any drafts or if I just sent her the final after
3 I filed.

4 **Q** Can you show me in your e-mail production where you sent
5 her a draft or spoke to her through e-mail about it?

6 **A** I mean, I can look.

7 **Q** Yes. Could you please look.

8 **A** Okay. I'm not even sure if I sent her a final copy or if
9 she downloaded it from Pacer. I think she had texted me
10 and asked me to, and I was not -- I was taking care of my
11 mom, and I wasn't by a computer to send her a copy.

12 MR. CROCKETT: Move to strike as
13 nonresponsive.

14 **Q** (By Mr. Crockett) The question pending is: Is there
15 anything in your e-mail production which shows that you
16 sent a draft copy of your declaration to Barbara Bouchey?

17 **A** Okay. I'll just look through here. I'm sorry I didn't
18 put them in order from that perspective.

19 Nope. I don't see one.

20 **Q** Did you discuss your draft declaration with anybody else
21 other than the persons you've identified to us?

22 **A** No. No, sir.

23 **Q** Did Ms. Bouchey have any hand any drafting any part of
24 the declaration?

25 **A** Not directly. Ms. Bouchey has sent me some of her

1 documents that she's used in her court cases, and what I
2 did was I used some of that as a guide to go by in
3 writing mine.

4 **Q** Did you produce any of those documents that Bouchey sent
5 you?

6 **A** No. No, I didn't.

7 **Q** Why not?

8 **A** I think because I downloaded all of them to my computer.

9 **Q** And so there are some things you've withheld that you've
10 kept on your computer; is that correct?

11 **A** No. I didn't withhold any e-mails. A lot of times when
12 she would send me stuff, before I knew I was going to
13 have to produce e-mails, I just went through and deleted
14 e-mails.

15 **Q** So you've been deleting e-mails since your litigation
16 started?

17 **A** No, not with NXIVM. I was asked not to do that, and I
18 haven't.

19 **Q** Can you explain to me why this e-mail is not in your
20 production that Ms. Bouchey gave us?

21 And I -- the protocol here is that I hand it to the
22 reporter.

23 **A** Okay.

24 **Q** She marks it, and then she hands it to you.

25 **A** Okay.

1 MR. CROCKETT: I'll ask the reporter
2 to mark this as Dones Exhibit 1.

3 (Exhibit No. 1 marked for
4 identification.)

5
6 **Q** (By Mr. Crockett) Dones Exhibit 1 is an e-mail dated
7 October 21, 2010, to Barbara Bouchey from Susan Dones.
8 And you can take a look at it, but the question pending
9 while you look at it is --

10 **A** Right.

11 **Q** -- can you explain to me why you didn't produce this
12 document in your document production?

13 **A** I don't know, sir.

14 **Q** Did you author this document?

15 **A** Yes, I did.

16 **Q** And is it correct to say that you are basically telling
17 Barbara Bouchey in the first paragraph that you were
18 willing to lie and swear that you had never sent her a
19 copy of this e-mail?

20 **A** Let me just read what -- I don't believe that to be true.

21 **Q** Did you say this: "If NXIVM comes after you, I will sign
22 a document that you had no knowledge of this and were not
23 included in my e-mail list if they ask who I sent it to"?
24 Did you say that?

25 **A** What I -- what --

1 Q Did you say that?

2 A Well, you're taking this out of context.

3 Q Did you --

4 A I would like to answer the question.

5 Q Did you say that sentence?

6 A I did say that sentence, but you're taking it out of
7 context, so what I'd like to do is explain that.

8 Q The next question I have to ask you --

9 A No.

10 Q -- is: Who did you send this document to --

11 A No. I am --

12 Q -- other than Ms. Bouchey?

13 A -- going to finish answering the question you asked me.

14 Q Who did you send this document to other than --

15 A I'm not -- I would like to finish answering this
16 question.

17 Q There is no question pending.

18 A Yes, there is.

19 Q What --

20 A You asked me if I doctored this, if I said that I would
21 lie --

22 Q I didn't --

23 A -- and what I would like to do is explain that.

24 Q I didn't say -- I didn't ask you if you doctored it.

25 THE WITNESS: Would -- could you

1 please read that back then?

2 **A** You asked me if I lied, and I would like to explain.

3 **Q** (By Mr. Crockett) I didn't ask you if you lied. I just
4 asked you if you said you would lie in this document.

5 **A** Right.

6 **Q** Now, Ms. --

7 **A** Right. And I'm -- you know what? I'm not going to
8 ask -- answer any more questions until I get to finish
9 this one.

10 **Q** All right. So let me ask the next question.

11 **A** No. I'm not going to answer --

12 **Q** That's fine. That's fine. If you -- I'm going to give
13 you all of my questions I'm going to ask you today, and
14 if you don't want to answer, then you'll --

15 **A** All right.

16 **Q** -- be in contempt of court, and we'll deal with it.

17 **A** Well, okay. Well, then let's call the judge.

18 **Q** Court is closed today, but if you have his number, go
19 ahead.

20 **A** No.

21 **Q** All right. So the next question I have for you -- you're
22 certainly more than willing to refuse to answer any of my
23 questions I have today.

24 **A** No. I would like to explain this. You asked me if I
25 lied about this, and I said, "Please let me read this."

1 Q I -- what question do you think I asked?

2 A I would like the court reporter to read it back.

3 Q Too long.

4 A Please --

5 Q Just say whatever you'd like.

6 A Okay. All right. What I meant by saying this is that I
7 did not include Barbara in the original e-mail that I
8 sent out, and the reason that I didn't send that to her
9 is because of her vicarious position in legal battles
10 with NXIVM and the Bronfmans.

11 And so what I did is I did not include her in this.
12 Once it hit the New York Post and then went to the blog
13 or whoever got it first -- I don't know -- I believe that
14 she had a right to know about this. The thing -- when I
15 said "If NXIVM comes after you, I will sign a document
16 that you had no knowledge of this and were not included
17 in my e-mail," what I meant by that is, is that I would
18 sign a document that she was not a part of me sending
19 this out to my friends and family.

20 Q Now, who did you send Dones Exhibit 1 to other than the
21 part that involves Barbara Bouchey?

22 A Okay. Let me locate that e-mail.

23 Q Well, let me just give it to you from your document
24 production, and we'll deal with it that way.

25 A Okay.

1 MR. CROCKETT: I'd like the reporter
2 to mark the next document as Dones Exhibit 2.

3 (Exhibit No. 2 marked for
4 identification.)

5

6 **A** Okay. I sent this to Andrew Dallow, Angela Parisotto,
7 Angela Ucci, Barb Bell --

8 **Q** (By Mr. Crockett) Slow. Slow --

9 **A** Okay.

10 **Q** -- for the reporter.

11 **A** Sorry. -- Betsy Lear, Brenda Renrik, Nina Cowell,
12 Chelsie Bowden, Desiree Dones-Steffens, Elaine Gibson --

13 **Q** Ellen?

14 **A** Or Ellen. Excuse me. -- Ellen Gibson, Geoff Johnson,
15 Jan Heim, Jerie Longacre, Karen O'Brien, Kathy Ethier,
16 Katy Fletcher, Kristi Lahusen -- wait. Oops. I'm
17 sorry -- Kevin Hlas, Kim Woolhouse, Laura Legere, Lesley
18 Bush, Ray Jones, Rob Chiappone, Shelley Vilickoff, Sue
19 White, Teri Blubaugh, Toni Foley, Tracy Williams, Yuri
20 Plyam, and Joe O'Hara.

21 MR. CROCKETT: And, Madame Reporter,
22 all of these names are on this document for spelling.

23 **Q** (By Mr. Crockett) Are any of these reporters?

24 **A** No. No, sir, not that -- not that I know of. I don't
25 believe any of them are.

1 Q Who is Yuri Plyam?

2 A Yuri Plyam is a gentleman in Los Angeles.

3 Q How do you know him?

4 A I know him -- first, I knew him through my time in NXIVM,
5 and I was told that Yuri had stolen millions of dollars
6 from the Bronfman sisters. And then after I left NXIVM,
7 I realized that I had been lied to about a lot of things,
8 and so what I did was I started to go and investigate
9 what was the truth and what I believed that I had been
10 lied about. So that's how I know Yuri, is meeting Yuri
11 and finding out his side of the NXIVM story.

12 Q When did you meet Yuri and find out his side of the
13 story?

14 A It was either -- I think it was in -- as far as I can
15 recall, it was in June of 2009. It could have been May,
16 but it -- I believe it was in June.

17 Q Have you spoken to him recently?

18 A Yeah, last night.

19 Q Has he told you that the court in Los Angeles has fined
20 him over \$2 million for lying about documents?

21 A No, sir.

22 Q What did you talk about last night with Mr. Plyam?

23 A He -- I texted him to let him know that I was coming in
24 with a deposition with you today without counsel, and he
25 just called me to talk to me about that.

1 Q So do you have copies of your texts?

2 A No. I don't keep any copies of my texts, except I have
3 some from my therapist.

4 Q Do you have any copies of your texts to Yuri Plyam?

5 A No, sir.

6 Q Now, in looking at Dones Exhibit 2 and Dones Exhibit 1
7 again, do you have any explanation as to why you didn't
8 produce to me Dones Exhibit 1?

9 A I don't have any explanation. It could have been an
10 oversight.

11 Q So it's your testimony you didn't intentionally destroy
12 Dones Exhibit 1 --

13 A No, sir.

14 Q -- before -- is it your testimony that you did not
15 destroy Exhibit -- Dones Exhibit 1 before coming here
16 today?

17 A No, sir.

18 Q What is your testimony?

19 A That I did not destroy it.

20 Q Dones Exhibit 1 indicates that you're circulating a video
21 link on YouTube to somebody, to the recipients of this
22 e-mail. What video link were you circulating?

23 A I'm not sure what you mean by that.

24 Q Take a look at Dones Exhibit 1. And the second page,
25 "This video is intended for you only, and I trust you

1 will keep its location safe. Here is the link."

2 **A** Yes.

3 **Q** And then there's a YouTube location.

4 **A** Right.

5 **Q** What video was that?

6 **A** That was the video that I sent out for my safety in
7 regards to my concerns about Keith Raniere's what I
8 believe is escalating behavior.

9 **Q** And where did you get that video?

10 **A** I taped that video in a meeting, three days of -- well,
11 actually, I was only there for two days of a meeting with
12 Keith Raniere. That video was agreed to be taped by all
13 ten members that were there the first day. There were
14 five people at that meeting the second day and only three
15 people there the third day. It was agreed by all ten of
16 us that it would be filmed, that it would be filmed with
17 my camera. And my understanding of the law that anything
18 that's filmed with my camera becomes my property.

19 MR. CROCKETT: Move to strike as
20 nonresponsive.

21 **Q** (By Mr. Crockett) I'm not asking for your justifications
22 and things like that. I'm just asking you what the video
23 was about.

24 **A** I'm sorry, sir. It was three days of meetings with Keith
25 Raniere. It was nine women who had concerns about his

1 behavior, and so those meetings were designed to confront
2 him about our concerns.

3 **Q** Did you -- and did you videotape all three days?

4 **A** I videotaped the first two days. The third day was
5 videotaped by my partner, Kim Woolhouse. She set up my
6 camera.

7 **Q** Were you a NXIVM -- did you have a title at NXIVM at the
8 time that you videotaped this?

9 **A** I had several titles.

10 **Q** And at the time you videotaped that tape, what were your
11 titles?

12 **A** I was a center owner of the Tacoma center; I was a field
13 trainer; I was a proctor; and I instructed Ethos classes.

14 **Q** Were you a --

15 **A** And I was also a salesperson.

16 **Q** And were you a head trainer?

17 **A** Not at that time.

18 **Q** But you'd been a head trainer?

19 **A** For a short period of time.

20 **Q** Now, have you seen the entire videotape for the first day
21 in which you were not there?

22 **A** Not in a long time.

23 **Q** Did you realize that there was an agreement on the video
24 between Keith Raniere and all present there that the
25 contents of the tapes would be kept confidential?

1 **A** My understanding is, is that we agreed to that, but we
2 never agreed to it under the guides of any NXIVM
3 confidentiality agreement.

4 **Q** So in this video that persisted for three days, did you
5 talk about problems with the NXIVM organization?

6 **A** We talked about problems about how his behavior -- his
7 personal behavior we believed was affecting the company
8 and destroying the company.

9 **Q** Okay. So I realize the video speaks for itself, but --
10 and I won't hold you to everything that's in it, but --
11 so among one of the things you talked about was his
12 behavior and how it affected the company; is that
13 correct?

14 **A** Yes.

15 **Q** Did you talk about ways to make the company better?

16 **A** I don't recall that.

17 **Q** Did you talk about ways he could change his -- the way he
18 ran things so the company would be better?

19 **A** I don't recall that. I remember talking about his -- how
20 his behavior was affecting the company and that -- my
21 assumption is, is that if he would change, then the
22 company could change with that.

23 **Q** Did you have discussions about the way commissions were
24 being paid?

25 **A** Not that I recall.

1 Q Did you talk about the way there -- people were being
2 favored one over another?

3 A I don't recall that either. I haven't watched the videos
4 in a really extremely long time.

5 Q And so the videos went on for three days, but the only
6 thing you can recall today about them was that you were
7 concerned about Keith's behavior as it related to the
8 company?

9 A (Witness nods head.)

10 Well, I recall some other things, but that's what I
11 recall in regards to the questions you've asked me.

12 Q What other things do you recall?

13 A I recall becoming -- that I got really upset because I
14 didn't believe by the second day that -- I felt like he
15 was just chasing us around what I would call the mulberry
16 bush, and I feared that based on his behavior, that if he
17 chose not to take a look at it that I could no longer
18 participate in the company.

19 Q And how many minutes were on the link that you sent out
20 to your friends in Dones Exhibit 1 and 2?

21 A I don't recall that. I would say -- do you want me to
22 guess?

23 Q Estimate.

24 A Estimate, I would say maybe six or seven minutes.

25 Q And what portion of the videotape did you single out for

1 putting on YouTube?

2 **A** The only -- the only thing that I did put on YouTube,
3 which is under a private link -- the only way anybody
4 would know about that is to have that link. It's not
5 like it is a public video -- is the part where Keith
6 Raniere mentions that people have died for his beliefs
7 and that he has had people killed for his beliefs.

8 **Q** And so everybody on that e-mail list got that link;
9 correct?

10 **A** Correct.

11 **Q** And did you know at the time when he was talking about
12 people dying for him and people being killed for him
13 related to the documentary that was being filmed in
14 Mexico?

15 **A** My understanding -- I didn't know about -- I knew about
16 the documentary in Mexico. I'd never seen that, but when
17 he said "I have had people killed for my beliefs," that
18 scared me.

19 **Q** Well, you were there when he said that; correct?

20 **A** No, I wasn't at that meeting.

21 **Q** All right. Did you know that when Mr. Raniere stated
22 that people -- that he had people killed because of his
23 beliefs that he was talking about the consequences of a
24 documentary that was filmed in Mexico when a member of
25 the LeBaron family was killed by drug lords in the middle

1 of the documentary by Mark Vicente?

2 **A** No, sir.

3 **Q** No. Have you ever -- did you know that Mark Vicente was
4 filming a documentary of the LeBaron family in Mexico?

5 **A** I knew he was filming a documentary. I didn't know what
6 it was about.

7 **Q** Did you know Benjamin LeBaron was murdered by cartel
8 members in the middle of the documentary?

9 **A** No, sir.

10 **Q** Did you know that the documentary documents Keith's
11 apparent advice to the family to avoid paying ransom?

12 **A** No, sir.

13 **Q** And did you know that the documentary says that the
14 family decided not to pay ransom and their son was
15 released, and then the father was killed for not paying
16 ransom?

17 **A** No, sir.

18 **Q** You've never heard Keith say something like "And I feel
19 like I'm responsible for that. I've had people killed
20 for my beliefs"?

21 **A** No, sir. I spent very little time with Keith in my time
22 in NXIVM.

23 **Q** So what --

24 **A** Mark -- and I also spent very little time with Mark
25 Vicente, so...

1 Q Why did you feel like you wanted to post that -- did
2 you -- let me back up.

3 Did you talk to Barbara Bouchey about what she
4 thought that Keith meant when he was saying that "people
5 were killed because of me"?

6 A We talked about it when we first watched the video,
7 after -- the evening that that video was taped and I
8 stopped the video three times because I was scared. And
9 I said, "Did you hear what he said?"

10 And she said that she didn't believe that Keith had
11 had people killed.

12 Q And did Barbara Bouchey ever tell you in any of these
13 conversations that what Keith's talking about is the fact
14 that Benjamin LeBaron was murdered in the middle of the
15 filming of a documentary in Mexico?

16 A No, sir.

17 Q So she -- is it correct to say that Barbara Bouchey
18 didn't even mention the Mexican documentary at all to
19 you?

20 A Not that I recall.

21 Q Ever?

22 A Ever. The only -- the only person I ever heard about a
23 documentary from was Mark's ex-girlfriend, Kristi
24 Lahusen.

25 Q Well, I'm not talking about that.

1 **A** That's the only place I ever heard about the video --

2 **Q** All right. So --

3 **A** -- was from her.

4 **Q** So my -- my specific question is: Before you posted the
5 link where Keith supposedly boasted about having people
6 murdered, did you tell Barbara Bouchey that you were
7 going to make that link -- you were going to make that a
8 YouTube link before you did it?

9 **A** No, sir.

10 **Q** Then after you sent this e-mail that's Dones Exhibit 1,
11 did Barbara Bouchey call you and say, "You've just got it
12 wrong. That reference that Keith made was to the
13 documentary in Mexico"?

14 **A** No, sir. She never called me and talked to me about
15 that.

16 **Q** Do you -- what are all of the titles that you've held in
17 NXIVM?

18 **A** I think I've answered that. Do you want me to repeat?

19 **Q** Well, they kind of fragmented because we were talking
20 about the titles at the time of this e-mail. And I'd
21 like to give you -- have you just tell me all titles --

22 **A** Okay.

23 **Q** -- from start to finish.

24 **A** I was a center owner, which is different than what NXIVM
25 claims in their -- they call me a center head at this

1 particular -- in their filings. I was a field trainer.
2 I was a salesperson, and I was an instructor of Ethos
3 classes. And for a short period of time, I had been a
4 head trainer.

5 **Q** And so a center owner means that you would own a
6 particular center in Tacoma, Washington; is that correct?

7 **A** What a center owner means is that the person ponies up
8 the money to open the center until the center becomes a
9 chartered center. And so what I did was I paid for all
10 of the rents, all the TVs, all the DVD players, all of
11 the chairs, copies of the notes, all of those different
12 things. And then when we reached 100 Ethos students in
13 the center, then the center became chartered. And at
14 that point, from that point on, I received 10 percent of
15 the sales that took place in that center.

16 **Q** Did you ever become chartered?

17 **A** Yes.

18 **Q** So is it correct to say that your center was one of the
19 more successful centers in the NXIVM organization while
20 you were running it?

21 **A** I don't know if it was one of the more successful
22 centers. I think that the centers in Mexico actually
23 produced more income than my center did. And there were
24 only four centers: New York, mine, Mexico City, and
25 Monterey.

1 Q Now, who was the owner of the center? Was it you or the
2 name of some company?

3 A It was the -- well, the checks were written to Global
4 Solutions, which was my corporation before I entered into
5 NXIVM, and I just incorporated that into my business.

6 Q Okay. So did the center, like, have a lease? Did it pay
7 for space?

8 A The center did -- did -- well, we originally opened the
9 center in Federal Way, Washington, and then when that
10 building no longer was available for us, then we actually
11 didn't have a space for a while. And then from that
12 point, then a couple of people got together and said,
13 "Why don't you guys buy a building?"

14 So three of us came together -- actually, there was
15 four of us came together, and we bought a building and
16 then leased it.

17 Q And did you buy the building in the name of Global
18 Solutions?

19 A No, sir.

20 Q Okay. Whose name did you buy it in?

21 A Just personal people's.

22 Q Okay. So now, did money go from NXIVM to the center
23 somehow?

24 A What happened is, is that in all applications that were
25 charged, the applications went from whoever the field

1 trainer was to NXIVM. NXIVM charged 100 percent of that
2 tuition, and then the following month they would divvy up
3 the percentage to the field trainer, salesperson,
4 proctors. You know, if it was a training, head trainers
5 got a percentage of that, and then the centers got a
6 percentage of their money.

7 **Q** Now, did NXIVM send money then to Global Solutions?

8 **A** Yes.

9 **Q** Did NXIVM send money to you?

10 **A** No, sir.

11 **Q** So then it would have made no sense, correct, to complain
12 about a W-2 or 1099 because it was a corporate
13 relationship; correct?

14 **A** Well, my understanding is, is that when you pay anybody
15 over \$600 a year that that entity gets a 1099.

16 **Q** You think that your understanding pertains to a
17 corporation?

18 **A** I don't know corporate law.

19 **Q** Okay. So how many total students do you think -- is
20 students the right word or is it clients?

21 **A** I think they refer to them as students or members. They
22 use those two words interchangeably.

23 **Q** All right. How many total students went through your
24 organization while you were the owner or the head of the
25 organization?

1 **A** I have no idea.

2 **Q** Dozens?

3 **A** Yes.

4 **Q** More than 100?

5 **A** Yes.

6 **Q** More than 200?

7 **A** Yes.

8 **Q** More than 500?

9 **A** I believe so.

10 **Q** And can you bracket for me the years in which you were
11 running the Tacoma center?

12 **A** Just in Tacoma or the one in Federal Way.

13 **Q** And Federal Way as well, back at that time.

14 **A** You know, I'm not sure when we opened. Yeah. I don't
15 know our start date. 2003, 2004. It was during the
16 summer, but I don't know for sure what year. It could
17 have been 2005. I don't really know that. And then
18 we -- then I closed in April of 2009.

19 **Q** So approximately four years you were running the Tacoma
20 center?

21 **A** At the -- at the actual Tacoma place --

22 **Q** Yes.

23 **A** -- where we incorporated --

24 **Q** And Federal Way, Federal Way and Tacoma.

25 **A** It could have been -- it might have been a little bit

1 longer. Five -- five years.

2 **Q** Was there somebody higher than you in the organization
3 locally here, or was it always you in charge?

4 **A** Well, I was -- no. I was the center owner. So there
5 were six proctors originally in the -- I mean not
6 originally, but we developed into six proctors. One
7 eventually moved to New York, but the proctor group ran
8 the center from that perspective. I was just the one who
9 was in charge of the finances.

10 **Q** Now, when you interacted with the students or the
11 members, did you require them to sign confidentiality
12 agreements?

13 **A** NXIVM required them to sign confidentiality agreements.

14 **Q** Did you collect those from the students yourself?

15 **A** Not -- not always.

16 **Q** But usually?

17 **A** No, not usually. Usually another staff member collected
18 those.

19 **Q** But they were working under your direction; correct?

20 **A** Correct. Well, they were working under direction of all
21 of us.

22 **Q** All right. And those confidentiality agreements, did
23 they have a name, like long form?

24 **A** I think they were just called confidentiality agreements.

25 **Q** How many pages were they?

1 **A** They varied. I think they were six to eight pages.

2 **Q** And then the students or the members, when they signed up
3 for an intensive, they would sign an application with a
4 confidentiality agreement on the back; correct?

5 **A** When they signed up for any program. It was actually
6 the -- I think that disclaimer was actually on the front
7 of the application and then continued onto the back of
8 it.

9 **Q** Let me show you what I'd like the reporter to mark as
10 Exhibit Dones 3. And I apologize for the copy, but
11 photocopying sometimes doesn't work the way it should.

12 **A** Yeah. I'm wondering if after this we could take a break.

13 **Q** Oh, sure. Right after the -- let me ask you a couple
14 questions --

15 **A** Sure.

16 **Q** -- about this, and we'll take --

17 **A** Sure.

18 **Q** -- a short break.

19 (Exhibit No. 3 marked for
20 identification.)

21

22 **Q** (By Mr. Crockett) Exhibit Dones 3 is an intensive
23 program application apparently signed by Susan Dones
24 sometime in '08. It's two pages, and the question is for
25 you: Have you ever seen this document before?

1 **A** It's really hard to read the writing on it, but I would
2 assume I have just based on what I can make out of it.

3 **Q** That kind of looks like your signature?

4 **A** I can't even really read the signature.

5 **Q** It says Susan Dones, though; right?

6 **A** Right.

7 **Q** And up at the top it says Susan Dones?

8 **A** Yes.

9 **Q** Is this something you would have signed?

10 **A** Yes. I signed several of these.

11 **Q** All right. Do you want to take a break?

12 **A** If we could.

13 **Q** Yeah. How much time would you like?

14 **A** I just need to run to the ladies' room.

15 **Q** Sure.

16 **A** Just maybe --

17 **Q** Absolutely.

18 **A** -- five, ten minutes. Would that be --

19 **Q** Sure. Uh-huh. Yep.

20 THE VIDEOGRAPHER: With permission of
21 counsel then and those present, we'll go off the record.

22 The time is 11:18.

23 (Recess 11:18 - 11:23 a.m.)

24

25 THE VIDEOGRAPHER: Okay. We're back

1 on the record, and the time is 11:23. Please proceed.

2 MR. CROCKETT: And the next document
3 I'd like the reporter to mark is Dones Exhibit --

4 THE WITNESS: 4.

5 MR. CROCKETT: -- 4.

6 (Exhibit No. 4 marked for
7 identification.)

8

9 **Q** (By Mr. Crockett) Dones Exhibit 4 is another intensive
10 program application, but this one is dated in '06. It
11 appears to have your signature.

12 Does this look like something you signed?

13 **A** Yes.

14 **Q** Now, these intensive program applications have a
15 statement on the back that refer to methods and
16 material --

17 **A** Mm-hm.

18 **Q** -- being acquired at great time and expense and
19 proprietary and confidential. Do you see that?

20 **A** Mm-hm.

21 **Q** It -- yes?

22 **A** Yes. I'm sorry.

23 **Q** As part of your duties in Tacoma and Federal Way, did you
24 try and let the members and students know that ESP and
25 NXIVM's materials were confidential?

1 **A** I don't believe that I tried to let them know. I think
2 that this and the confidentiality agreement spoke for
3 itself.

4 MR. CROCKETT: All right. The next
5 document I'd like to have marked is Dones Exhibit 5.

6 (Exhibit No. 5 marked for
7 identification.)

8
9 **Q** (By Mr. Crockett) Dones 5 is a document entitled "12
10 Point Mission Statement by Keith Raniere." Have you ever
11 seen this document before?

12 **A** Yes.

13 **Q** Was this recited at the intensives?

14 **A** It was recited before any NXIVM -- official NXIVM class.

15 **Q** Every time?

16 **A** I believe so.

17 **Q** And did you sometimes lead that recitation yourself?

18 **A** Yes.

19 **Q** And I note that in the middle of the page it says, "The
20 methods and information I learn in ESP are for my own
21 use" -- or "my use only. I will not speak of them or in
22 any way give others knowledge of them outside ESP. Part
23 of the condition of being accepted into ESP is to keep
24 all of its" -- "all its information confidential. If I
25 violate this, I am breaking a promise and breaching my

1 contract, but more importantly, I am compromising my
2 inner honesty and integrity."

3 Do you see that?

4 **A** Yes.

5 **Q** That's one of the things that was recited?

6 **A** Yes.

7 **Q** Now, did you think that ESP and later NXIVM, did they --
8 were they obsessed with secrecy or something?

9 **A** That -- I mean, that would cause me to speculate if they
10 were.

11 **Q** Did it appear to you that -- did it appear to you that
12 NXIVM was obsessed with secrecy?

13 **A** I don't know if obsessed is a good word. I believe that,
14 you know, it was important for them to keep their
15 materials confidential.

16 **Q** Why?

17 **A** Because they're their materials.

18 **Q** People paid a lot of money for them; right?

19 **A** Correct.

20 **Q** These were not cheap courses; correct?

21 **A** Correct.

22 **Q** They cost many thousands of dollars; right?

23 **A** Yes.

24 **Q** And the members/students would receive materials that
25 NXIVM considered confidential; correct?

1 **A** Correct.

2 **Q** And then the trainers and the proctors themselves would
3 have materials that were confidential?

4 **A** And coaches, too.

5 **Q** And coaches, too?

6 **A** Yes.

7 **Q** So coaches and trainers, they all received confidential
8 materials; correct?

9 **A** Correct.

10 **Q** And this was, like, written material?

11 **A** Yes, there's written material.

12 **Q** And is it correct to say that every NXIVM meeting --
13 almost every NXIVM meeting is videotaped?

14 **A** In New York, it is.

15 **Q** Is it videotaped in other places?

16 **A** During trainings, during intensive trainings, they film
17 in other areas. During our normal, like, Ethos classes,
18 coach meetings, that kind of stuff, we didn't film any of
19 that.

20 **Q** But they were filmed in New York, the coaches' classes?

21 **A** Yes. Well, you know, I take that back. I don't think
22 Ethos was filmed, and I don't believe a lot of stuff was
23 filmed. Usually, if Nancy was there, it was filmed.

24 **Q** Or if Keith was there, it was filmed?

25 **A** Yes.

1 Q Now, the -- were you ever told the reason why this
2 videotaping was done?

3 A For historical perspective.

4 Q Were you also told that one reason the videotaping was
5 done was that -- so that the course designers, the
6 proctors, or Nancy Salzman could go back and look at the
7 tapes to make sure that the teaching and course material
8 was consistent?

9 A Can you ask me that again? I'm sorry.

10 Q Yes.

11 MR. CROCKETT: Madame Reporter --

12 A It was a lot of --

13 Q (By Mr. Crockett) Yeah.

14 MR. CROCKETT: Madame reporter, could
15 you read the question.

16 (Question on Page 40, Lines 4
17 through 8, read by the
18 reporter.)

19
20 A I don't believe I was ever told that.

21 Q (By Mr. Crockett) Were you told that the videotaping was
22 done in part so that Keith or Nancy could go back and
23 look at the material to resolve problems?

24 A I don't believe that I was ever told that they could look
25 at it to go back and resolve problems.

1 Q Was the videotaping ever done by an outsider, like a
2 nonNXIVM person?

3 A The only thing that I know in regards to that is that
4 those things were -- when they did the videos at first,
5 the DVDs that we have in class, that they hired outside
6 people to come in and do those.

7 Q Did they often have coaches or other NXIVM officers film
8 the proceedings themselves?

9 A They did, yeah.

10 Q Now, the videotape -- the three-day videotape that you
11 participated in with the other women and with Keith, were
12 copies given to Keith?

13 A I believe that -- I gave Barbara Bouchey a copy on a hard
14 drive that she gave to her attorney at the time. I don't
15 remember his first name, but his last name was Green,
16 not -- the one in New York, New York.

17 Q Ford Greene?

18 A No. Ford Greene is in California. She had another
19 attorney --

20 Q Oh, Pat Green.

21 A Pat Green. And without Barbara's permission, Pat gave a
22 copy of that to Keith and Nancy -- or to -- gave it to
23 Steve Coffey, I think.

24 Q The next document I'd like to have marked is -- excuse
25 me. I'm going to have to collate. I'm not doing this

1 right. Excuse me.

2 All right. The next document I'd like to have the
3 reporter mark is Dones Exhibit 6.

4 (Exhibit No. 6 marked for
5 identification.)

6
7 **Q** (By Mr. Crockett) Dones Exhibit 6 is a confidentiality
8 agreement which apparently bears her signature on the
9 back. Well, I'll ask you about that.

10 Did you sign Dones Exhibit 6?

11 **A** This -- that, I don't know, if this is one that I signed.

12 **Q** But you -- did you sign a document like this?

13 **A** I don't know if it was exactly like this. What I
14 remember is, is that the confidentiality agreement was
15 shorter and that there was no typing at the top, that we
16 wrote in our own dates, and that -- this part right here
17 where it has the companies was in a different format.

18 **Q** And is that your signature on the last page?

19 **A** It looks similar to my signature, but I'm not sure it's
20 mine.

21 **Q** And is there any content --

22 **A** And the printing below, where it says "print name" --

23 **Q** Right.

24 **A** -- does not look like my printing.

25 **Q** But the signature part of yours looks like yours, but

1 you're not certain if it is yours?

2 **A** Correct.

3 **Q** And the document -- the internal parts of the document,
4 is there anything in the document itself which you don't
5 ever recall signing or agreeing to?

6 **A** You know, I don't remember the confidentiality agreement.
7 When I left NXIVM, I asked to be provided a copy of my
8 confidentiality agreement, and I was refused that by
9 Pamela -- it was one of -- the firm that Steve Coffey
10 works at, they refused to provide me one without a court
11 order.

12 **Q** This -- but the confidentiality agreements, these longer
13 form confidentiality agreements, you handled -- or you or
14 your staff handled on a routine basis in Tacoma; correct?

15 **A** Correct.

16 **Q** And is this document that is Dones Exhibit 6 different in
17 any respect than you recall those agreements that you
18 handled with your course members?

19 **A** Well, the format -- the format is different, and that's
20 what brings it into question. And then I'm not sure if
21 that's my signature, and that's what brings it into
22 question. And then in between -- from the last page,
23 Page -- oops. There's only five of these pages.

24 So on Page 5 -- there's supposed to be 5 of 7. On
25 Page 1 through -- 1 through 4 has no signatures, no

1 places for initials, and so the content of this could be
2 changed at any time. I know they've changed the
3 confidentiality agreement several times.

4 **Q** Do you believe that you're not bound by a long form
5 confidentiality agreement?

6 **A** I believe I am bound by it if this is, indeed, my
7 confidentiality agreement and that is, indeed, my
8 signature.

9 **Q** Do you believe that you were coerced into signing the
10 long form confidentiality agreement?

11 **A** I believe that I was coerced due to the fact that this
12 was given to me -- if this is indeed mine, this was
13 handed to me the day I showed up for class in Albany, New
14 York. I had flown the day after Christmas to go to New
15 York. I had no time to read it and really no time to run
16 it by an attorney, and so it was either sign it or go
17 home. And so I believe that that in itself is coercion.

18 **Q** Now, when you persuaded members and students in the
19 Tacoma facility to sign the equivalent of Dones
20 Exhibit 6, do you believe you were coercing them?

21 **A** I don't believe that I ever persuaded anybody to sign it.
22 If they had questions about it, then I tried to sit down,
23 and if they believed that there was something in here
24 that they didn't understand, then I suggested that they
25 take the time to find that out.

1 Q But you remember in Tacoma with dozens or hundreds of
2 students that you would ask them to sign the equivalent
3 of Dones Exhibit 6?

4 A Well, the thing that we did at our center is this was
5 sent out in a welcome packet. So the student had this
6 copy -- or not this particular copy or the style, but
7 they had this several days, several weeks before they
8 ever came to the course. And so they had plenty of time
9 to review it and, if they had questions, to run it
10 through an attorney.

11 Q And at any time did any member or student in the Tacoma
12 facility complain that they were being coerced into
13 signing the long form confidentiality agreement that
14 looks like Dones Exhibit 6?

15 A Not that I recall.

16 Q And when you signed --

17 A But several students -- several students in Albany, New
18 York, believed that they were coerced into signing it.

19 Q Well --

20 A As a matter of fact, several people I went to class with
21 were upset by the fact that we were handed this the
22 morning of with no time to really review it.

23 Q Well, I guess I'm asking you about your practice here in
24 Tacoma. Did any student ever come to you and say, "You
25 know, Ms. Dones, I'm upset. You've coerced me into

1 signing the long form confidentiality agreement"?

2 **A** The only person I had come, they were concerned about the
3 section where it talks about that they -- that -- let me
4 find it. It might not even be in this one.

5 I don't see it in here, but it was about -- their
6 question was, is that in regard -- and it might be in
7 here; I'm just missing it -- where they talk about the
8 personal use once they leave. And their question was,
9 "If I've integrated the information, how could I not use
10 that in my daily life, you know?"

11 Meaning, like, if you study something, how can you
12 not integrate that?

13 **Q** Other than that complaint, did you ever hear any of your
14 students or members in the Tacoma facility complain about
15 having to sign the long form confidentiality agreement?

16 **A** No, not at my center.

17 **Q** What would you do with the forms once they were signed?

18 **A** Our -- at first our standard practice was to take the
19 forms and put them in their student files, which we
20 stored at our center. And then what happened is, is that
21 there was a period of time between 2000 and 2003 where a
22 lot of confidentiality agreements were lost. And then
23 what happened was, is that NXIVM started to require that
24 we -- when somebody flew back to New York, is that they
25 would bring a packet of confidentiality forms back to New

1 York. And that was our standard practice, is to send
2 them back to New York.

3 **Q** So did you ever fly back to New York with a packet of
4 confidentiality agreements to give to NXIVM?

5 **A** I don't believe I ever carried any confidentiality
6 agreements to give them.

7 **Q** Did you have a member of your staff do that?

8 **A** It's not like I asked somebody to do that. I didn't
9 really have a staff, I mean, but I believe that there
10 were proctors and coaches who took stuff back with them.

11 **Q** From Tacoma?

12 **A** Yes. And I think the person that was in charge of that
13 particular project was either Wendy Rosen-Brooks or
14 Charmel Bowden.

15 **Q** Now, did you sign more than one long form confidentiality
16 agreement?

17 **A** Not that I recall.

18 **Q** So having said that you were coerced, did you ever
19 complain right shortly afterwards that you were coerced
20 into signing the confidentiality agreement?

21 **A** I did -- I did at that particular time. I said that
22 "You're asking me to sign something that I haven't had
23 time to review. If I review it, I have no time -- if I
24 have questions, I have no time to ask an attorney about
25 what I'm signing."

1 And then I asked if I could get once all the
2 signatures were on, my witness, whoever witnessed it --
3 and then there was a spot on here that's not included in
4 this one where Keith -- Keith and Nancy sign it. And
5 what I did is I requested several times during that
6 16-day training to receive a copy of this confidentiality
7 form or said confidentiality form back with all of the
8 signatures. And then again when I left, I asked for a
9 copy of the confidentiality form.

10 Between the time I started and the time I left after
11 that, I never paid much attention to the confidentiality
12 agreement.

13 **Q** But you --

14 **A** I sent it out like I was instructed to.

15 **Q** Is it correct to say that you signed the equivalent of
16 Dones Exhibit 6 even though you were concerned about
17 coercion?

18 **A** I did because I had a huge investment in getting there.

19 **Q** And --

20 **A** It was either -- it was either sign it or go home.

21 **Q** And did you understand as you continued to take training
22 from NXIVM and receive their course materials that NXIVM
23 considered everything there to be confidential? Correct?

24 **A** I believe that they considered their course material
25 confidential. I didn't believe that that meant

1 personal -- our professional behavior was confidential.

2 **Q** Did you believe that they considered the videotapes
3 confidential?

4 **A** I believe that they considered their videotapes
5 confidential. I don't believe that that includes the
6 videos that I did.

7 **Q** And where did you film that video?

8 **A** The video was --

9 **Q** Let me rephrase the question. The video we're talking
10 about is the three-day video that you said you taped or
11 somebody else taped the first day of.

12 **A** Yeah. NXIVM refers to them -- just if we can simplify
13 it -- refers to it in their complaint against me as the
14 April 2009 meetings.

15 **Q** Okay. The April 2009 meetings, where did this -- where
16 did these meetings take place?

17 **A** They were at a building that was purchased -- I believed
18 at that particular time that Barbara Bouchey had
19 purchased that building, and it was to be turned into a
20 24-hour internet cafe.

21 **Q** And what was the address of that?

22 **A** I don't -- it's on Route 9. That's all I know. It's the
23 old Romano's restaurant.

24 **Q** The restaurant. That's correct. And do you understand
25 that restaurant today to be a NXIVM facility?

1 **A** No, I don't understand that, nor do I believe it was a
2 NXIVM facility. I believe that -- my understanding from
3 my experience being there is that when the building was
4 rehabbed and -- the first event that took place in there
5 was Nancy's birthday party, but my understanding that the
6 Half Moon town council was never told that that was going
7 to be a NXIVM facility, nor was it owned by NXIVM.

8 **Q** Do you have any reason to believe that it's owned by
9 Barbara Bouchey?

10 **A** Just stuff that I've read that originally she had bought
11 it, and it's in those town council meeting notes.

12 **Q** And did NXIVM gatherings occur there?

13 **A** NXIVM gatherings have occurred there, but my
14 understanding is, is that's not the -- that's not the
15 purpose of that building based on what they went into the
16 town of Half Moon. They said that that building was not
17 going to be a private facility, that NXIVM classes were
18 not going to be taught there, that that was going to be a
19 24-hour internet cafe open to the public.

20 **Q** And has it ever been open to the public as an internet
21 cafe?

22 **A** Not that I'm aware of.

23 **Q** Has it ever been used for any public purpose after it was
24 purchased by Bouchey or whomever?

25 **A** That, I don't know.

1 Q So as far as you could tell and as far as you saw, the
2 only things that occurred in that building were
3 NXIVM-related matters?

4 A No. I think that there have been some other matters that
5 have taken place there, private parties, that kind of
6 stuff.

7 Q Did you ever witness those?

8 A Well, Nancy's birthday party.

9 Q Okay. Nancy, the president --

10 A That's the only --

11 Q -- of NXIVM's birthday party was there?

12 A That's the only time I was ever in the facility other
13 than the meetings.

14 Q Okay. Have you ever seen anything other than a
15 NXIVM-related activity occur at that building other than
16 your meetings there and Nancy Salzman's birthday party?

17 A That's the only thing that I've seen happen there. So
18 other than that, whatever has happened there -- I believe
19 that there's been Halloween parties just from stuff that
20 I've read on the internet, but I understand that that's
21 not the reason why that building was approved to be
22 turned into the facility it was. It was designed to be
23 an internet cafe open 24 hours to the public, and as far
24 as I'm concerned, that's still the zoning for that
25 building.

1 MR. CROCKETT: Move to strike as
2 nonresponsive.

3 Q (By Mr. Crockett) Have you ever seen it used as a
4 24-hour cafe?

5 A I haven't been to New York in years. So as far as I
6 know, it hasn't been, but I don't know any activities
7 there since I left.

8 Q Do you think that NXIVM lacks standing to seek an
9 injunction against you for violation of the
10 confidentiality agreement?

11 A Well, they haven't -- you guys haven't even gotten into
12 what they believe I have violated.

13 Q No. I think my question is: Do you think NXIVM has
14 standing?

15 A No, I don't.

16 Q And what's that based on?

17 A That I haven't violated their -- I haven't disseminated
18 their information, their materials. They accused me of
19 teaching classes after I left NXIVM. That's not true.

20 Q Isn't it correct to say that your standing theory is
21 based upon the fact that you don't think that NXIVM
22 really owns Rational Inquiry?

23 A I don't know -- I think -- my understanding of Rational
24 Inquiry is, is that Keith Raniere owns Rational Inquiry
25 and then leased that to Nancy Salzman, based on just

1 conversations that I've had with Nancy.

2 **Q** Nancy Salzman being the president of NXIVM; correct?

3 **A** Correct.

4 **Q** All right.

5 **A** And the owner of NXIVM, from my understanding, and the
6 owner of First Principles, which licenses -- from my
7 understanding, it licenses Rational Inquiry.

8 **Q** Do you have any firsthand knowledge to say that Pamela
9 Cafritz was a -- one of Raniere's girlfriends?

10 **A** Have I ever seen them together?

11 **Q** Yes.

12 **A** No.

13 **Q** Who told you that Pamela Cafritz was one of Raniere's
14 girlfriends?

15 **A** Barbara Bouchey.

16 **Q** Do you have any first --

17 **A** And Toni Natalie.

18 **Q** And these are former Raniere girlfriends themselves;
19 correct?

20 **A** I don't have any firsthand knowledge of that either.

21 **Q** But you believe that to be true?

22 **A** I believe that to be true.

23 **Q** Do you have any firsthand knowledge that Pamela Cafritz
24 was a former partner of Keith Raniere?

25 **A** Yes, in CBI.

1 Q How do you know that?

2 A From Toni Natalie and then also the court document where
3 the judge ruled against -- I think it was actually the
4 attorney general of the state of New York at that
5 particular time sanctioned all three of them.

6 Q Do you believe that Pamela Cafritz is highly skilled at
7 forging signatures?

8 A That's what I was told by Nancy Salzman and Pamela
9 Cafritz.

10 Q Pamela Cafritz told you she was highly skilled at forging
11 signatures?

12 A She bragged about that to me.

13 Q Do you --

14 A And then I also did some more research on that, and I
15 have found that other people have actually witnessed her
16 doing that.

17 Q Who?

18 A Toni Natalie, Toni Natalie's mother, and then Barbara
19 Bouchey also said that she knew that Pam was -- had that
20 capacity.

21 Q Okay. So these are all former girlfriends of Keith
22 Ranieri who claimed that Pamela Cafritz was a forger;
23 correct?

24 A I don't believe Toni Natalie's mother was a former
25 girlfriend.

1 Q Right. Did Toni Natalie's mother ever tell you that she
2 had seen Cafritz forging signatures?

3 A I haven't talked to her personally.

4 Q Now, so Pamela Cafritz told you specifically that she was
5 a forger?

6 A She told me that she was skilled at doing that.

7 Q And what kind of signatures did she say she forged?

8 A She didn't say that, that she -- she didn't go into
9 specifics about what types of signatures she had forged.

10 Q Did she say she had forged any NXIVM-related documents?

11 A No.

12 Q Did she say she had forged any government documents?

13 A Not to my knowledge.

14 Q Did she say she had ever forged your signature?

15 A No.

16 Q Do you have any reason to believe that she ever forged
17 your signature?

18 A I -- yes, I do.

19 Q What?

20 A Because of the fact that a group of these confidentiality
21 forms were missing. I was told that by Nancy Salzman,
22 that they had lost a lot of confidentiality agreements
23 between 2000 and 2003.

24 Q So you believe that you're bound by the confidentiality
25 agreement, but nonetheless, you think your signature has

1 been forged to it? Is that what you're saying?

2 **A** Well, I believe I am bound by a confidentiality
3 agreement, and if that is produced with my original
4 signature on it, then I believe I'm bound by that
5 confidentiality agreement.

6 **Q** You state in your declaration: "NXIVM claims to be a
7 corporation that offers various training programs and
8 courses to advance human potential and ethics through
9 personal and professional development."

10 Is that an accurate statement? Does NXIVM really
11 claim that?

12 **A** I believe that they -- that's what they claimed in my --
13 their complaint against me.

14 **Q** So you're just repeating what they're claiming against
15 you?

16 **A** Well, it's also on their website, if you go to their
17 website.

18 **Q** Do you believe that NXIVM has a twisted view of ethics?

19 **A** I do.

20 **Q** And how so?

21 **A** Because they teach ethics, but in my opinion, a lot of
22 things that they teach are not moral. And then they'll
23 say one thing -- they'll teach one thing, and then their
24 behavior shows a completely different thing.

25 **Q** Let's deal with what they teach. How -- what do they

1 teach that's twisted?

2 **A** Well, one of the things that they talk about is on -- in
3 their material is they talk about why do we pay taxes. I
4 believe paying taxes is a good thing. It's a responsible
5 thing to do.

6 **Q** Have you ever seen any written course material from NXIVM
7 saying, "Don't pay taxes"?

8 **A** Not any written, but on one of the videos, if I remember
9 correctly, Nancy Salzman talks about the taxes and not
10 paying taxes and things like that.

11 **Q** Well, let's focus on the written materials. Have you
12 ever seen any written materials handed out to students
13 advocating nonpayment of taxes?

14 **A** No, no written materials.

15 **Q** Other than on some video talking about not paying taxes,
16 how -- what other teaching method has NXIVM employed that
17 involves a twisted view of ethics?

18 **A** Well, one of the things that they teach us is that
19 relationships are -- come from a place of inner
20 deficiency, in that if somebody is in a marriage that
21 that is just a place of fulfilling your inner
22 deficiencies. And so I believe that NXIVM teaches that a
23 marriage, a primary relationship, is not a good thing to
24 have.

25 **Q** Have you ever seen any written course materials from

1 NXIVM saying that a marriage is not a good thing to have?

2 **A** Not any written materials. Although -- let me take that
3 back. Let me think.

4 I think in their relationship module -- and again, I
5 would have to go back and review that, but in their
6 relationship module, they talk about relationships coming
7 from a place of inner deficiency.

8 **Q** Isn't it correct that NXIVM teaches that its coursework
9 can help improve marriage relationships?

10 **A** I don't believe that they teach that.

11 **Q** Have you ever seen anything in writing from NXIVM
12 advocating the destruction or dissolution of marriage?

13 **A** Well, I believe that something in writing versus
14 something that is told is completely two different
15 things.

16 **Q** No. My question is: Have you ever seen anything in
17 writing?

18 **A** I would have to go back and review the relationship
19 modules.

20 **Q** As you recall today, have you ever seen anything in
21 writing saying that NXIVM believes that marriage is
22 something you shouldn't be involved in?

23 **A** I believe that that's possible. I would have to go back
24 and review.

25 **Q** You can't think of anything specific today; correct?

1 **A** It's been a long time since I've looked at their
2 materials.

3 **Q** What other anecdotes can you give me in terms of -- I
4 want written course material where you believe NXIVM has
5 a twisted view of ethics.

6 **A** And again, I apologize. I have not looked at any of
7 their written materials since I left, so I can't refer to
8 anything right off the top of my head.

9 **Q** All right. But you believe that certainly their behavior
10 is inconsistent with their ethics; correct?

11 **A** Correct.

12 **Q** How is their -- whose behavior is inconsistent with their
13 ethics?

14 **A** Well, I believe that a lot of the upper leadership, one
15 being Nancy Salzman. Like in the case of the Washington
16 State Department of Revenue, when that thing came about,
17 she called me. She asked me if I paid by B&O taxes, and
18 I said, "Of course I pay my B&O taxes." And I said,
19 "Why? Why are you even asking?"

20 She said, "We're having a problem with the state
21 department of revenue, and I wanted to make sure that you
22 paid your B&O taxes before we dealt with this because we
23 didn't want to get you in trouble."

24 And I said, "Well, what's going on?"

25 She said, "I can't tell you at this particular

1 time." And then when we were through with that part of
2 the conversation, she said, "Why do you pay your taxes?"
3 like it was some bad thing to do.

4 Barbara Jeske, the highest ranking member of NXIVM,
5 brags about the fact that she's off the radar with the
6 IRS and has not paid taxes for years.

7 **Q** Did Nancy Salzman ever tell you not to pay taxes to
8 Washington state?

9 **A** She didn't -- she never told me not to, but the way she
10 questioned me believed -- made -- it caused me to believe
11 that it was -- that why was I doing that --

12 **Q** Did she --

13 **A** -- why was I paying them.

14 **Q** But you were the presence of NXIVM in Washington;
15 correct? Your company and you were the presence here?

16 **A** That's not -- that's not correct. NXIVM actually ran a
17 business in Washington state.

18 **Q** And in your declaration, you also have -- well, okay.
19 What other conduct did you think was inconsistent with
20 what NXIVM taught in terms of ethics?

21 **A** I think that lying to people about people's character is
22 a twisted form of ethics. Like, I was told several times
23 that Barbara Bouchey was a full suppressive and that she
24 was crazy. I was -- I was told by Nancy Salzman that her
25 and Keith hypothesized that I was a full suppressive.

1 Q So you --

2 A I think that there's a lot of behavior that goes on
3 within NXIVM that works to rip away at people's
4 self-esteem and their self-understanding of themselves.

5 Q Anything in written course material that encourages
6 ripping people apart like that?

7 A That's what I -- why I'm referring to that as twisted.
8 They teach one thing but do another.

9 Q I see. So people's -- people's conduct may not be
10 consistent with the written teachings of NXIVM; is that
11 correct?

12 A Well, the thing is, is that --

13 Q Is that correct?

14 A -- if you're asking somebody to come in and pay \$6,000
15 for a course that is -- that the founder and the
16 president of the company don't even follow, then to me,
17 that's -- that's consumer fraud.

18 Q All right. What other things did you observe that caused
19 you to think that the behavior of the NXIVM officers
20 deviated from what they actually taught?

21 A I believe that NXIVM has collected cash that they don't
22 claim.

23 Q What's that based on?

24 A Based on the fact that they have a cafe. They have an
25 unlicensed cafe at their training facility. They sell

1 products within there. They collect cash. They used to
2 have, like, little buckets all over the place. I believe
3 that that cash is not reported.

4 **Q** What's that -- what's your belief based on?

5 **A** Based on the fact that I've been told by several people
6 that they don't claim their cash.

7 **Q** Who? Who told you that?

8 **A** One is Barbara Bouchey. One is Nancy Salzman.

9 **Q** Nancy Salzman actually told you they don't declare --
10 they don't pay taxes on the cash they collect from their
11 little cafe?

12 **A** Right. She also told me that they bring cash across the
13 border from Mexico that they don't claim.

14 **Q** Nancy Salzman told you that?

15 **A** Yes.

16 **Q** What other things does NXIVM do that's contrary to their
17 written view of ethics?

18 **A** I believe -- well, one thing is, is I believe that they
19 manipulate people.

20 **Q** What else?

21 **A** Let's see. I believe that they sell a training program
22 as a human development company, but a lot of their
23 behaviors are very cult like, and it's my personal
24 opinion that NXIVM is a cult.

25 **Q** And what else? What else in terms of how their actual

1 conduct deviates from their written materials?

2 **A** Let me think about this for a minute.

3 And again, I apologize. I haven't reviewed their
4 written material in a long time, so I don't know if I can
5 move forward in regards to their written material. I can
6 go forward with behaviors that I've seen.

7 **Q** Have you fully answered your question -- my question that
8 I posed to you?

9 **A** At this particular time, because I haven't gone back and
10 reviewed the course material, that's all I can recall at
11 this moment.

12 **Q** In your declaration, you say that NXIVM teaches that,
13 quote, "anything is permissible that is necessary to
14 advance the goals of NXIVM," unquote. Is that an
15 accurate statement?

16 **A** That's an accurate statement.

17 **Q** Is there anything in writing where NXIVM says that
18 "anything we do is permissible"?

19 **A** It's not in their writing. It's in their behavior. The
20 fact that I was lied to about Barbara Bouchey; the fact
21 that I was lied to -- I believe I was lied to about the
22 Plyams; the fact that I believe I was lied to about Toni
23 Natalie; the fact that I believe that they spread rumors
24 about me that were not true.

25 **Q** How do you know that NXIVM lied to you about Barbara

1 Bouchey?

2 **A** Because Nancy told me she was a full suppressive and she
3 was crazy.

4 **Q** Is that the only basis you have for thinking that NXIVM
5 has lied to you about Barbara Bouchey?

6 **A** About a lot of people.

7 **Q** No. I'm talking about Barbara Bouchey.

8 **A** Okay.

9 **Q** Let's focus on Barbara Bouchey.

10 **A** Okay.

11 **Q** Other than the fact that Nancy said to you, "I think that
12 she's crazy, that she's a full suppressive," what else
13 has NXIVM done to lead you to believe that you've been
14 lied to about Barbara Bouchey?

15 **A** Another incident is, is that there was a period of time
16 where Keith Raniere had stopped talking to Barbara
17 Bouchey, and what was happening was people were going
18 around and saying "What do you think Barbara did that was
19 so bad that even Keith won't talk to her?"

20 And the thing is, is that I didn't know. And so
21 finally I went to Barbara, and she said, "All I can tell
22 you is I'm renegotiating my contract with him."

23 That's all she could say until a much later date,
24 and then she -- then when she disclosed that she'd been
25 in a long-term relationship with him, she told me the

1 reason Keith stopped talking to her is because Barbara
2 broke up with him. And so I believe that they were
3 trying to do -- portray this bad thing that Barbara had
4 done because they keep secrets of everybody that Keith is
5 in a relationship with.

6 **Q** And that's based upon what Barbara Bouchey told you?

7 **A** Yes.

8 **Q** Keith's old girlfriend?

9 **A** (Witness nods head.)

10 **Q** The one that they broke up?

11 **A** Correct. She broke up with him.

12 **Q** She broke up with him.

13 So you're basing your understanding that NXIVM lied
14 to you about Barbara Bouchey upon what Barbara Bouchey
15 told you; correct?

16 **A** Well, but the thing --

17 **Q** Correct?

18 **A** -- that --

19 **Q** Yes or no?

20 **A** But it also --

21 **Q** You can't answer yes or no, can you?

22 **A** Well --

23 **Q** I'll ask the next question.

24 **A** No. I'd like to finish answering that question.

25 **Q** Can you answer that question yes or no?

1 **A** I would like to answer the question.

2 **Q** Barbara Bouchey --

3 **A** You're asking me to answer a yes-or-no question that I
4 believe, once again, doesn't -- a yes-or-no response --
5 we're not --

6 **Q** Fine.

7 **A** You don't have me on the witness stand. We're in a
8 deposition. Depositions have --

9 **Q** This is like a court -- this is like a court system.

10 **A** I understand that, but depositions have a wider variety
11 of things. So if you want me to answer the question, I'd
12 love to answer it.

13 **Q** I don't want you to answer that question.

14 **A** Well, then I'm not going to answer any more questions
15 until I get to answer it.

16 **Q** Okay. Is it correct to say that NXIVM offered expensive
17 advanced training courses? Is that an accurate
18 statement?

19 **A** I'm not going to answer that until you let me finish
20 answering the previous question.

21 **Q** Okay. I think the previous question was: Is your only
22 basis for concluding that you were lied to about Barbara
23 Bouchey was what Barbara Bouchey told you?

24 **A** No. It was based on a lot of things that I was told by a
25 lot of people that I then found out were not necessarily

1 true, or I was told about people that I had personally
2 knew was not true.

3 **Q** All right. So back to the question. Is this an accurate
4 statement that NXIVM's coursework is expensive advanced
5 training courses?

6 **A** I believe it is expensive.

7 **Q** Do you have an advanced degree?

8 **A** I do.

9 **Q** In what?

10 **A** In psychology.

11 **Q** From what institution?

12 **A** Antioch University.

13 **Q** What year?

14 **A** I think it was '89 through '92, if I'm -- you know, I
15 think that's when I went.

16 **Q** Have you ever used your degree?

17 **A** Yes.

18 **Q** In what way?

19 **A** In private counseling.

20 **Q** And where did you obtain your undergraduate degree?

21 **A** A couple of different places. I was in the United States
22 Navy for ten years, and during that time, I obtained my
23 associate degree from there. And then after that, I got
24 my undergraduate the last two years at Evergreen State
25 College in Olympia, Washington.

1 Q So what are your other -- what are your undergraduate
2 degrees in?

3 A It was in holistic studies and psychology.

4 MR. CROCKETT: How are you doing?

5 THE REPORTER: Fine.

6 Q (By Mr. Crockett) Is this an accurate statement, that
7 when anybody was -- left NXIVM speaks out against the
8 organization or its leaders, NXIVM immediately initiates
9 complex lawsuits that are intended to bankrupt the
10 nonbeliever suppressive and destroy their reputations?

11 A That is what I believe.

12 Q How many students or members do you think NXIVM has had
13 since its inception?

14 A I would assume -- when I left, it was a little over
15 6,000, so I would assume that by now it's probably over
16 7,000.

17 Q And of those 7,000 members, how many of them would you
18 say NXIVM has initiated lawsuits against to destroy their
19 reputations?

20 A Let's see. There's Barbara Bouchey. There's me.
21 There's Kim Woolhouse. There is Toni Natalie, Joe
22 O'Hara, the Plyams, Yuri and Natasha Plyam. And from my
23 understanding, that they are working on doing that if
24 Becca Friedman doesn't come forward with what they want
25 from her, that they're going to initiate a lawsuit

1 against her.

2 **Q** So I've heard seven lawsuits of the 7,000 members.

3 **A** Well, I think the thing with that is, is that most people
4 are afraid to speak out because of NXIVM's lawsuits.

5 **Q** Are there -- are you aware of any other lawsuits other
6 than the seven?

7 **A** I'm not aware of any.

8 **Q** Now --

9 **A** But I'm also not aware of anybody who has been vocal and
10 blown the whistle.

11 **Q** Do you --

12 **A** -- besides the seven.

13 **Q** -- consider yourself a whistleblower?

14 **A** I do.

15 **Q** And what do you need to blow your whistle about?

16 **A** Well, I think I was very clear in my declaration about
17 that. I was told certain things about Keith that I at
18 the time believed were true. Then when I found out other
19 things about him, those are things that then eventually
20 caused me to leave.

21 The one thing is the -- what I believe is compulsive
22 gambling in the commodities market and losing over
23 seventy thousand -- or seventy million dollars of their
24 members' money in the commodities market and using
25 several people, NXIVM members, to open accounts for him

1 to gamble in. I believe that that's a problem.

2 Then I also believe that there's a problem with the
3 sexual behavior. Those two things then caused me to have
4 great concern because I had misrepresented him in
5 relationship to a lot of people that I had -- trusted me,
6 in that I told them about Keith Raniere's character. So
7 I believe that what I did was the reasonable, ethical,
8 moral thing to do, was to let people know that I had
9 misrepresented him, and in doing so, I blew that whistle
10 on his behavior.

11 **Q** And that's the basis for your whistleblowing belief?

12 **A** Yes.

13 **Q** So your whistleblowing belief is based upon what you told
14 me were two aspects of Keith's personal life, his
15 compulsive gambling and his sexual behavior; correct?

16 **A** Correct.

17 **Q** Why do you think you have the right to go to the press
18 and expose anybody's personal life about their sexual
19 behavior?

20 **A** Well, mostly, I didn't do it with the press. I think
21 I've talked to the press a couple of times.

22 **Q** About Keith's sexual behavior?

23 **A** Correct. But that was already well-known. That was
24 already well-known before I ever talked to the press.

25 **Q** What gives you the right to go to the press or any third

1 party to talk about anybody's sexual behavior?

2 **A** Well, it's not about anybody's sexual behavior. I think
3 the thing with that is, is that Keith represents himself
4 as one thing. And the thing is, is that had he fully
5 disclosed that those are activities that he participated
6 in, I would have never bought a program. I would have
7 never opened a center for them, any of those kinds of
8 things.

9 **Q** Let's talk about the first of two items that you blew the
10 whistle on, his compulsive gambling. How do you know
11 that Keith Raniere is a compulsive gambler?

12 **A** Because I believe that he's lost over \$70 million in the
13 commodities market.

14 **Q** Who told you that?

15 **A** Barbara Bouchey and Yuri Plyam.

16 **Q** Okay. So his former girlfriend and his commodities
17 broker?

18 **A** Correct.

19 **Q** All right. What did -- what did Keith Raniere tell you
20 about those losses?

21 **A** Well, also, Toni Natalie told me that before Keith --
22 before those cases that he had actually opened
23 commodities markets in Pam Cafritz's name and in Karen
24 Unterreiner's name and had lost that money, and that
25 Keith also would go to casinos --

1 Q All right.

2 A -- and that he -- while she was his boyfriend [sic] in
3 CBI, that he also participated in several gambling
4 ventures.

5 Q So you're basing your understanding of Keith's compulsive
6 gambling on a former girlfriend; is that correct?

7 A There were actually several people. It wasn't just one
8 person.

9 Q But you just mentioned Pam Cafritz.

10 A Correct.

11 Q All right. So with respect to the commodities story, are
12 you telling me that a licensed commodity broker revealed
13 to you the confidential aspects of an investment in
14 commodities?

15 A He didn't -- he didn't say the actual investment. He
16 just told me who Keith had gambled in the commodities
17 market with. So he didn't actually go through the actual
18 numbers of that. The only thing that I know is what has
19 been in -- what Barbara Bouchey had told me. And
20 originally, she had told me that Keith had lost \$1.7
21 million of her money and that he -- they had gone and
22 borrowed money from her cousin -- I don't remember her
23 name. Chrissy is the only thing I remember -- and then
24 also Noel Neilson and then also Michael Sutton and that
25 that total amount was approximately about \$5 million.

1 Then she also told me that he had lost --

2 **Q** She being who?

3 **A** Barbara Bouchey.

4 **Q** So you're getting all of this information from a former
5 girlfriend?

6 **A** I believed it was true.

7 **Q** All right. And then Keith's sexual behavior, don't tell
8 me, but -- I guess I'm -- let me withdraw the question.

9 Is it correct to say that your understanding of the
10 repulsive aspects of Keith's sexual behavior comes from a
11 former girlfriend?

12 **A** Actually, it comes from more than a former girlfriend.

13 **Q** Well --

14 **A** It actually comes from Barbara Bouchey.

15 **Q** A former girlfriend.

16 **A** And then it also comes from two other women that were in
17 that meeting. One was Kathy Ethier, who Keith had made
18 advances on, and then also Angela Ucci, who Keith had
19 made advances on.

20 **Q** All right.

21 **A** And then also Toni Natalie.

22 **Q** Former girlfriend?

23 **A** Correct.

24 **Q** All right. So you've named four women that Keith's had
25 relationships with or that he's attempted to have

1 relationships with as the basis for your exploding to the
2 press Keith's sexual history; is that correct?

3 **A** Well, the thing is that while I was in NXIVM, Keith was
4 never open about who he was dating, but -- oh, actually,
5 I'll -- but there were several women that I had
6 suspected.

7 And also, another person was Esther Chiappone, who
8 told me personally that she had a sexual relationship
9 with Keith.

10 **Q** So is there something wrong with members of NXIVM having
11 sexual relations with people?

12 **A** I think when it's done under the guides of manipulation,
13 it is -- that is wrong in my -- in my moral code.

14 **Q** Did you think other people in NXIVM had -- were having
15 sexual relations with each other?

16 **A** I don't know that. I think that a lot of that stuff was
17 kept secret.

18 **Q** So the --

19 **A** But my issue is with the founder of the company having
20 what I believed was setups in regards to manipulating
21 women into having relationships. Like, he had told
22 Barbara Bouchey that they -- that he was her boyfriend
23 without telling Barbara Bouchey that he was having
24 multiple sexual relationships. Same thing with Toni. He
25 told Toni that he was her boyfriend without sharing with

1 Toni that he was having multiple sexual relationships.

2 In my book, in my moral fiber, that's deviant --

3 Q And you got that --

4 A -- and lying and manipulation.

5 Q You got that information -- you got that information all
6 from Keith's old girlfriends; correct?

7 A They were the only ones that would speak up.

8 Q Right. And so -- but you were willing to speak to the
9 press about it; correct?

10 A But that information --

11 Q Yes?

12 A -- was already out there.

13 Q But you were willing to speak to the press about it;
14 correct?

15 A Right.

16 MR. CROCKETT: All right. We need to
17 change the tape, so...

18 THE WITNESS: It might be a good time
19 to go to the bathroom.

20 MR. CROCKETT: Do you want to -- would
21 you like to get lunch?

22 THE WITNESS: I brought lunch. I
23 don't really need much time.

24 MR. CROCKETT: Okay. Why don't we go
25 off the record right now.

1 THE VIDEOGRAPHER: Okay. As we go off
2 the record with permission of counsel, the time is 12:13,
3 and this is the end of Disk No. 1.

4 (Recess 12:13 - 12:47 p.m.)

5
6 THE VIDEOGRAPHER: We are now back on
7 the video recorded record. This is the beginning of Disk
8 No. 2. The time is 12:46 p.m. Please proceed.

9 MR. CROCKETT: The next document I'll
10 ask to be marked as Dones Exhibit 7.

11 (Exhibit No. 7 marked for
12 identification.)

13
14
15 EXAMINATION (Continuing)

16 BY MR. CROCKETT:

17 **Q** Do you remember receiving Dones Exhibit 7, which is a
18 letter dated March 22nd, 2010, to yourself?

19 **A** No, I don't remember getting this.

20 **Q** Do you recognize that address?

21 **A** Yes. That is my old address.

22 **Q** Did you receive demand from NXIVM's lawyers to return
23 their course and instructional materials?

24 **A** I received the demand, and I -- from May 15th until March
25 of two thousand and -- May 15th, 2009, to March of 2010

1 attempted several times to get NXIVM's materials back to
2 them and got no response from actual -- their -- well, I
3 got responses, but at the last minute, they just stopped
4 dealing with me.

5 MR. CROCKETT: Move to strike as
6 nonresponsive.

7 **Q** (By Mr. Crockett) Did you ever receive any demands from
8 NXIVM lawyers to return their course materials?

9 **A** I think I've answered that. I said yes, I did, and that
10 I have -- I had worked from several -- for several months
11 to try to get their materials back to them. I included
12 that in my declaration, all the e-mails back and forth
13 between the attorney that I had hired in New York, and
14 when I could no longer afford an attorney, all the
15 e-mails that went back between -- I don't remember his
16 name -- Andrew something or -- I can't remember his name,
17 but mostly I worked with Pamela Nichols.

18 MR. CROCKETT: Move to strike as
19 nonresponsive.

20 **Q** (By Mr. Crockett) Did you ever receive any demands from
21 NXIVM to return their course materials?

22 **A** I think I'm answering your question.

23 **Q** Well, just answer yes or no, and then I'll ask you --

24 **A** But I think it requires more than that.

25 **Q** Well, then I'll go on and ask you what you did.

1 **A** Okay.

2 **Q** Did you ever receive any demands from --

3 **A** I did.

4 **Q** Let me finish the question.

5 **A** Okay.

6 **Q** You don't want to go a second day for your deposition, do
7 you?

8 Did you ever receive any demands from NXIVM's
9 lawyers to return their course materials?

10 **A** I did.

11 **Q** What is the first date you recall getting such demand?

12 **A** I don't remember the date.

13 **Q** Was it sometime in 2010 or 2009?

14 **A** 2009.

15 **Q** So in response to that -- let's kind of step through
16 that.

17 **A** Okay.

18 **Q** -- did you immediately box up your materials and send it
19 to the demanding lawyer?

20 **A** I did not.

21 **Q** In response to that, did you call the demanding lawyer
22 and say, "They're here. You come and get them"?

23 **A** I didn't call.

24 **Q** Is there any reason why you just didn't box up the
25 materials and return them?

1 **A** At the time, I didn't know what my financial future was
2 to be, and so I asked NXIVM through several e-mails,
3 which I have provided as evidence in my response to
4 NXIVM's complaint -- it was agreed upon by Pam Nichols
5 that she would arrange for payment. I gave her dates
6 that I was available to be available for FedEx, UPS,
7 whoever was going to come pick them up, and never got a
8 response back from Pam Nichols in regards to that.

9 **Q** You wanted payment for what?

10 **A** I didn't want payment. I just wanted NXIVM to pay for
11 the shipping. They were their materials, and I wanted
12 them to send them back.

13 **Q** Did you ever return those materials?

14 **A** No.

15 **Q** Where are they today?

16 **A** They're in my attic.

17 **Q** Is there any reason why you didn't bring them today?

18 **A** I wasn't asked to.

19 **Q** The -- have you ever used the practice of disseminating
20 your thoughts or opinions about NXIVM through a web-based
21 document service like Google Docs or Windows Live?

22 **A** No.

23 **Q** In other words, where you -- to try and avoid having to
24 ever produce documents to claim -- and to be able to
25 claim you don't have possession of them, have you ever

1 done things like uploaded documents to internet services
2 like Google Docs?

3 **A** I have uploaded them to Google Docs but not made those
4 available to anybody other than Barbara Bouchey.

5 **Q** And did you produce any of those documents today?

6 **A** No. They're all just court documents.

7 **Q** And is there any reason why you haven't produced any of
8 those documents today?

9 **A** You asked me to produce documents from July 9th, 2010. I
10 believe that I have done that as -- to the best of my
11 understanding.

12 **Q** So the documents that you've uploaded to Google Docs
13 are -- predate that date?

14 **A** Correct.

15 **Q** What kind of documents do you have uploaded there other
16 than court documents?

17 **A** That's it.

18 **Q** How did --

19 **A** I don't -- I don't believe that that even exists anymore,
20 so...

21 **Q** And when you -- did you circulate a draft of your
22 declaration by uploading them -- it to --

23 **A** No.

24 **Q** -- Google Docs?

25 **A** No.

1 Q I'm going to place in front of you -- I'm not going to
2 mark it, but it's your declaration.

3 A Mm-hm.

4 Q And I'm going to ask you about Exhibit I.

5 A H, I. Yes.

6 Q Is Exhibit I a document that you authorized before it was
7 sent?

8 A I authorized all of it, except I didn't authorize that --
9 I believed when we sent this out that it was going to be
10 that if we didn't get a response from NXIVM that we would
11 go to the press about our resignation. I did not
12 understand that it said that if we didn't get a payment.

13 Q What did you think you were going to go to the press
14 about when you --

15 A Our resignation.

16 Q -- sent this letter?

17 So when it says "If these requests are not met, we
18 will move forward by contacting the press," you said
19 what?

20 A About our resignation.

21 Q The second page contains a demand for \$250,000 from
22 yourself -- or for yourself, apparently. Do you see
23 that?

24 A Yes.

25 Q Is that a demand you were making for money?

1 **A** I did ask for that in regards to all of the value that I
2 had created in the Tacoma center, but that also included
3 chairs, TVs, DVDs, all of that kind of stuff. And I also
4 understand that Keith Raniere is a tough negotiator based
5 on my conversations with Barbara Jeske and Nancy Salzman,
6 so I asked for more hoping that he would consider giving
7 me some value for what I had created.

8 **Q** So if I understand your testimony, you were asking for
9 money for which you knew you were not entitled, and if
10 you didn't get it, you were going to the press?

11 **A** I didn't understand that that's the way the letter was
12 written.

13 **Q** Did you see a different version of this letter that said
14 something other than your demand for money and --

15 **A** I never saw the version of the letter. We talked about
16 it. Barbara Bouchey worked on this on her computer. We
17 talked about it several -- for several different hours
18 while I was working on other things, and so I never saw a
19 final version of it before it went out.

20 **Q** Do you have a listing of everything adding up to
21 \$250,000, or was that just a false number?

22 **A** That was just I believe that Keith is a rough negotiator.

23 **Q** So you're willing to lie? Is that what you're saying?

24 **A** I don't understand your comment.

25 **Q** When it comes to asking for money, you're willing to lie

1 about what you're entitled to to inflate matters?

2 **A** No. I think that that's good business sense, is you
3 always ask for more than you believe the person will come
4 back with. I mean, people do that with their properties.
5 People do that with all different things.

6 **Q** Did you -- when you asked for this \$250,000, did you have
7 a list adding up to \$250,000 as to what you were owed?

8 **A** I didn't have any list. This was a very stressful time
9 for all of us.

10 **Q** So when you demanded the \$250,000, you were --

11 **A** It wasn't a demand.

12 **Q** -- you were lying, weren't you?

13 **A** It was a request.

14 **Q** And it was a lie because you weren't entitled to the
15 money.

16 **A** Well, based on their teachings, they teach about value
17 exchange and giving somebody the value of what they have
18 earned, and if you don't have an equal value exchange,
19 then you lower somebody's self-esteem.

20 **Q** So you --

21 **A** So based on what I was taught in NXIVM, I believed that I
22 had the right to ask for -- I knew I was no longer going
23 to participate in the center that was created out here.
24 I believed that there was a value to the center in that
25 they would move it to a different location. Knowing that

1 they were going to move it to a different location, my
2 assumption was, is they were going to need all of those
3 items: chairs, TVs, DVD players, file cabinets. I had
4 lots of money in copy costs for student files, coach
5 notes, all of those different things.

6 **Q** And did you have a valuation done of that to justify your
7 demand for \$250,000?

8 **A** I was in New York when I found out the information about
9 Keith's gambling and sex problems.

10 MR. CROCKETT: Move to strike as
11 nonresponsive.

12 **Q** (By Mr. Crockett) Did you have any itemization
13 justifying your demand for \$250,000?

14 **A** I did not.

15 **Q** Now, in your declaration you say that "Whenever he was
16 asked how NXIVM's payment plan differed from typical MLM
17 schemes, Ranieri would always evade answering the
18 question."

19 **A** That's correct.

20 **Q** Is that an accurate statement?

21 **A** (Witness nods head.)

22 **Q** Did you -- what's the basis for that statement?

23 **A** He was asked that several times in forums. Keith had
24 always talked about the fact that he believed that MLMs
25 were unethical. When I came into NXIVM, I was involved

1 in an MLM, the same one that a number of people were
2 involved in at my same training. And during that time,
3 between him, Barbara Jeske, and Nancy Salzman, they
4 talked about how unethical MLMs were several times.

5 And so when -- several times, looking at the pay
6 structure of NXIVM, I could not see how that was really
7 any different. Really, the only different [sic] was that
8 none of us had contracts to protect our investments that
9 we put into it, where with a traditional MLM company
10 there are contracts.

11 MR. CROCKETT: Move to strike as
12 nonresponsive.

13 **A** It's -- I'm answering your question.

14 **Q** (By Mr. Crockett) Let's focus on the basis for your
15 statement that Raniere would always evade answering the
16 question.

17 **A** Okay.

18 **Q** Did you see him evade answering the question?

19 **A** Yes.

20 **Q** All right. What would he -- what would his response be?

21 **A** He wouldn't respond to that.

22 **Q** So not responding meant that he was evading a question?

23 **A** Right.

24 **Q** And what was the question?

25 **A** "How is this any different than MLM?"

1 Q And he just would not respond?

2 A Or he would evade the question.

3 Q How so?

4 A By not answering it. By saying, "You know, well, you
5 know, I'm not going to go into that at this particular
6 point," those kinds of things. He never answered that
7 question.

8 MR. CROCKETT: The next document I'll
9 ask to have marked is Dones Exhibit 8.

10 (Exhibit No. 8 marked for
11 identification.)

12

13 Q (By Mr. Crockett) Dones Exhibit 8 appears to be a
14 schedule from your bankruptcy filings. Does this
15 document look familiar to you?

16 A I guess so. My attorney sat down and went through this
17 with me.

18 Q Did you really list as an asset worth zero dollars the
19 NXIVM student list?

20 A I don't remember putting that on there, that I put on
21 NXIVM student list. That's the only list that -- I mean,
22 the list had no value to me.

23 MR. CROCKETT: Move to strike as
24 nonresponsive.

25 Q (By Mr. Crockett) Do you remember when putting together

1 your bankruptcy schedules deciding that you were going to
2 list as an asset with zero dollars NXIVM student list?

3 **A** I don't remember putting that on there.

4 **Q** Do you deny that that statement is on your schedules?

5 **A** No. It's right here, but I don't remember putting that
6 on there or why I would put that on there.

7 **Q** What does that student list look like today?

8 **A** I have no idea.

9 **Q** Where is it?

10 **A** Well, what I did was I put together an e-mail list of the
11 students that came through the Tacoma center, the active
12 ones, so that we could send them e-mails about, you know,
13 was the school closed because of snow, those different
14 kinds of things.

15 And so that's the only list that I ever have. I
16 produced that myself with the help of the other proctors,
17 and I was never provided a list by NXIVM.

18 **Q** Do you believe that that student list is NXIVM
19 proprietary?

20 **A** It's their list.

21 **Q** Then where is it today?

22 **A** I don't -- my list?

23 **Q** The one that you have on Dones 8, where is that list
24 today?

25 **A** I have no idea. My assumption is it's with NXIVM's

1 property up in my attic.

2 **Q** What else do you maintain of NXIVM's property up in your
3 attic?

4 **A** I have coach notes -- well, I have -- what I did was -- I
5 had a lot of notes, and because I was moving to a much
6 smaller facility, I took all of the extra coach notes and
7 all of the other student notes that I had, I made one
8 file of master copies of each of those notes, sets of
9 notes, the coach notes and the student notes. I took all
10 of the extra copies and burned them so that they would be
11 protected. I didn't shred them. I didn't recycle them,
12 any of those kinds of things.

13 So I have coach notes, student notes, DVDs, student
14 files, display sashes, PalmPilots, flip -- some flip
15 charts, you know, that we put -- we would write stuff on
16 for the classes. So I have some flip charts we never got
17 to recycle.

18 What else do I have of theirs? I have certain
19 things that we laminated, you know, in regards to, like,
20 the mission statements. We took the mission statements
21 and laminated those so they would be available to use
22 when students came in who didn't bring their binders with
23 them.

24 **Q** Anything else?

25 **A** I am trying to think. I don't remember if I have copies

1 of the stuff like mission statements or any of that kind
2 of stuff.

3 **Q** Do you realize today that NXIVM wants all of that back?

4 **A** I understand, and I want them to have it back. I tried
5 for months to get it back for them.

6 **Q** And tell me when you burned some of that material.

7 **A** Well, their actual materials that belonged -- that were
8 part of the center, I burned those materials -- I don't
9 remember the exact time I burned those. It was before I
10 moved, so sometime late -- sometime probably in the fall
11 of last year.

12 And then after I returned home from NXIVM and
13 realized I wasn't going to work for them any longer, I
14 took all of my student notes that I had as a student and
15 actually burned all of that material.

16 **Q** Was that recently, after this lawsuit started?

17 **A** No. All of this -- the stuff that I burned of my own
18 personal stuff, I did that before -- right after I left
19 NXIVM, so that would have been in May or June of 2009.
20 The other stuff I burned actually, I think, before I
21 filed bankruptcy.

22 **Q** What --

23 **A** But I did maintain a master copy of theirs.

24 **Q** Why did you burn the material?

25 **A** Because I didn't have space to store it all in. It was

1 just copies of notes.

2 **Q** Why didn't you just throw it out in the trash?

3 **A** Because it's -- I didn't believe that that was a safe
4 thing to do with their materials.

5 **Q** Because it was proprietary and confidential materials;
6 correct?

7 **A** Right.

8 **Q** Why did you file bankruptcy?

9 **A** Because I took out a lot of business debt to build
10 NXIVM's center, and when I left NXIVM, I didn't believe
11 that I was going to have the capacity, based on the
12 skills that I had left, to be able to pay that debt off.
13 And so I was in over my head, and so I made a decision to
14 file bankruptcy.

15 **Q** Did you file bankruptcy because NXIVM was threatening you
16 in any way?

17 **A** No. I don't believe NXIVM was threatening me. I believe
18 that they were asking for their materials. I tried
19 several times to negotiate for them to send them back.
20 The attorneys in New York agreed to that, and then I
21 stopped hearing from them.

22 **Q** Now, do you believe that Scientology uses tactics of
23 litigation to silence its whistleblowers?

24 **A** From the research I've done on the internet, I believe
25 that that's true.

1 Q That's the only basis you have for that, what you read on
2 the internet?

3 A Correct. I've read several, several documents about
4 Scientology.

5 Q Do you believe that NXIVM uses the confidentiality as a
6 weapon regardless of what the whistleblower's claim may
7 be?

8 A I do --

9 Q How --

10 A -- based --

11 Q How does NXIVM use the confidentiality agreement as a
12 weapon?

13 A Because I believe that I have not disseminated their
14 information, their materials. And what I have mentioned
15 is my personal experience, and I believe that that's my
16 first amendment right. And because I've shared my
17 personal experience, they've come into my bankruptcy
18 court and made several claims against me that I believe
19 are false.

20 Q You realize that NXIVM's contention is that you are using
21 NXIVM material with the press, i.e., the videotape;
22 correct?

23 A I don't believe that that's their material, so that's
24 where we differ. And besides that, NXIVM was in my
25 bankruptcy court before that.

1 Q Because you hadn't turned over material in your attic;
2 correct?

3 A The thing is, is I don't know why they came into my
4 bankruptcy court. I don't know what their motivation is.
5 I'm not them. But the thing is, is that I think I've
6 made several attempts to try to get their materials back.

7 I even offered -- they moved one of the centers to
8 Vancouver. They moved -- they split the center, the
9 Tacoma center. They moved one to Vancouver, BC; they
10 moved one to Seattle. And I suggested that Wendy
11 Rosen-Brooks, who was the highest ranking student -- she
12 was an equal rank of mine. I suggested that either her
13 or Charmel Bowden, who was the next highest ranking
14 student on the West Coast, that I turn over NXIVM's
15 materials to them so that they could use them at the
16 Seattle center. So I think I've gone way out of my way
17 to give their materials back to them.

18 Q Other than just dropping them off to somebody at NXIVM;
19 right?

20 I mean, you could just do that. This lawsuit would
21 have never happened if you had just dropped your
22 materials off to somebody, but you're still holding onto
23 them; right?

24 A Well, great. I'll drop them off here tomorrow.

25 Q Let me read this statement to you from your declaration.

1 "Moreover, it is also my understanding based upon
2 information and belief that NXIVM's various lawsuits are
3 primarily based on accusations rather than evidence and
4 that its goal is to force its enemies to concede unless
5 they can find pro bono help or attempt to defend
6 themselves pro se." Is that an accurate statement?

7 **A** I believe that's true.

8 **Q** What's that based on?

9 **A** My own personal experience. They -- when NXIVM came into
10 my bankruptcy, they made a complaint that I refused to
11 return their materials. I don't believe that's true
12 based on 20-some pages of e-mails that went back and
13 forth between myself and the firm that Pamela Nichols
14 works at. I believe that I've gone way out of my way to
15 try to return their materials.

16 **Q** Why didn't you -- when you got that lawsuit or the notice
17 of that lawsuit, why didn't you just go down to Federal
18 Express, put the materials in a box, and send it to
19 NXIVM?

20 **A** Because I don't have the money to do that.

21 **Q** Did you hire Mr. -- your first lawyer's name, what was
22 his name?

23 **A** Mr. Tiffany.

24 **Q** Tiffany. How did you find Mr. Tiffany as a lawyer?

25 **A** Through Pre-Paid Legal.

1 Q You have a Pre-Paid Legal defense program you're in?

2 A I have a Pre-Paid Legal membership, yes.

3 Q And have you spent any money on the adversary proceedings
4 other than your Pre-Paid Legal expenses?

5 A My understanding, talking to Mr. Tiffany, is, is that
6 once the adversary proceeding took place, is that we were
7 beyond our fee agreement and that I could not afford an
8 attorney. And so based on his dealings with the actual
9 TRO thing, he said that he was going to step down because
10 we were beyond our fee agreement and I couldn't afford to
11 pay him, and I have been yet able to retain pro bono
12 help.

13 So the only money that I've spent is on parking,
14 paper, printing, those kinds of things.

15 Q Don't you think you would have saved all of that by just
16 going down to Federal Express and putting your documents
17 in a box and sending it?

18 A I don't know that. I don't know if I would have sent the
19 materials back if NXIVM still wouldn't have come into my
20 bankruptcy.

21 Q So because NXIVM sued you, you're taking the -- you
22 believe that you don't have any obligation to return
23 their materials?

24 A No. I want to return their materials.

25 Q All right.

1 **A** I have wanted to ever since I left.

2 **Q** How much money do you need to return their materials?

3 **A** I have no idea what it would cost. I mean, it's not like
4 it's a binder. It's not like it's a couple of binders.
5 I had two filing cabinets full of stuff. Now, part of
6 that doesn't exist anymore because I burnt it, but I
7 don't have any idea what it would take to ship it back.

8 **Q** And you've made no attempt to determine that; correct?

9 **A** Correct. Well, the thing is, is Pamela Nichols agreed to
10 arrange for payment. I assumed she was being honest.

11 **Q** So I'll have a messenger there at your place tomorrow to
12 pick up all of those materials. Would that be
13 acceptable?

14 **A** That's acceptable. Is NXIVM going to drop their suit
15 against me?

16 **Q** No.

17 **A** Then -- see, then it wasn't just about returning their
18 materials.

19 **Q** All right. So you're not willing to turn over the
20 materials now without dropping the suit; correct?

21 **A** I didn't say that, but you pointed out that if I
22 returned -- had just returned them, NXIVM would have --
23 wouldn't have come into my bankruptcy. So it presupposes
24 that if I return the materials that NXIVM would then drop
25 the suit if that's what it's based on. I don't believe

1 it's just based on that.

2 **Q** Well, because since then you've gone to the press with
3 other materials.

4 **A** Which is -- no. I've gone to the press with my personal
5 experience --

6 **Q** Yes.

7 **A** -- none of NXIVM's materials.

8 **Q** Now, your declaration says: "Many of these women were
9 told that they were the chosen one." Is that an accurate
10 statement?

11 **A** That's what I believe.

12 **Q** Where did you get that information from?

13 **A** I got it from Barbara Bouchey and Toni Natalie.

14 **Q** Two former girlfriends; correct?

15 **A** Correct.

16 **Q** You say, "I was informed and believed that NXIVM had lied
17 to me about many of Raniere's/Vanguard's supernatural
18 abilities."

19 How did you figure out that you had been lied to
20 about Keith Raniere's supernatural abilities?

21 **A** Because we can't find any proof of any of that anywhere.

22 **Q** Proof of what?

23 **A** Him breaking the hundred yard dash -- he doesn't
24 physically have the body type to do that -- him winning
25 the East Coast Judo championship when he was 12; his

1 ability to teach himself high school math in a day and a
2 half when he was -- I don't know. I don't remember the
3 age. I don't have that document right in front of me,
4 but it was something like 12 -- that he has a 240 IQ;
5 that he's the third top problem solver in the world.
6 What does that even mean, you know?

7 **Q** So because you can't find proof of that, you think he's
8 lied to you?

9 **A** Yes. Well, and just based on other information that's
10 out there now. When I first started taking NXIVM in
11 2000, Google wasn't what it is today. Google has all
12 kinds of -- I mean, if you Google Keith Raniere, there's
13 a lot of negative information out there. That
14 information was not available to me when I first started
15 taking courses. Had that been out there, I wouldn't sign
16 up today to take a course.

17 **Q** Do you know that NXIVM has a policy of not defending
18 itself in the press or attacking its attackers publicly
19 in the press?

20 **A** No, I don't know that.

21 **Q** Have you ever heard -- have you ever seen any publication
22 from NXIVM or Keith Raniere or Nancy Salzman attacking
23 you personally?

24 **A** No, but I have heard.

25 MR. CROCKETT: Move to strike as

1 nonresponsive.

2 **Q** (By Mr. Crockett) Let's focus on things like you do.
3 You go to the press. You talk about people's sex lives.
4 You talk about their gambling addictions. You talk to
5 multiple members of the press.

6 **A** I don't do that on a general basis.

7 **Q** But you do that on a specific basis.

8 **A** Right, because Keith Raniere is a figurehead --

9 **Q** Yeah. So let's --

10 **A** -- and he runs a company --

11 **Q** Yeah.

12 **A** -- that deals with people on an emotional level, and I
13 believe that those things need to be known.

14 **Q** I can tell you I would find it deeply offensive if
15 somebody talked about my sex life in public.

16 And so when you went and spoke to the press about
17 Keith's sex life in public, you were attempting to hurt
18 him; correct?

19 **A** No, that's not true. I was attempting to inform people.
20 And the thing is, is that was already out there. I never
21 actually -- it was out there, that he did.

22 **Q** So you felt justified in talking to the press about
23 Keith's sex life because others were doing it?

24 **A** I believe that I was informing the public, which is my
25 first amendment right to do.

1 Q Do you believe that you had -- do you believe you had the
2 right to talk about Keith Raniere's sex life to various
3 reporters because his disgruntled girlfriends were doing
4 the same thing?

5 A I believe that I had a right to tell people that because
6 I had sold hundreds -- probably hundreds of people on
7 Keith's character. And so I believe that I had a right
8 to warn the public because I would want to know that if I
9 was going to enroll in a program where somebody was
10 selling him as a Buddhist monk kind of figure.

11 Q Do you think Buddhist monks are celibate?

12 A I don't have any idea.

13 Q Obviously not.

14 Do you -- let me ask you this: Have you ever seen
15 NXIVM or Salzman or Raniere ever publish anything on the
16 internet or in the press critical of you?

17 A I have -- I have not seen them publish anything, but what
18 I do know is, is that they talked a lot before -- even
19 before I left and after I left.

20 Q How do you know that?

21 A I had friends who went -- well, I had friends who went to
22 a meeting in Seattle that Nancy Salzman came out to do
23 after I left, and I heard that Nancy had said some very
24 negative things about me.

25 Q Who told you that?

1 **A** Several of my friends who were there.

2 **Q** Name one.

3 **A** Barb Bell, Kevin Hlas, Andrew Dallow, Kristi Lahusen,
4 Jeff Johnson.

5 **Q** These are people who have -- who heard Nancy Salzman
6 saying negative things about you?

7 **A** Correct. And as far as I understand, that was
8 actually -- that meeting was actually recorded. The same
9 one up in Seattle or up in Vancouver, BC, was recorded.
10 Those will be things that I'll be requesting in my
11 discovery.

12 **Q** What negative things were said about you that you were
13 told?

14 **A** I don't recall that right off the top of my head, but I
15 can gather that information.

16 **Q** So let's focus on, again, my question. Do you know if
17 NXIVM has ever done what you've done to Keith Raniere,
18 that is, go to the press and talk about you, your
19 personal life?

20 **A** I don't know that they've ever gone to the press in
21 regards to that, but they did that within their
22 organization. Nancy Salzman told people that I was a
23 full suppressive.

24 **Q** You consider that an insult?

25 **A** I do.

1 Q That's all you can remember she said about you?

2 A Well, she also said that Barbara Bouchey was crazy. I
3 mean things like that.

4 Q But no, I'm talking about you.

5 A She also told me about --

6 Q I'm talking about you.

7 A Well, this is what happens within the organization.

8 Q Well, but let's focus on how you feel that you were
9 insulted by NXIVM. The only thing I've heard, only one
10 thing, is that -- is that somebody has said you're a full
11 suppressive.

12 A She's also said I'm a compulsive liar. She's also said
13 that I'm not emotionally honest. She's also said -- what
14 else has she said? -- that I'm defiant. She's also said
15 a lot of different things about me.

16 Q And that's it? These are -- you've summarized
17 everything?

18 A As far as I know.

19 Q Has any of that ever gotten outside of the NXIVM
20 organization into the press or --

21 A Not that I'm aware of.

22 Q -- the blogs? No.

23 Your declaration says: "NXIVM has been involved for
24 more than seven years in a civil lawsuit against Rick
25 Ross, a noted cult investigator and deprogrammer." Do

1 you see that -- or do you remember saying that?

2 **A** Yes.

3 **Q** Where did you get that information?

4 **A** It's all over the internet. All you have to do is go
5 into Google.

6 The other thing, too, is I know that they've been
7 involved -- based on conversations that I've had with
8 Nancy that they've been involved in a lawsuit.

9 **Q** When did you -- when did --

10 **A** It was also --

11 **Q** -- Barbara Bouchey first tell you that she was
12 dissatisfied with NXIVM or Keith Raniere?

13 **A** I think it was probably about six months before we left,
14 if I am recalling correctly, that she was dissatisfied.
15 We went through a series of arbitration meetings where
16 Keith had assigned Barbara to be the arbitrator, and
17 Nancy Salzman did arbitration with the entire Pacific
18 Northwest proctor group.

19 **Q** Give me the earliest date that you recall that --

20 **A** I don't have a date in my head.

21 **Q** Well, I mean, estimate it. Was it sometime in 2010? in
22 2009?

23 **A** Well, it couldn't have been in 2010. I was already gone.
24 So late 2008, maybe early 2009.

25 **Q** And what were the first things Barbara Bouchey was

1 telling you about her dissatisfaction with NXIVM?

2 **A** I think -- well, she didn't disclose the whole sexual
3 relationship with Keith until April of 2009, but a part
4 of what we talked about was Nancy's behavior, that Nancy
5 was what we both considered and had experienced -- or at
6 least I can speak for myself, is very abusive behavior
7 from Nancy Salzman.

8 **Q** Did Barbara Bouchey tell you in 2008 that she wasn't
9 happy that Keith Raniere was having sex with multiple
10 women without telling her?

11 **A** She didn't tell me that until April of 2009.

12 **Q** Did any other woman tell you that they were unhappy that
13 Keith Raniere was having sex with other women while
14 having sex with them?

15 **A** Not until after I left and I met Toni Natalie --

16 **Q** So --

17 **A** -- and she told me the same thing.

18 **Q** She told you that?

19 **A** Correct.

20 **Q** Any other woman tell you that?

21 **A** Kathy Ethier told me that she was upset by Keith's
22 behavior towards her, and Angela Ucci shared with me how
23 she believed that she was set up by Pam Cafritz in
24 regards to Keith.

25 **Q** Who is Karen Woolhouse?

1 **A** Who?

2 **Q** Karen Woolhouse.

3 **A** Karen? I don't know a Karen Woolhouse.

4 **Q** What's her first name?

5 **A** Kim.

6 **Q** Kim. Who is Kim Woolhouse?

7 **A** Kim was my business partner, and she's also my domestic
8 partner.

9 **Q** And when you say "business partner," you mean business
10 partner in NXIVM?

11 **A** In Global Solutions.

12 **Q** And Global Solutions. So Global Solutions --

13 **A** Not NXIVM. In, I-N, in Global Solutions.

14 **Q** In Global Solutions?

15 **A** Correct.

16 **Q** So Global Solutions was in business prior to you having
17 anything to do with NXIVM?

18 **A** Correct.

19 **Q** What was Global Solutions's business?

20 **A** We did -- we were both medical massage therapists. We
21 were also in a network marketing company called
22 Mannatech, and then I also did some counseling.

23 **Q** Did she do counseling?

24 **A** No.

25 **Q** Does she have a degree?

1 **A** No.

2 **Q** All right. So when you became affiliated with NXIVM,
3 what was her position in NXIVM?

4 **A** Kim was a proctor, and she, for a period of time, was a
5 salesperson but lost that salesperson status. And Kim
6 also taught Ethos classes.

7 **Q** Did the two of you come into NXIVM at approximately the
8 same time?

9 **A** Yes. We took the same class together.

10 **Q** Now, when you quit NXIVM, did you -- how did you quit?
11 Did you resign? Did you -- was it at the video meeting?
12 I mean, what was the formal thing which said, "I'm done.
13 I'm out of here."

14 **A** We had made a decision -- pretty much, I had made a
15 decision after the second day meeting that I could no
16 longer belong to NXIVM. I think that -- well, I can't
17 speak for anybody else. That's when I made my decision.

18 **Q** Well, I'll ask you about Ms. Woolhouse. But -- so, I
19 mean, did you say "I'm out of here" or did you send a
20 letter of resignation or did you just stop attending or
21 stop doing anything? What happened?

22 **A** Well, I think you know that. You've already showed me
23 the resignation letter.

24 **Q** The letter. All right. That's what you consider to be
25 the "I'm done" letter?

1 **A** Correct.

2 **Q** All right. Now, tell me about Ms. Woolhouse. Did she do
3 anything formal, or did she just sort of drift away?

4 **A** I think her name is on that letter also.

5 **Q** And what does Ms. Woolhouse do for a living today?

6 **A** She still practices as a massage therapist. She works
7 for Pierce College. She works in their international
8 student position. And she's also -- well, she doesn't do
9 it for a living yet, but she's also taking classes with
10 H&R Block.

11 **Q** All right. You said she works for Pierce College?

12 **A** Pierce College. She works in their international student
13 division as a part-time temp employee.

14 **Q** And she has the same address as you have?

15 **A** Correct.

16 **Q** And she filed bankruptcy the same time you did?

17 **A** Correct, because we had -- in our business, we had mutual
18 business debt.

19 **Q** What was that -- what was that mutual business debt?

20 **A** I've already answered that.

21 **Q** Well -- have you ever seen Keith Raniere give lectures on
22 the topic of not paying taxes?

23 **A** I think that I've been in forums where he has talked
24 about paying taxes.

25 **Q** Well, I think my question is: Have you ever been in an

1 intensive or some sort of instructional period where
2 Keith Raniere is saying things like, "I don't believe in
3 paying any taxes to any government"?

4 **A** I don't recall that he's actually come out and said those
5 exact words, but he has said things that led me to
6 believe that he doesn't agree with paying taxes.

7 **Q** Well, I don't agree with paying taxes. Does that make
8 me -- is that the same thing as saying "Don't pay any
9 taxes to any government"?

10 **A** Well, I think there's a difference between you not
11 agreeing to pay taxes. My suspicion is, is that you
12 probably do pay your taxes.

13 And so the thing is, is I think there's a difference
14 between being the figurehead that he is within NXIVM
15 Corporation in front of a group of people saying that --
16 saying things about not agreeing to pay taxes and things
17 like that has a whole different meaning than if you and I
18 were -- just sat down to have lunch and, you know,
19 complained about the tax structure in the United States.

20 **Q** So you think that -- all right.

21 **A** My experience is Barbara Jeske is -- she's an advocate of
22 not paying taxes, and she's the top ranking student of
23 NXIVM.

24 **Q** Top ranking student?

25 **A** That's my understanding. She's also on the executive

1 board -- or she's been on and off the executive board.
2 She was also my field trainer. She's also been a head
3 trainer, and she's -- when I left NXIVM was the highest
4 ranking person. Like, I was a proctor. She was a senior
5 counselor.

6 **Q** Why do you think what Barbara Jeske believes is what is
7 NXIVM's policy?

8 **A** Because Barbara Jeske has been with Keith for years. She
9 was with Keith in CBI.

10 **Q** Okay. Because Barbara Jeske and Keith know each other,
11 then you believe that NXIVM has adopted her views of
12 government taxes?

13 **A** No. I believe that Barbara Jeske has adopted Keith's
14 views of taxes.

15 **Q** Do you have any basis to believe that?

16 **A** Just based on conversations I've had with her.

17 **Q** With her?

18 **A** Correct.

19 **Q** Has she told you that this is what Keith believes --

20 **A** Yes.

21 **Q** -- we don't pay taxes?

22 **A** Yes.

23 **Q** Have you ever spoken with or corresponded with Peter
24 Skolnik?

25 **A** I have talked to Peter.

1 Q How many times?

2 A I don't know the exact number. Maybe five or six times.

3 Q Have you had e-mails with him?

4 A No, I have not had any e-mails with Peter Skolnik.

5 Q Did he send you any e-mails?

6 A No.

7 Q Did you send him any e-mails?

8 A No.

9 Q Did you exchange documents with him?

10 A No.

11 Q What kind of things have you spoken with Mr. Skolnik
12 about?

13 A Just basic advice on -- because I don't have an attorney,
14 just basic advice, mostly through text messages.

15 Q He sends you text messages?

16 A Yes.

17 Q And where are those text messages today?

18 A I delete every text message I get.

19 Q Who is your provider?

20 A Verizon.

21 Q And you've given me that cell phone number?

22 A Yes.

23 Q How many text messages do you think that Mr. Skolnik has
24 sent you?

25 A I have no idea.

1 Q And have you had text messages with Mr. Skolnik since
2 NXIVM filed the adversary proceeding against you?

3 A A few.

4 Q On what topic?

5 A On helping me with this because I don't have -- I've just
6 asked him questions like, you know, do I have to bring my
7 attorney's e-mails?

8 Because I believe you demanded those. You said,
9 "Bring everything."

10 Even when I said not -- "Do I have to bring my
11 attorneys e-mails?"

12 You said, "Bring everything."

13 And I said, "But I believe that those are
14 confidential."

15 And you said, "Bring everything. I'll look at them,
16 and then you can call the judge," which I believe was
17 kind of a trick to get those submitted as evidence and
18 then I would no longer have my confidentiality --

19 Q Yeah.

20 A -- based on that. So --

21 Q So you think I told you that I'd look at them?

22 A Yes.

23 Q That's what you told Mr. Skolnik; right?

24 A No. I just asked him do I need to bring them.

25 Q And so basically, Mr. Skolnik was telling you how to

1 respond to a document production?

2 **A** No. He just -- he just said, "You do not have to provide
3 those." That's all he said.

4 **Q** How did you know to contact him?

5 **A** I talked to him shortly after I left.

6 **Q** Left what?

7 **A** NXIVM.

8 **Q** And who contacted whom?

9 **A** I think Kim contact -- sent him an e-mail, and then he
10 asked if he could do a conference call with us.

11 **Q** And what -- and how long was that conference call?

12 **A** I have no idea. That was a year and a half ago.

13 **Q** And what was discussed in that conference call?

14 **A** If we knew anything about the cruise ship ordeal, where
15 it's believed that Kristin Keefee had tried to hire
16 somebody to pose as some -- to pose as the mother and
17 daughter of somebody to --

18 **Q** Yeah, I know the cruise ship.

19 **A** Yeah.

20 **Q** What else?

21 **A** That's what I remember the most. And I -- everything
22 that I know about that is just hearsay.

23 **Q** Well, has he -- Mr. Skolnik asked you about details about
24 how NXIVM ran its operations?

25 **A** No.

1 Q Did he ask you questions about NXIVM's relationships with
2 its attorneys?

3 A No.

4 Q So what prompted the most recent communications with
5 Mr. Skolnik?

6 A I just -- the recent one was do I have to bring those
7 e-mails. I don't have an attorney. I asked for this to
8 be postponed until I could find pro bono. The judge
9 decided for whatever reason not to allow that to happen,
10 and so I believe that -- I believe that I need to be
11 protected because I believe that you will ask me
12 questions that if I had an attorney in here the attorneys
13 would say "Don't answer that."

14 Q Do you remember you filed materials with the bankruptcy
15 court saying that I was a screamer and a shouter and
16 wouldn't let witnesses go to the bathroom?

17 A I don't remember saying that you wouldn't let witnesses
18 go to the bathroom.

19 Q You did.

20 A Oh, well, I apologize for that.

21 Q Where did you get that information from?

22 A From Barbara Bouchey's first experience with you deposing
23 her.

24 Q And you said that I pounded tables and screamed and
25 shouted.

1 **A** That was my understanding.

2 **Q** She told you that?

3 **A** I don't know if she said that you pounded on tables. I
4 believe she said that you screamed at her, that she
5 couldn't go call her attorney, that she couldn't take a
6 break, that she had no right to call her attorney and ask
7 him to come in.

8 **Q** She told you all of that?

9 **A** Yes.

10 **Q** When is the last time you had a communication with
11 Mr. Peter Skolnik?

12 **A** Last night about the do I need to bring my e-mails.

13 **Q** And what did he say?

14 **A** He said no. He said those are confidential and that you
15 had no right to ask me for those.

16 **Q** Have you ever spoken with Ford Greene?

17 **A** No. The only -- well, let me take that back. The only
18 time that I ever spoke to Ford is, is that when Barbara
19 first went to meet him to see if she wanted to hire him,
20 I was actually with her. I did not speak to him, except
21 she forgot her phone charger in his office. And she was
22 on a phone call, and I said, "I'll run back and get it."

23 And he noticed the phone charger was there. He was
24 bringing it outside the office, and I was going back.

25 And all he did was hand it to me, and I said, "Thank

1 you."

2 **Q** So you traveled to Marin County with Barbara Bouchey?

3 **A** Yes.

4 **Q** And you sat in meetings with Ford Greene?

5 **A** No.

6 **Q** You did not?

7 **A** No. No. I sat in the car and waited because his office
8 did not have a separate office.

9 **Q** And how long was the meeting?

10 **A** I have no idea.

11 **Q** So you've had no communications of substance with
12 Mr. Ford Greene?

13 **A** No.

14 **Q** How about text messages?

15 **A** No.

16 **Q** How about e-mails?

17 **A** No.

18 **Q** How about uploaded or downloaded Google documents?

19 **A** No.

20 **Q** Have you ever spoken with a John Tigue?

21 **A** No.

22 **Q** Do you know who I'm talking about?

23 **A** Yes.

24 **Q** Have you ever e-mailed to him?

25 **A** No.

1 Q You've posted on his blog, though?

2 A Yes.

3 Q Why do you post on his blog?

4 A I posted on his blog because a lot of people that were
5 coming to the blog -- I was a reader of the blog, and a
6 lot of people were coming to the blog not understanding
7 how people could be so stupid to get sucked into the
8 cult.

9 And so what I did was I posted my personal
10 experience of how I got involved and how I stayed so long
11 based on that so that family members could understand my
12 experience and what I believed to be true of how people
13 could get -- could get, you know, involved in a company
14 that behaves the way that NXIVM behaves.

15 Q And you produced all of your blog printouts?

16 A Yes. As far as I could -- as far as I know, I did.

17 Q And where can I find the start of your blog printouts in
18 your --

19 A Pardon?

20 Q -- production?

21 In your document production, where does your blog
22 printout start?

23 A It's in its own little -- I stapled all of those
24 together, so it looks like this. (Indicating.)

25 Q All right.

1 **A** Yeah, it won't be in that one. It's just a little -- a
2 little --

3 **Q** One little thing, huh?

4 **A** Yeah, one little thing. So --

5 **Q** Hold on.

6 **A** Do you want this back?

7 **Q** Yeah. Well, hold on to it.

8 **A** Okay.

9 **Q** Let me see if I can find this blog thing.

10 **A** Do you mind while you're looking for that if I run to the
11 bathroom real quick?

12 **Q** That's fine.

13 THE VIDEOGRAPHER: As we go off the
14 record, the time is 1:35.

15 (Recess 1:35 - 1:37 p.m.)

16

17 THE VIDEOGRAPHER: We are back on the
18 record. The time is 1:37.

19

20

21 EXAMINATION (Continuing)

22 BY MR. CROCKETT:

23 **Q** Do you know the names of any of the persons who posted to
24 the blog other than Mr. Tigue and yourself?

25 **A** I've seen Becca Friedman on there a few times. Other

1 than that, I don't know any -- I don't even actually know
2 Becca personally. And I don't know anybody else.

3 **Q** And does she post with her real name?

4 **A** From what I -- what I've seen, she posts with her real
5 name. If she posts other than that, I don't know.

6 **Q** Have you ever spoken with -- well, you have mentioned
7 that -- Joe O'Hara?

8 **A** Yes.

9 **Q** About how many times?

10 **A** Quite a few times. I don't know. I don't know how to
11 guesstimate. Maybe 50 times. I don't know.

12 **Q** Do you communicate through him -- with him with text
13 messages?

14 **A** Not very often.

15 **Q** Did you -- have you spoken with Mr. Skolnik in the past
16 week by text message?

17 **A** I told you I did last night.

18 **Q** Yeah. Is there a reason why you didn't produce those
19 text messages today?

20 **A** You didn't ask for text messages, nor do I know even how
21 to produce a text message.

22 **Q** All e-mails, correspondence, and written communications,
23 you don't consider text messages to be that?

24 **A** I didn't make that assumption.

25 **Q** Are they on your phone now?

1 **A** Probably not. I delete everything.

2 **Q** Can you check your phone and tell me if you can see any
3 e-mails from Mr. Skolnik?

4 **A** Okay.

5 **Q** And if so, I'd like to see them. I mean text messages.

6 **A** Nope. There are none.

7 **Q** How about from anybody else, like Tigues, O'Hara --

8 **A** I don't -- I have never communicated with John
9 Tigues [sic].

10 **Q** Okay. O'Hara?

11 **A** Nope.

12 **Q** When did you delete Mr. Skolnik's text messages?

13 **A** The one I deleted last night was the one he sent me in
14 regards to my question of did I have to provide my
15 attorney's e-mails to you.

16 **Q** And what other text messages have you deleted of his?

17 **A** I don't recall that. It's just been general questions
18 about -- questions I've had, you know, in regards to "Can
19 I file a motion?" You know, like when this deposition
20 was set up and I knew I wasn't going to probably have an
21 attorney by then, you know, "What do I do? Do I file a
22 motion? What do I do in regards to that?"

23 And he didn't even really know how to answer that.
24 I actually spent more time asking the court clerk
25 procedural questions.

1 Q Have you asked Mr. Skolnik about NXIVM's claims about
2 intellectual property?

3 A No.

4 Q Have you provided him information about the video link?

5 A No. My understanding is that he subpoenaed those videos
6 from Barbara Bouchey.

7 Q Where did you get that understanding from?

8 A Barbara Bouchey.

9 Q And Barbara Bouchey said she turned over those videos to
10 Mr. Skolnik?

11 A She said he subpoenaed them. Whether she turned them
12 over or not, I don't know.

13 Q And that's the three-day video, the --

14 A Yes.

15 Q Okay. Do you know if Mr. Skolnik had any role in getting
16 the video posted on a Russian server?

17 A No.

18 Q Do you know --

19 A I don't know that.

20 Q Do you know who had a role in getting the video posted on
21 a Russian server?

22 A No, I don't know that.

23 Q You know it's on a Russian server?

24 A I saw that on John Tigue's blog.

25 Q And do you know how your YouTube video got put on a

1 Russian server?

2 **A** I don't know that, nor do I know how it got to the New
3 York Post. I think my e-mail was very clear to ask
4 people to not do anything with that video unless
5 something happened to me or something happened to
6 somebody that had been -- that I considered in danger.

7 **Q** You really think NXIVM would do you physical violence?

8 **A** At this particular junction, when -- juncture, with all
9 of the stuff that I have uncovered, I believe that as I
10 started to -- like the tax thing with the State of
11 Washington, I didn't know what Keith would do.

12 **Q** What is the best piece of evidence that you think you
13 have which suggests that NXIVM might do you physical
14 violence?

15 **A** The best piece of evidence that I have is my
16 understanding of the escalation of the abuse cycle.

17 **Q** What does that mean?

18 **A** Well, that when you take somebody who is what
19 psychologically is considered an abuser, somebody who
20 lies and manipulates, especially to women, and then does
21 the control stuff that he does, is, is that unchecked
22 that that can actually escalate into an abuse cycle that
23 is -- could take somebody's life.

24 **Q** And that's your best basis for believing that NXIVM would
25 do you physical harm?

1 **A** I'm scared.

2 **Q** And that's it, because you think that -- you believe
3 that --

4 **A** I mean --

5 **Q** Let me finish.

6 **A** Okay.

7 **Q** And so you believe that your physical life is in danger
8 because you've been told that Keith Raniere has sex with
9 different women?

10 **A** Not just that. I think it's the manipulation that takes
11 place around that. I think it's the manipulation that
12 takes place within the upper leadership of NXIVM. I
13 think it's because of the lies and the cover-ups that
14 I've been told that I've found out are not necessarily
15 the truth. It's how I see how they treat people within
16 the organization, especially people who won't kowtow to
17 NXIVM's policies in regards to that.

18 And so I believe, based on my studies in graduate
19 school, that there is an -- there is an escalation of the
20 abuse cycle, and I am concerned about that.

21 **Q** What do you think is the biggest lie or whopper that
22 NXIVM's ever told you?

23 **A** I think that -- I think probably one of the most damaging
24 lies was, is that -- well, a couple of different things.
25 One, lying about people, one about Barbara Bouchey being

1 a full suppressive, based on the fact that they teach a
2 module based on that, and telling me that she's crazy to
3 influence how I would be around her, and I think that
4 that was used as a way to keep me away from ever
5 believing anything that she ever said.

6 I also think that how they've lied about other
7 people who have left -- everybody that's left, it's
8 always been their fault and nothing within the
9 leadership's fault. I think them covering up the fact
10 that Keith is -- behaves in certain ways that people find
11 morally and ethically not acceptable are big lies that
12 they've told. I think that Nancy lying, or whoever did
13 to the Washington State Department of Revenue, about
14 licensing their program to third-party people -- those
15 kinds of things all lead me to believe that there's a
16 cycle of abuse that takes place.

17 **Q** So who told you the whopper about Barbara Bouchey being a
18 suppressive?

19 **A** Nancy Salzman.

20 **Q** I notice that was the biggest lie -- the first lie that
21 you mentioned, that Barbara Bouchey was a suppressive;
22 right?

23 **A** That what?

24 **Q** Couldn't that just be somebody's opinion? I mean, "I
25 think so-and-so is a suppressive. I think that person's

1 got a suppressive personality," you think that's a lie?

2 **A** I think for the leader, the president of a company, to go
3 around and tell people that about other people when they
4 teach that particular module is a setup in regards to
5 that.

6 **Q** All right.

7 **A** Why would somebody -- why would somebody that runs a
8 company based on human potential and human behavior that
9 teaches an entire two-hour module on they call the fall
10 that deals with the downfall of somebody who's
11 suppressive go around and speak that to anybody in their
12 company about that?

13 **Q** So another big whopper you said you heard was that Keith
14 lied about his sexual relations. Have you ever heard
15 NXIVM teach a course to the effect that the founder of
16 NXIVM is celibate?

17 **A** They don't teach a course on that.

18 **Q** Have you ever heard a course taught to the effect that
19 the founder of NXIVM is monogamous?

20 **A** They don't teach that either.

21 **Q** So when you say that Keith Raniere lied about his sexual
22 relationships with women, where did he say he was
23 monogamous or celibate on the one hand, and how did you
24 learn that that was a lie?

25 **A** Well, my understanding is, is that he told people that he

1 was involved with that he was monogamous.

2 **Q** Where did you get that information from?

3 **A** I got that from both Barbara Bouchey and Toni Natalie.

4 **Q** Ex-girlfriends. All right.

5 **A** Well, okay. So --

6 **Q** So you also -- so based upon information you got from
7 ex-girlfriends --

8 **A** Well, it's not just ex-girlfriends, though.

9 **Q** Okay. Well, that's -- I'm just going on what you're
10 telling me, ex-girlfriends.

11 **A** Well, but I also -- but I also pointed out that there was
12 a situation with Keith and Kathy Ethier that I believe
13 was inappropriate.

14 **Q** Right.

15 **A** And then there was a situation with Angela Ucci that I
16 believe was inappropriate.

17 **Q** Where he made moves on them?

18 **A** Right.

19 **Q** Yeah. So you -- so basically, it's your position because
20 Keith had sexual relations with these two different women
21 and made moves on two others that your life's in danger?

22 **A** No. It's more than that. I think that there's a cycle
23 of abuse. I think the way that he works women to not
24 talk about it and then when they do find out about the
25 fact that he's having sexual relationships with other

1 women how a group of other women come in -- Nancy
2 Salzman, Pam Cafritz, Lauren Salzman -- they come in to
3 work that person's issues and attachments around
4 ownership of Keith.

5 "Do you own Keith's penis?" "What's the difference
6 between Keith sleeping with somebody versus playing the
7 violin?" Those kinds of things are all manipulative.

8 **Q** Has Keith ever come on to you?

9 **A** He knows I'm a lesbian, so he wouldn't do that.

10 **Q** Has he ever slept with you?

11 **A** No.

12 **Q** Has he ever tried to manipulate you sexually?

13 **A** No.

14 **Q** So because Keith sleeps with other women and makes the
15 moves on other women, you feel like your life is in
16 danger; is that right?

17 **A** I believe it's part of the cycle of abuse.

18 **Q** Okay.

19 **A** And so I believe that it's very possible that my life is
20 in danger. I mean, I've had strange cars parked across
21 my house, all different kinds of stuff.

22 **Q** And were those strange cars parked across from your house
23 NXIVM cars?

24 **A** No, but I believe that they have hired PIs before to
25 harass people.

1 Q Have you ever been harassed by a PI?

2 A No, but I have friends who have been.

3 Q Who told you that they were harassed by a NXIVM-hired PI?

4 A Angela Ucci, Nina Cowell, Barbara Bouchey's personal
5 assistant, Mel, Melanie. I don't know her last name.
6 Button, I think, is her last name. I don't know if I
7 mentioned Angela Ucci.

8 Q Who --

9 A Kathy Ethier.

10 Q Who was the private investigator?

11 A I know him as Steve Rambam, who went around presenting
12 himself as an -- what did he say he was? -- an
13 investigator for the state of New York, which is very
14 different than "I'm a private investigator licensed in
15 the state of New York.

16 Q Is that what he told you?

17 A Not me.

18 Q So you got the information from other people?

19 A Several people.

20 Q All right. Have you ever spoken with Chet Harding?

21 A No.

22 Q Ever e-mailed or texted to him?

23 A No.

24 Q Have you exchanged text messages with Toni Natalie?

25 A Yes.

1 Q Have you deleted all of those?

2 A Yes.

3 Q And when was the last time you exchanged a text message
4 with Toni Natalie?

5 A This morning.

6 Q And you've already deleted it?

7 A I delete all of my texts when they come in except for
8 certain people.

9 Q Even though you knew that you had a subpoena for them,
10 you deleted them?

11 A I didn't know that the subpoena required text messages.
12 There's nothing in there that says texts. I would assume
13 that if you wanted texts you would have said texts.

14 Q But the messages concerned NXIVM; correct?

15 A No. This morning it was about, you know, just a support
16 of me coming here. It wasn't about NXIVM.

17 Q All right.

18 A Most of the stuff we text back and forth has nothing to
19 do with NXIVM.

20 Q Okay.

21 A It's just our personal relationship with each other.

22 Q Have you spoken with Jim Odatto?

23 A Yes.

24 Q And you showed --

25 A You know that I have. It stated that in my --

1 Q Well, I still get to ask you the questions.

2 A Okay.

3 Q I know a lot of things, but I still have to ask the
4 questions.

5 A Okay. All righty.

6 Q Now -- and did you display your little video to
7 Mr. Odatto?

8 A He did -- he did have -- just day one and a part of day
9 three, which I've asked him to destroy.

10 Q And have you spoken with a Vanity Fair reporter?

11 A Yes, I did.

12 Q Do you remember her name?

13 A Suzanna Andrews.

14 Q And how much time did you spend with Suzanna Andrews?

15 A I have no idea. Maybe an hour.

16 Q Did you discuss the video with her?

17 A I don't recall discussing the video with her, nor did
18 I -- nor did she have a copy of it.

19 Q Did Jim Odatto say what he was going to do with the video?

20 A He wanted -- he -- I believed that I was giving it to him
21 as background information. He wanted to do a story on
22 that, and I refused to let him do that.

23 Q He did a story on that.

24 A Not on the video, that I recall. He might have done it
25 on the one that -- on the segment that got -- became

1 public, but that was through no direct doing on my part.

2 Q The segment that became public, have you seen that one?

3 A The -- yeah, I've seen that. I sent that out to -- the
4 link to that out to my friends and some of my -- well, my
5 sister.

6 Q The segment that became public is kind of odd because
7 it's got the faces of women blurred out.

8 A Right.

9 Q You did that?

10 A Yes, I did.

11 Q So the segment that became public is your segment; right?

12 A Correct. But I didn't send it to Jim, nor did I send it
13 to anybody else in the press. I sent that to my friends
14 and asked them to keep that, that if anything happened to
15 me or to anybody else, like Barbara Bouchey, that they
16 use that as evidence if it looked fishy.

17 Q So if one of you were, like, killed, like Ronni Chasen in
18 Beverly Hills --

19 A I don't --

20 Q Oh, it's a big deal in Beverly Hills.

21 A Oh.

22 Q So if one of you were killed by some assassin, that you'd
23 be able to release this video; right?

24 A Not release it, but to give it to the authorities.

25 Q Yeah. And so have you had discussions with law

1 enforcement authorities expressing your fears that you're
2 about to be assassinated?

3 **A** No, I haven't. I know John Tignes [sic] has, and I know
4 that he's been threatened -- what perceives to be
5 threatened several times. And what scared me the most in
6 relationship to that and I believe was an escalation of
7 the cycle of abuse is when he -- somebody called the
8 state troopers on him.

9 **Q** Do you have any evidence that NXIVM had any role in --
10 well, the state troopers, that's when he tried to crash
11 Vanguard week; right?

12 **A** I believe that he went there.

13 **Q** Yeah. He tried to crash a private party, and he wouldn't
14 leave, and NXIVM had no choice but to call the troopers
15 out. What's wrong with that?

16 **A** The thing is that why call the troopers? He did leave.

17 **Q** Only after the troopers came.

18 **A** No. He was -- my understanding --

19 **Q** All right.

20 **A** -- from what he posted on the blog is that he had already
21 left the confines of that place.

22 **Q** Yeah. All right. All right. Let's -- what -- in your
23 letter to Keith and Nancy dated April 24, 2009 -- it's
24 Exhibit I.

25 **A** Okay.

1 Q -- you've got a paragraph in there that's the second one.
2 "As we compared our data of why the system wasn't
3 working, we identified evidence of secrecy,
4 nondisclosure, and lack of transparency."

5 Now, is it correct to say that when you wrote --
6 authorized this letter's release that you were basically
7 summarizing all of your concerns and problems with NXIVM?

8 A Actually, my understanding of this is, is that it was
9 Keith's behavior, that had that been made public
10 knowledge, that people would make different decisions
11 about choosing whether to go with the company or not. I
12 mean, some -- I believe some people don't care about
13 that.

14 Q Well, let's look at the letter that you sent on April 24,
15 2009. This is a letter, again, that you partially
16 authorized; correct?

17 A I didn't write it, but --

18 Q You authorized it?

19 A -- I was involved -- there was several hours of
20 conversations about what to write.

21 Q So a lot of time and effort went into what this letter
22 should say; correct?

23 A That's my understanding, yes.

24 Q And so looking back at this letter today, you think that
25 this letter is probably the most accurate statement of

1 what your concerns and complaints were about NXIVM and
2 Keith Raniere; correct?

3 **A** You know, the --

4 **Q** Correct or not correct?

5 **A** Well, the thing is I haven't looked at the letter --

6 **Q** Look at it.

7 **A** -- for a very long time.

8 **Q** I want to know if this letter is what you think back then
9 was the most accurate statement of your beefs about NXIVM
10 and Raniere after spending several hours working on it.

11 **A** Okay.

12 Okay. Well, I have already mentioned that I did not
13 understand that this was being sent out in relationship
14 to the money being paid or we would go to the press. I
15 thought it was to say that if we didn't receive a
16 response from NXIVM that we would go to the press. And
17 the reality is, is that we did receive a response, and
18 none of us went to the press about our resignation.

19 **Q** But other than that, the contents of this letter was
20 something that you worked on for hours; correct?

21 **A** Yeah. My understanding about this letter is, is that the
22 issues that we had with this is, is that because the
23 women that were identified that Keith was having a
24 relationship with -- except for Nancy Salzman and
25 possibly Sara Bronfman and obviously Edgar Boone, Keith

1 was sleeping with all of the women on the board --

2 **Q** Well --

3 **A** -- which I believed was a conflict of interest.

4 **Q** I guess I'm sort of wondering why you don't mention
5 Keith's sexual relations in here, why you don't mention
6 his compulsive gambling, why you don't mention the fears
7 of assassination, why none of that is mentioned in this
8 letter.

9 **A** I don't know that.

10 **Q** You talk about -- you've got a sentence in there that
11 says, "As we compared our data of why the system wasn't
12 working, we identified evidence of secrecy,
13 nondisclosure, and lack of transparency."

14 **A** Correct.

15 **Q** Do you see that?

16 **A** Right.

17 **Q** Was it your understanding that NXIVM operated on the
18 basis of secrecy?

19 **A** In regards to Keith's sexual and gambling behavior, yes.

20 **Q** It doesn't say anything about sexual and gambling
21 behavior. It just says the system wasn't working.

22 **A** Because of those two things. For me, because of those
23 two things. That was the main culprit in why the system
24 wasn't working.

25 **Q** Why didn't you come out and say what your concerns were

1 other than just refer vaguely to why the system wasn't
2 working, inconsistencies, conflict of interest? I mean,
3 why didn't you -- why didn't you just come out right and
4 say what you've been saying today, that you feared --
5 that you were fearful of getting killed?

6 **A** That came later.

7 **Q** I see.

8 **A** The fear of that was really understanding the lengths
9 that I believe that NXIVM has gone through to hide in --
10 certain behaviors that they do and the escalation that I
11 know of the cycle of abuse. I think that I have a pretty
12 good understanding of domestic violence, and I believe
13 that what I -- and my opinion is, is that NXIVM as an
14 organization is just a macrocosm of domestic violence.

15 **Q** So give me the best example you can of a NXIVM leader
16 inflicting domestic violence on a NXIVM student or
17 client.

18 **A** Okay. A couple of examples of that would be the
19 emotional abuse that takes place within the organization.

20 **Q** Let's talk about physical abuse. I mean, you're talking
21 about murder, and so I want to know, do you have a good
22 example of where a NXIVM leader --

23 **A** Physical --

24 **Q** -- inflicted physical violence on somebody?

25 **A** Physical abuse is just one of the spectrums.

1 Q No. No. Help me out here. Humor me. Tell me, are you
2 aware of any evidence --

3 A You have -- the question you asked me is to give you
4 examples of domestic violence.

5 Q Well, no. Here's the question. I'm not asking that
6 question. I want to know are you aware of any evidence
7 of physical violence inflicted upon one NXIVM member by a
8 NXIVM leader?

9 A I don't believe that physical violence needs to take
10 place in order for there to be domestic violence.

11 Q Try and answer the question.

12 A I have --

13 Q Are you aware of any incident of physical violence?

14 A Not of physical violence.

15 Q Are you aware of a NXIVM leader like Keith Raniere
16 saying, "If you don't do this, I will come and beat you
17 with a baseball bat" or something to that effect?

18 A Well, no. The only example that I have of that is that
19 in that clip of the video that I sent out, Barbara
20 Bouchey questions Keith's leadership ability, and then
21 right after that he pauses and he says, "I've -- people
22 have been killed for my beliefs, and I've had people
23 killed."

24 That, to me, is a sign of a microcosm of what I
25 would consider domestic violence but on a larger scale.

1 Q Have you ever heard Keith say that in any NXIVM-related
2 meeting, "I've had people killed"?

3 A No.

4 Q Have you ever heard anybody say, "You know, Keith
5 Raniere, he talks about having people killed"?

6 A That was the first time I had ever heard that.

7 Q Have you ever heard anybody in any NXIVM meeting even
8 refer obliquely to threats of physical violence?

9 A I -- and I've said that. I've already said that I don't
10 believe that there has been any threats of physical
11 violence, but I believe that my understanding of domestic
12 violence is, is that's one of the last resolves.

13 Q So it may be one of the last resolves, but you haven't
14 seen any indication at all --

15 A Not physical --

16 Q -- that there's been physical violence, have you?

17 A Not physical violence, but I believe that there is
18 emotional violence that takes place, and I also think
19 that there's financial violence that takes place.

20 Q What's the worst form of emotional violence that's been
21 inflicted upon you by NXIVM?

22 A I think Nancy Salzman sitting in my living room telling
23 me that she and Keith believe that I was a full
24 suppressive.

25 Q That's a -- is that a really nasty thing to call

1 somebody --

2 **A** Yes.

3 **Q** -- a suppressive?

4 **A** Yes. In NXIVM, what that means is you've lost your
5 conscience. You're a psychopath. So that's a pretty
6 damning thing.

7 THE REPORTER: Hold on.

8 THE VIDEOGRAPHER: As we go off the
9 record with permission of Counsel, the time is 2:04.

10 (Pause in proceedings.)

11

12 THE VIDEOGRAPHER: We're back on the
13 record. The time is 2:05.

14 **Q** (By Mr. Crockett) Is one of the reasons you believe your
15 confidentiality agreement to be invalid is because nobody
16 signed it on the -- on NXIVM's side?

17 **A** My -- my limited understanding of contracts is, is that
18 it should be signed by all parties.

19 **Q** So even -- so because yours wasn't signed, you believe
20 you're not bound by the confidentiality agreement.

21 **A** Well, I don't even know if that's mine, but --

22 **Q** Well, so let me rephrase the question.

23 So do you believe you're not bound by any
24 confidentiality agreement because you're not certain
25 whether you've actually been presented one that shows

1 your signature?

2 **A** Well, actually, I have signed and we've already attested
3 to that I have signed the applications. So if anything,
4 I'm bound by those.

5 **Q** Well, I'm asking you if you think you're -- if
6 fundamentally you believe that you're bound by the long
7 form confidentiality agreement.

8 **A** I don't understand why somebody would provide an
9 agreement --

10 **Q** That's not my question.

11 **A** Well --

12 **Q** Do you think you're bound by that?

13 **A** If it is my confidentiality agreement and if it's proven
14 that that's my signature and it's proven that that is the
15 actual confidentiality agreement that was produced that
16 day, then yes, I do believe that I'm bound by that.

17 **Q** Well, let's operate off the assumption that we just can't
18 find your confidentiality agreement. Do you believe that
19 you're not bound by the long form confidentiality
20 agreement?

21 **A** I would like to see which one I signed.

22 **Q** Let's say that we can't find it.

23 **A** Then I believe that NXIVM doesn't have a contract with
24 me.

25 **Q** Okay. So even though as a NXIVM officer you made sure

1 that your students and your clients signed those and even
2 though you knew that members of the Tacoma staff would
3 transmit those documents to NXIVM, you personally feel
4 that you're not bound by a confidentiality agreement
5 unless you're convinced that you actually signed one;
6 correct?

7 **A** I believe I'm not bound by it, but that doesn't mean that
8 I wouldn't uphold it. The thing is, is that I have not
9 done anything with their intellectual properties. I've
10 kept them in safekeeping. I've tried several times to
11 return their intellectual properties. I do believe
12 beyond that I do have first amendment rights.

13 MR. CROCKETT: Move to strike as
14 nonresponsive.

15 **Q** (By Mr. Crockett) I think my question is -- I don't want
16 filibustering and lecturing coming from you. I just want
17 to know this. If you are convinced that you didn't sign
18 the long form confidentiality agreement, is it your
19 position that you're not bound by NXIVM's confidentiality
20 policies?

21 **A** Well, I have signed the application, so I am bound by
22 that. In regards to the rest of the confidentiality
23 agreement, I'm not a contract attorney. I don't have an
24 attorney present, and I think that that would be up for
25 either a court or a contract attorney to answer.

1 Q Then if you're bound by a confidentiality agreement as to
2 NXIVM's confidential materials, why would you spend so
3 much time talking to reporters about NXIVM's operations?

4 A I don't believe I've talked to reporters about NXIVM's
5 operations. I believe that I've talked to reporters
6 about Keith and Nancy's personal behavior, which I don't
7 believe is -- that I'm bound by, by the confidentiality
8 agreement.

9 Q What NXIVM members who have left NXIVM have received
10 actual death threats?

11 A I -- Joe O'Hara had -- from -- had "You will be dead in
12 seven days" spray -- spray painted on a house that he was
13 having built. Toni Natalie's mother, from my
14 understanding, was told by Keith that "We'll either see
15 her dead or in jail." Yuri Plyam was -- his wife was
16 told that "Yuri will be swimming with the fishies in
17 seven days." John Tignes [sic], I believe, has had death
18 threats.

19 Q Who told you that Joe O'Hara had spray painted --

20 A Joe.

21 Q Did you see the spray paint yourself?

22 A No.

23 Q Did you see pictures of it?

24 A No.

25 Q Did he tell you how he thought NXIVM was responsible?

1 **A** Yes.

2 **Q** What was -- what did he say?

3 **A** He just said that it happened while he was going through
4 all of this -- his legal battles with them.

5 **Q** Did he say that he saw a NXIVM person do it?

6 **A** No, he didn't say that.

7 **Q** Was it signed by a NXIVM person?

8 **A** No.

9 **Q** Now, the death threat communicated to Toni Natalie's
10 mother, did you hear or see Keith Raniere make that death
11 threat?

12 **A** No.

13 **Q** So this is something Toni Natalie told you or her mother?

14 **A** Toni Natalie told me.

15 **Q** So a former girlfriend told you that -- a former Raniere
16 girlfriend told you that her mother had been threatened
17 by Keith?

18 **A** Correct.

19 **Q** And so you mentioned Natalia [sic] Plyam. Did you get
20 that from Natalia herself?

21 **A** No. Yuri told me.

22 **Q** And who else did you mention had been threatened?

23 **A** John Tignes. It's -- he writes about it on his blog.

24 **Q** And did he indicate how he knew NXIVM had made a death
25 threat?

1 **A** I think it's written on his blog that he believes he was
2 ran off the road, that, you know, they called the cops
3 and told that he was a terrorist, those different kinds
4 of things. All of those things are on his blog.

5 So if one person told me that, I could easily
6 dismiss it, but when four people tell me through four
7 different mediums that this happened, I believe that
8 that's a pattern, and I believe that that's a pattern of
9 what I would call violence.

10 **Q** Now, when you showed the video to Jim Odatto, where did
11 you meet him?

12 **A** I didn't meet him.

13 **Q** How did you show him the video?

14 **A** I provided him with a link to the day three one, and then
15 the other thing is, is that on the day one is that I
16 e-mailed him a link for that.

17 **Q** So you posted multiple videos on YouTube?

18 **A** No, just that one. The only one that I have on YouTube
19 is the one that's on there. And again, that's in a
20 private setting, and the only reason I haven't taken it
21 off is I was asked not to destroy anything. Otherwise, I
22 would take it off.

23 **Q** The materials that you've held onto, are they sufficient
24 to run a center, a NXIVM center?

25 **A** I believe so. And that was my main reason why I asked

1 why I couldn't give these to Wendy Rosen-Brooks or
2 Charmel Bowden. I asked NXIVM's attorneys.

3 MR. CROCKETT: Move to strike as
4 nonresponsive after your first sentence.

5 **Q** (By Mr. Crockett) In your declaration, you have a
6 sentence that doesn't make any sense. I'll read it to
7 you. "It is possible that it is current NXIVM members in
8 an attempt to frame their whistleblowers." Do you know
9 what that meant?

10 **A** Could you read that again?

11 **Q** "It is possible that it is current NXIVM members in an
12 attempt to frame their whistleblowers."

13 **A** Can you show me where that is so I can read it? What
14 page?

15 **Q** That's Page 19, and it's Subparagraph C, the last
16 sentence.

17 **A** Oh, okay. Well, one of the things that NXIVM put in
18 their complaint against me is that I had been
19 disseminating information, NXIVM's materials. And so
20 what I believe is that there have been thousands of
21 students that have gone through, and it could be any one
22 of those that have disseminated information to the press
23 regarding their materials, and that I believe that it is
24 even possible that it's one of the current NXIVM members
25 that has disseminated that information just so that NXIVM

1 could come in and say in my bankruptcy court that it was
2 me who disseminated that information, to frame me --

3 **Q** Do you have any --

4 **A** -- in doing so.

5 **Q** -- proof of that?

6 **A** It's just a hypothesis.

7 **Q** Do you have any proof of that?

8 **A** No.

9 **Q** And then you say on the same page: "The facts are it was
10 common knowledge that the copyright materials, tapes,
11 notes, DVDs, and files were unlocked at the Albany
12 training center in the hallway" --

13 **A** Where --

14 **Q** -- "accessible to anyone for almost eight years before
15 they decided to put them in a locked room."

16 **A** Okay. What page are you on again?

17 **Q** Same page, Page 19 --

18 **A** 19.

19 **Q** -- Subparagraph D.

20 **A** Okay.

21 **Q** What's the basis for your knowledge that NXIVM left their
22 intellectual property in an unlocked area?

23 **A** My personal experience. I would -- I spent a lot of time
24 at the NXIVM center in Albany, New York, and experienced
25 that it was kept unlocked. And then when they did lock

1 it up, everybody knew where the key for that was. And
2 then there were several times that even after they moved
3 them to a locked room that that room would be unlocked
4 and left unattended.

5 **Q** And -- but the persons who would have access to those
6 unlocked rooms would be NXIVM officers; correct?

7 **A** No. It would be anybody that was in the building.

8 **Q** Do you have any basis to believe that NXIVM material was
9 stolen by a former coach or trainer and published on the
10 internet?

11 **A** I don't have any knowledge of that. It's just a
12 hypothesis. They're in their complaint blaming me of
13 that, and so I'm just pointing out how it is possible
14 that it's other people because I know I didn't do it.

15 **Q** In your complaint, you say that the -- that something you
16 call the World Intellectual Property Organization denied
17 Keith Raniere's patent claims. Where did you get that
18 information?

19 **A** It's on their website.

20 **Q** Whose website?

21 **A** The World Intellectual Property Organization's website.

22 **Q** You found that yourself?

23 **A** Actually, it was -- I found that actually before I left
24 NXIVM just based on some -- it was on a blog site. I
25 think it was Kristin Kreuk's blog site, and it's actually

1 Exhibit H in my answer to their claims. It's Exhibit H.
2 It talks about -- on Page 3 of that, it talks about the
3 Claims 1 through 18 were denied, and on Page 4. Plus, a
4 240-page manual of NXIVM's material has been made public
5 domain for download.

6 MR. CROCKETT: Move to strike as
7 nonresponsive.

8 **Q** (By Mr. Crockett) Do you believe that you shouldn't have
9 to turn over NXIVM's client list because NXIVM's clients
10 were defrauded by Keith Raniere?

11 **A** No. I don't believe that I have a NXIVM client list, but
12 I am more than willing to give them the list that I put
13 together, which was my property.

14 **Q** That you developed while you were a NXIVM trainer;
15 correct?

16 **A** Correct. I don't -- the list has no meaning for me, so
17 there's no reason for me to hang on to it.

18 **Q** You say in your declaration that Rational Inquiry
19 trainings are used as a venue to stalk students who might
20 fit into Raniere's profile of sexual conquests.

21 **A** What page are you on?

22 **Q** It's Page 29.

23 **A** And which paragraph? Which --

24 **Q** 110.

25 **A** Okay. 110.

1 Q You say that, again, "Rational Inquiry trainings are used
2 as a venue to stalk their students to who might fit into
3 Ranieri's profile of sexual conquests and who might be
4 willing to give Ranieri money." Do you have any basis to
5 support that claim?

6 A Well, based on the number of women that I suspected that
7 Keith Ranieri had sexual relationships with before the
8 April meetings, pretty much everybody I suspected that he
9 had sexual relationships with was verified by Barbara
10 Bouchey that he had had sexual relationships with them.
11 Some people I suspected that he had sexual relationships
12 with, Barbara Bouchey did not know.

13 And just based on the fact that these women were
14 made what I believe would be identified as special within
15 the curriculum. And the same thing with -- anytime
16 anybody with any financial means came into the company,
17 they were automatically considered a VIP within the
18 trainings and given VIP status.

19 Q I guess that's pretty terrible, to give wealthy clients
20 VIP status?

21 A Well, it's not that it's necessarily a terrible thing
22 done under the right guides, but my -- several
23 conversations I've had with Nancy Salzman is, is that
24 they're constantly looking for money.

25 Q I guess that's a terrible thing for businesses to

1 constantly look for money?

2 **A** Not necessarily, but when you take \$70 million and you
3 lose it in the commodities market, that to me is a
4 terrible thing.

5 **Q** Who lost the \$70 million?

6 **A** My understanding is Keith Raniere did.

7 **Q** His money?

8 **A** No.

9 **Q** How can he lose \$70 million he didn't own?

10 **A** Because he borrowed it, I guess --

11 **Q** From who?

12 **A** -- or people gave it to him.

13 **Q** People gave it to him, huh?

14 **A** Which I think is a conflict of interest based on his
15 position in the company.

16 **Q** Who do you think gave him the \$70 million?

17 **A** I think that Barbara Bouchey gave him money. I think
18 that Pam Cafritz gave him money. I think that Karen
19 Unterreiner gave him money. I think that Sara and Clare
20 Bronfman gave him money. I believe that -- who else? --
21 Michael Sutton gave him money.

22 **Q** Okay. Which of these people told you that, that they
23 gave him money?

24 **A** Just, well, Barbara Bouchey and Yuri Plyam.

25 **Q** So what women have actually told you that they've slept

1 with Keith Raniere?

2 **A** Toni Natalie and Barbara Bouchey --

3 **Q** That's --

4 **A** -- and Esther Chiappone.

5 **Q** Three people?

6 **A** Yes.

7 **Q** And so you sort of -- let's go off the record.

8 **A** No, I don't want to have anything off the record.

9 **Q** We have to because we have to change the tape.

10 **A** Okay. All right. Sorry.

11 THE VIDEOGRAPHER: As we go off the
12 record then, this is the end of Disk No. 2. The time is
13 2:22.

14 (Recess 2:22 - 2:28 p.m.)

15
16 THE VIDEOGRAPHER: We are back on the
17 record. This is the beginning of Disk No. 3. The time
18 is 2:28. Please proceed.

19

20

21 EXAMINATION (Continuing)

22 BY MR. CROCKETT:

23 **Q** Did you talk to a producer from the Dr. Phil Show about
24 NXIVM?

25 **A** Yes. They called.

1 Q Did they initiate the call to you?

2 A Yes.

3 Q Did they tell you how they got your name?

4 A I didn't ask them, and they didn't tell me.

5 Q Who was the person you talked to?

6 A Andy. Andy.

7 Q What did Andy want?

8 A He wanted to know my story. They were -- I guess they
9 were going to do a TV show. I spent -- I don't know --
10 about an hour and a half on the phone with him and never
11 heard from him after that.

12 Q When was that?

13 A I'm not sure exactly of the date, but about four months
14 ago.

15 Q And what did you tell him about NXIVM?

16 A I told him my experience, pretty much the same stuff that
17 I put on the blog.

18 Q Have you spoken to a reporter from 20/20?

19 A Just briefly.

20 Q Did that person call you?

21 A Yes.

22 Q You didn't initiate the call?

23 A No.

24 Q Did any -- did the 20/20 reporter tell you why -- who got
25 them interested in NXIVM?

1 **A** He didn't tell me who got him interested, but my
2 understanding is he's been interested for years now of
3 doing a story on NXIVM. We probably spoke for maybe
4 three to five minutes on the phone, and I have not heard
5 back from him since.

6 **Q** How long did you spend with the reporter from Vanity
7 Fair?

8 **A** I think I said that already.

9 **Q** You can tell me again.

10 **A** I don't know. An hour, around an hour. I don't
11 remember.

12 **Q** It was a telephone call?

13 **A** Yes.

14 **Q** Did you provide her any documents to look at?

15 **A** No.

16 **Q** Did she ask you to look at any documents?

17 **A** No.

18 **Q** How long did you spend speaking to the reporter from
19 McClain's?

20 **A** About 30 minutes.

21 **Q** Did he or she provide you any information?

22 **A** No documents.

23 **Q** Did you provide that reporter any documents?

24 **A** No.

25 **Q** What was that reporter's name?

1 **A** I don't remember.

2 **Q** Have you ever spoken with a reporter from the New York
3 Post?

4 **A** Real briefly when she did a story on my bankruptcy.

5 **Q** And you sent the reporter a link to the video?

6 **A** No. By that time, I think they had -- it had already
7 been on the -- they had already done on the website. I
8 did not provide the reporter from the New York Post with
9 anything.

10 **Q** So you know that -- but when the New York Post spoke to
11 you, you realized or you knew that they had a copy of
12 your video somehow; right?

13 **A** I think that story had already -- had come out, and it
14 was already on the blog. She was doing a story on my
15 bankruptcy. And I didn't call her, nor did she call me.
16 I actually happened to be on a phone conversation with
17 Toni Natalie.

18 **Q** So Toni Natalie was answering questions, and you were
19 just listening in?

20 **A** No. Toni said that she had to -- she had an incoming
21 call. She put me on hold. Then she came back on, and
22 the reporter from the New York Post was on, asked me a
23 couple of questions, and I got off the phone call.

24 **Q** Do you owe NXIVM money?

25 **A** I believe I do.

1 Q How much?

2 A I don't have any idea.

3 Q If you believe you owe NXIVM money, then why were you
4 trying to extort \$250,000 from Keith Raniere?

5 A That's NXIVM's opinion that I was trying to extort money.
6 I don't believe I was trying to extort money.

7 Q Well, if you --

8 A I think that NXIVM teaches about value exchange, and what
9 I was trying to do is just ask for value of the value
10 that I had built.

11 Q So you -- you believe that you owe NXIVM money, but when
12 you threatened to go to the press, at the time you
13 believe you were taking the position that they owed you
14 \$250,000; right?

15 A I believe they owe me my April commissions, which was
16 about \$9,000, and I asked for a value exchange to be
17 given. I recognized that I had no contract with NXIVM to
18 protect me. All I did was ask. The offer -- my asking
19 was refused, and I believe that that was my mistake for
20 not getting a contract and not having a contract in
21 place.

22 Q Now, suppose all of the things that you were saying in
23 your declaration were untrue about NXIVM and its crimes
24 and misdemeanors, what do you think you ought to do to
25 reverse the damage? Anything?

1 **A** I don't believe they are untrue, so I haven't even
2 explored that.

3 **Q** Do you have any personal claims that you think that you
4 have against NXIVM?

5 **A** Personal claims?

6 **Q** Yes.

7 **A** I don't understand what you mean by that.

8 **Q** Like, do you claim anything against NXIVM? Any claims
9 for money? Any claims for damage?

10 **A** I haven't explored any damage claims. I do believe that
11 they owe me my April commissions, which I believe are
12 more than what they -- what I owed them for educational
13 courses, but I don't know that for sure because I don't
14 have that data. I've been -- was locked out from my page
15 on the NXIVM -- when I left, I asked for a full
16 accounting of what I owed them, what I had taken, and
17 what they owed me through NXIVM's attorneys in New York,
18 and that was refused.

19 **Q** What is the amount that you think NXIVM owes you?

20 **A** Approximately 9,000.

21 **Q** \$9,000?

22 **A** Yes.

23 **Q** And you asked for 250?

24 **A** That's a whole different thing. I believe they owe me
25 9,000 for my April commissions.

1 Q All right.

2 A And then based on NXIVM's teachings, I believe that there
3 was a fair value that I built for them. And because
4 NXIVM does not provide their independent contractors with
5 contracts, I believe I wasn't protected. NXIVM didn't
6 look out to protect me, nor did I look out to protect
7 myself because it's preached that Keith is the most
8 ethical person in the world.

9 MR. CROCKETT: Move to strike as
10 nonresponsive.

11 Q (By Mr. Crockett) Do you think -- do you have any other
12 claims that you assert against NXIVM for money?

13 A I -- at this time, I haven't explored any damages beyond
14 that.

15 Q Do you think that you've been damaged in any way by NXIVM
16 other than the \$9,000 you were referring to?

17 A I haven't even talked to an attorney about that.

18 Q I mean, do you have in the back of your mind any
19 suspicion or hint that you've been damaged?

20 A I have some hypothesis.

21 Q What are they?

22 A Consumer fraud for number one.

23 Q So you felt you were defrauded in what?

24 A In the fact that they sold Keith as one thing, and then I
25 find out information that he's not that at all.

1 Q How much money did you spend that you think you were
2 defrauded out of?

3 A I don't know.

4 Q I mean, is it a thousand dollars?

5 A No. It was probably closer to 40.

6 Q \$40,000. How else do you think -- what other kind of
7 theories do you have against NXIVM?

8 A Possibly emotional abuse.

9 Q Who abused you?

10 A Mostly Nancy Salzman and -- Nancy Salzman, Karen
11 Unterreiner, Lauren Salzman, but mostly Nancy.

12 Q Did they abuse you directly?

13 A Yes.

14 Q By calling you a suppressive?

15 A Amongst other things.

16 Q What are the other things they called you?

17 A Well, it's not so much what they called me. It's a lot
18 of what they did to me in the company.

19 Q I see. What did they call you that you thought was
20 abusive?

21 A Well, Lauren at one particular training called -- well,
22 I've answered some of those. Suppressive, defiant, a
23 compulsive liar, emotionally dishonest, rule bound,
24 slimy, those kinds of things.

25 Q Who said you were slimy?

1 **A** Lauren Salzman told me that her mother said that. "You
2 appear really slimy right now."

3 **Q** "You appear really slimy"?

4 **A** Yes.

5 **Q** That's what she said?

6 **A** I think that's what she said.

7 **Q** What other bad things were said about you?

8 **A** It's not so much all the stuff that was said about me. I
9 think that emotional abuse has a continuum and a
10 spectrum, and there were a lot of things done that I
11 believe are emotional abuse.

12 **Q** What was the most emotionally abusive thing to ever
13 happen to you at NXIVM?

14 **A** Hm, that's a good question. Let me think.

15 I think my overall treatment by Nancy Salzman. And
16 in regards to going into this any further, I don't know
17 how it pertains to what we're talking about today, and
18 I'd rather not go into that any further until I've had a
19 chance to talk to an attorney about that. I don't know
20 how it's pertinent to my permanent injunction.

21 **Q** So you're unwilling to tell me how you think NXIVM's
22 abused you?

23 **A** I don't have an attorney present. The judge isn't
24 available, and I don't know if this line of questioning
25 is a line of questioning that an attorney wouldn't object

1 to if I had one. And based on your asking me to bring my
2 attorney's e-mails, I'm not sure that this is in my best
3 interest to follow this line of questioning.

4 **Q** Well, your declaration is just filled with claims that
5 you've been abused by NXIVM, and you're unwilling to tell
6 me what they all are?

7 **A** Do you want to point those out, and we can discuss those
8 particular claims?

9 **Q** No. I'm asking you to tell me if you, you know --

10 **A** Well, if you want to point those out, I'd be more than
11 glad to explore that particular thing, and then I can
12 talk to you about what I meant when I wrote that.

13 **Q** Can you think of any other way in which -- any specific
14 way in which you think you were abused by NXIVM? I mean
15 the most significant thing that happened to you in terms
16 of emotional abuse.

17 **A** I think just the overall lie that they're one thing and
18 they're not.

19 **Q** I mean give me the most terrible thing that happened to
20 you in NXIVM that you consider abusive.

21 **A** Well, I think the mere fact that they present themselves
22 as a human potential program that has answers to
23 mankind's problems and that Keith is the most ethical man
24 that you could ever come across and that he would never
25 do anything to harm you, in relationship to that. And

1 when I asked for contracts, like why don't we have any
2 contracts in regards to what it means to be a field
3 trainer, what does it mean to be a proctor, how are these
4 things protected, I was constantly questioned about my
5 loyalties to Keith instead of addressing the real issue.
6 Like, why didn't we have contracts to protect our
7 investments?

8 **Q** And that's your answer?

9 **A** That's part of my answer.

10 **Q** Well, give me the whole answer.

11 **A** That's the best -- well, that's all I can talk --

12 **Q** Is that all you can think of today?

13 **A** That's all I can think of today besides the other things
14 that I've talked about.

15 **Q** Do you think that NXIVM should tell each potential
16 customer everything about Keith Raniere's personal life
17 before the customer comes in as a client?

18 **A** Well, I think the thing is, is that based on his
19 position, it's kind of like, you know -- there are
20 certain positions in the world where I think people have
21 a right to know certain things. Like, if I want to
22 invest my money, I think it would be better to know
23 Bernie Madoff's behaviors --

24 **Q** His sexual history?

25 **A** -- before I invested --

1 Q His sexual history?

2 A No, his financial history.

3 Q Well, I'm talking about sexual history. Do you think
4 that, for instance, that we should know everything there
5 is to know about President Obama's sexual history before
6 we vote for him?

7 A The thing is, is that the president is -- has a different
8 position in the world. Keith has a position where he's
9 in -- him and his company and Nancy Salzman are in
10 people's emotional lives, and I think that people have a
11 right to know the moral fiber of somebody that they put
12 that trust into.

13 Q Well, start with President Obama. But for example, do
14 you think that you ought to know everything there is to
15 know about President Obama's sexual history before voting
16 for him?

17 A I think if he lied and manipulated women, I think that I
18 have a right to know that, and that often is made
19 public --

20 Q Well --

21 A -- about our politicians.

22 Q -- suppose he doesn't say anything. Do you think you're
23 entitled to know everything there is to know about his
24 sexual history?

25 A I think if somebody finds that that --

1 Q Really?

2 A -- that their experience with President Obama was
3 sexually abusive, that they -- and they come forward that
4 people have a right to know about that.

5 Q Well, suppose it's just not sexual abusive; it's just
6 that he's got five women on the string at once. Do you
7 think you're entitled to know that before you vote for
8 him?

9 A I think that I am because that points directly to the
10 moral fiber of the person who's in charge of running our
11 company -- or, I mean, our country.

12 Q Do you think that if you had -- if you decided to engage
13 a psychiatrist for therapy that you should ask him to
14 give you a disclosure as to his sexual history before you
15 do so?

16 A If it was dis- -- that if it was discovered that he
17 manipulated women, I wouldn't choose him as my
18 psychiatrist.

19 Q Well, I'm not talking about discovery. I'm just saying,
20 do you think that if you're going to go and talk to a
21 psychiatrist about depression or anxiety or something
22 like that that you have the right to ask him, "Do you
23 mind telling me what your sexual history is?"

24 A You know, I have never considered that.

25 Q All right. So here you've got Keith Raniere, who's

1 running a human potential growth program -- like, Tony
2 Robbins, for instance, do you think if you'd gone to Tony
3 Robbins's organization that you should say, "You know,
4 Mr. Robbins, before I sign on to your program, could you
5 just tell me whether you're straight or gay, whether
6 you've got multiple partners or single partners, whether
7 you're celibate or what?"

8 Do you think you are entitled to ask those kind of
9 questions of him?

10 **A** You know, before my experience of NXIVM, I would have
11 never considered that, but that's one thing that I will
12 investigate before ever becoming involved in another
13 company like that.

14 **Q** So you think -- so just to kind of sum up your testimony,
15 you believe that you've been abused and mistreated
16 because you found out that Keith Raniere was not the
17 celibate saint that you thought that he had been
18 portrayed as?

19 **A** It's not just the celibacy thing. I mean, it's really
20 around the manipulation that I believe that he does with
21 women, and it's the manipulation that he does with his
22 members to extract money out of them to gamble in the
23 commodities market. I think that those are immoral
24 things --

25 **Q** Do you even know that --

1 **A** -- and there's a conflict of interest.

2 **Q** Do you even know how to make a trade in the commodities
3 market?

4 **A** No.

5 **Q** Who are you to say -- what basis do you have to claim
6 that an investment in the commodities market is gambling?

7 **A** 70 million is -- to me -- in my opinion is a gambling.

8 **Q** Do you know how those --

9 **A** To lose 5 million is a gamble.

10 **Q** Do you know how he made those trades?

11 **A** I don't. I know that he lost 1.7 of Barbara Bouchey's
12 money from her telling me that. He promised to pay it
13 back and never did and then never -- she never got a
14 contract because he was sold to her as the most ethical
15 man in the world.

16 And then when she asked for it back, his thing was,
17 "I thought it was a gift."

18 **Q** So it sounds like to me that basically you've kind of
19 thrown in with a bunch of Keith Raniere's ex-girlfriends
20 who are angry with him about his sexuality, and you've
21 kind of signed on to the notion that he's just a bum
22 because he has other girlfriends. I mean, can you see
23 that?

24 **A** It's not that. It's not the fact that he has more than
25 one girlfriend.

1 Q Well, can you tell me where NXIVM has ever claimed to
2 represent that its founder should be monogamous or
3 celibate?

4 A It's not about the monogamy. It's more --

5 Q No. Try and answer the question. Have you ever heard
6 any claims by NXIVM or any of its writings that NXIVM's
7 members, let alone its founder, should be celibate or
8 monogamous?

9 A Can you ask me that again?

10 Q Yeah. Have you ever heard any publication or seen any
11 publication of NXIVM saying that "One of our ethical
12 tenants is that you're expected to be celibate or
13 monogamous"?

14 A And again, it's not about that. If he had --

15 Q NXIVM is not about that at all, is it?

16 A Well, the thing is, is that if it was just the monogamy
17 issue, if he was nonmonogamous, then that would be a
18 different issue. But the thing is, is the manipulation
19 that goes behind the nonmonogamy.

20 Q Well, let's deal with the monogamy first. So is it
21 correct to say you've never seen any teaching by NXIVM or
22 ESP stating that its members should be celibate or
23 monogamous?

24 A I -- no. They don't talk about celibacy or monogamy.

25 Q So in their teachings, in their intensives and their

1 programs, NXIVM takes no position one way or the other as
2 to whether you should be straight or gay or celibate or
3 monogamous; correct?

4 **A** It would be different if I was just a student.

5 **Q** Am I correct?

6 **A** It would be different --

7 **Q** Am I correct?

8 **A** I'm trying to answer your question.

9 **Q** No. No. The question is --

10 **A** Well, you're asking me a narrowly focused question --

11 **Q** Yeah. But --

12 **A** -- to lead to one certain answer, but it's more than
13 that, and that's what I'm trying to say, Mr. Crockett.

14 **Q** All right. So let me -- you're trying to tell me -- let
15 me try again. Are you aware -- let me try again. I'm
16 sorry.

17 Is it correct to say then that as far as you can
18 tell in NXIVM's philosophy that NXIVM takes no position
19 as to whether one should be straight or gay or celibate
20 or monogamous? Is that correct?

21 **A** But they seem to take the position that it's okay to
22 manipulate people, and that was my issue.

23 MR. CROCKETT: Move to strike as
24 nonresponsive.

25 **Q** (By Mr. Crockett) Let's try again. Is it correct to say

1 that NXIVM takes no position as to whether one should be
2 straight, gay, monogamous, or even married; correct?

3 **A** As a company, I don't believe they take those positions.

4 **Q** All right. So now let's go on to your point, and that's
5 manipulation.

6 All right. Does -- if NXIVM takes no position on
7 one's sexuality or orientation, then explain to me how
8 Mr. Ranieri has engaged in manipulation contrary to the
9 ethics of NXIVM.

10 **A** It's not just about that. I mean, it's him as an
11 individual who is the leader of this company. To find
12 out that somebody of his position has taken advantage of
13 women through the actual aspect of people divulging their
14 emotional issues within the curriculum, I believe is
15 abuse.

16 If I was in -- I spent ten years in the Navy. If my
17 commanding officer behaved that way, he would be held
18 accountable for that. He would probably be discharged
19 dishonorably from the military by behaving that way.

20 **Q** Well, we're not talking about the military. We're
21 talking about an ethical setup that -- construct that
22 NXIVM has created, and --

23 **A** But it's a company that I worked for.

24 **Q** Well, okay. So I guess my question is: You think --
25 let's look at Barbara Bouchey. Barbara Bouchey, she had

1 an advanced degree; correct?

2 **A** I don't know that she had an advanced degree.

3 **Q** She had a successful business; correct?

4 **A** From what I understand, yes.

5 **Q** She controlled tens of millions of dollars; correct?

6 **A** From what I understand, yes.

7 **Q** She was a certified financial planner; correct?

8 **A** Correct.

9 **Q** She had a million dollar home; correct?

10 **A** From what she said, yes.

11 **Q** All right. So you're telling me that you're offended
12 that this woman was manipulated by some guy who doesn't
13 even have a house, doesn't even drive a car? Really,
14 you're offended by that?

15 **A** Yes.

16 **Q** Okay.

17 **A** And it's not about him not having a house, not having a
18 car. He's provided with all of those things through
19 NXIVM members and Nancy Salzman. So it's not like he's,
20 like, this homeless monk carrying a bull around in a loin
21 cloth. The thing is, is Keith Raniere's needs are taken
22 care of.

23 And the thing is, is that just because somebody's
24 successful in the financial realm does not mean that
25 they're necessarily successful emotionally.

1 Q All right. So tell me how you know Keith Raniere
2 manipulated Barbara Bouchey.

3 A Based on my conversations with her and also based on my
4 conversations with Esther Chiappone.

5 Q Well, let's deal with the manipulation. How was poor
6 Barbie Bouchey manipulated by Keith Raniere.

7 A I -- well, you would have to ask her that, but if -- do
8 you want my opinion of how I believe that happened?

9 Q I'm not -- no. I'm asking for your evidence. I'm not
10 asking for your opinion. You've been saying repeatedly
11 that Keith Raniere manipulates people, and I'd like to
12 focus on one person --

13 A Okay.

14 Q -- the person you've spent most time with --

15 A Okay.

16 Q -- Barbara Bouchey.

17 A Okay.

18 Q How was she manipulated?

19 A My understanding is, is that when Barbara got together
20 with Keith that she believed that she was Keith's
21 girlfriend and only girlfriend and that Keith -- that
22 they were dating, but they kept it a secret because --
23 for whatever reason. I don't know why they kept it a
24 secret. I don't know why you would keep that a secret
25 from anybody. Like, why was the -- why was the NXIVM

1 community not allowed to know that they were dating, that
2 I don't know, but they kept it a secret.

3 And then when Barbara Bouchey found out that Keith
4 was not just her boyfriend and that Keith Raniere was
5 sleeping with multiple women and confronted him, the
6 thing that happened is, is that Keith then sent in his
7 troops to deal with her and her disintegration around
8 monogamy/nonmonogamy and that Keith having a sexual
9 relationship with somebody else was no different than
10 playing tennis. To me, that is manipulation.

11 **Q** Did you see Keith Raniere sending in his troops to -- are
12 these shop troops or something?

13 **A** Pardon?

14 **Q** Did you see Keith Raniere sending in his troops against
15 Ms. Bouchey?

16 **A** No. But I know that they -- that several people dealed
17 [sic] with her emotional reactions.

18 **Q** What -- so you didn't see him send in troops against
19 Barbara Bouchey, but you know it happened?

20 **A** Well, the thing is, is I had no reason to not believe
21 Barbara Bouchey because things like that happened within
22 the company.

23 **Q** Okay.

24 **A** There would be times when I would have a disagreement
25 with Nancy, and then what would happen is before I knew

1 it Karen Unterreiner was calling me.

2 **Q** No. Let's --

3 **A** Clare --

4 **Q** Let's focus on Barbara Bouchey.

5 **A** Okay.

6 **Q** What did Barbara Bouchey say Keith Raniere did to send in
7 the troops against her when she found out that he was not
8 monogamous?

9 **A** Then what would happen is, is that multiple people would
10 come to her house and do what they call explorations of
11 meaning with her. And they would work with her on her
12 disintegration around monogamy, nonmonogamy, and that it
13 was okay for Keith to have multiple relationships.

14 **Q** So that's a bunch of jargon, but I think what you're
15 telling me is that --

16 **A** Well, I believe that that's a form of mind control.

17 **Q** Well, I think what you're telling me is that Keith sent
18 friends over to her house to try to persuade her that
19 monogamy is no big deal and that she ought to accept --

20 **A** Well, these are more than just friends. These are people
21 that know your internal workings on an emotional level.

22 **Q** All right.

23 **A** And then those things, if used incorrectly, can be used
24 against somebody.

25 **Q** So what it sounds like you're saying is that she allowed

1 herself to open up emotionally to these other people who
2 knew about her, and they came in to work her over on the
3 issue of monogamy; is that correct?

4 **A** It's the nature of the company --

5 **Q** All right.

6 **A** -- that people open themselves up. That's -- it's a
7 human potential company where people do open themselves
8 up.

9 **Q** Who -- Yeah. Who did Keith Raniere send in to work her
10 over on monogamy?

11 **A** My understanding is Nancy Salzman was one. Lauren
12 Salzman was another. Pam Cafritz was another. Karen
13 Unterreiner was another, and Becky Friedman was another.

14 **Q** And your understanding --

15 **A** And Kristin Keefee was another.

16 **Q** And your understanding is based on who?

17 **A** Barbara Bouchey.

18 **Q** Okay. Everything Barbara Bouchey told you?

19 **A** Well, I don't have any -- based on my understanding of
20 NXIVM, I have no reason to not believe her.

21 **Q** Okay. So what other women were -- do you have evidence
22 were manipulated by Keith Raniere?

23 **A** Esther Chiappone.

24 **Q** Spell that last name.

25 **A** I don't know how to spell it. It's on one of the

1 e-mails.

2 **Q** Was she a former girlfriend?

3 **A** You know, I don't know what her status with Keith was.

4 **Q** How was she manipulated?

5 **A** Esther and I were students in our very first intensive
6 together, and Esther -- from my understanding of having a
7 conversation with Esther, is Esther was led to believe
8 that Keith was attracted to her and that she, based on my
9 understanding, was attracted to him.

10 Esther divorced her husband and moved her four kids
11 from Sterling, Alaska, to Albany, New York, to be with
12 Keith. And then my understanding, based on my
13 conversation with Esther, is Esther found out that Keith
14 was nonmonogamous, had a reaction to that, and then from
15 my understanding, Nancy Salzman was sent in to deal with
16 her.

17 **Q** And what's that understanding based on?

18 **A** My conversations with Esther.

19 **Q** Esther. All right. So what bad thing did Nancy Salzman
20 do to Esther?

21 **A** Well, I was -- actually happened to be at an intensive in
22 Anchorage, Alaska, right after that happened. That's
23 when Esther talked to me. And Nancy did what I believe
24 is her form of mind control, same thing she did with me
25 when I wouldn't behave the way she wanted me to.

1 Q And what's the mind control she used?

2 A Nancy's an expert at NLP. She was a master trainer for
3 master trainers in NLP. If NLP is used inappropriately,
4 it can be used as a weapon of mind control.

5 Q Now, what did you see that she used against Esther?

6 A That. Just that.

7 Q Explain to me -- no. Explain to me what you saw Nancy do
8 to Esther that you considered to be mind control.

9 A Well, my experience of that training is, is that Nancy
10 was very abusive to Esther.

11 Q And so you saw this for yourself?

12 A Yes.

13 Q Explain to me what happened.

14 A Yelling, screaming, you know, all of those different
15 kinds of things.

16 Q About what topics?

17 A Esther and I had a conversation the night before. I --
18 the next day I was in the bathroom with Nancy, and Nancy
19 came in in a fury asking me about my conversation with
20 Esther. "What did you talk about? I need to know what
21 you talked about." Those kinds of things. And I'm
22 like --

23 Q No. I want you to focus on what Nancy told Esther.

24 You're talking about all of these other things. What did
25 you see Nancy do to Esther that constituted manipulation?

1 **A** I saw Nancy being angry at Esther.

2 **Q** So she was mad at her?

3 **A** Right.

4 **Q** Over what topic?

5 **A** I think the thing is she was afraid Esther was going to
6 spill the beans --

7 **Q** No. No.

8 **A** -- about the sexual --

9 **Q** She was angry. Did she say what -- did Nancy say what
10 she was angry about?

11 **A** To me? She just asked me what we had talked about.

12 **Q** No, no, no, no, no. In front of Esther, did you see what
13 Nancy did in front of Esther which constituted anger?

14 **A** No.

15 **Q** No.

16 **A** It was just based on my conversation with Esther.

17 **Q** Esther.

18 **A** And based on all of these things --

19 **Q** I see.

20 **A** You add all of these things together, and there's a
21 pattern.

22 **Q** I see. You never saw Nancy be angry with Esther?

23 **A** No, that's not true. I did see Nancy be angry with a lot
24 of people.

25 **Q** No. I'm talking about Esther.

1 **A** Yes. I did see her be angry --

2 **Q** Did you ever see Nancy be angry with Esther over
3 monogamy?

4 **A** Those actual conversations never took place in public.

5 **Q** Did you ever see that?

6 **A** But based on -- no, I didn't.

7 **Q** All right. So what other women do you think were --

8 **A** Can I finish that?

9 **Q** Well, you said no. I don't want to hear the hearsay.

10 So what other woman was manipulated?

11 **A** Those are the two -- oh, and Toni Natalie.

12 **Q** But Toni Natalie's never been a member of NXIVM.

13 **A** That's not true. Toni Natalie was a green when she left
14 NXIVM. She was a senior proctor.

15 **Q** When did she leave NXIVM?

16 **A** Before I got there. I don't know for sure when she left.
17 When she left Keith, she left NXIVM.

18 **Q** So you weren't even around when she and Keith split up --

19 **A** That correct's.

20 **Q** -- correct?

21 **A** That's correct.

22 **Q** So you had no firsthand knowledge at all as to how she
23 was manipulated?

24 **A** I believe that there are too many similarities for this
25 to be --

1 Q Just answer my question.

2 A -- just hearsay.

3 Q She wasn't even around when --

4 A No, she wasn't, but I have -- I have talked to her since
5 then.

6 Q Sure. Now --

7 A And so there's a pattern.

8 Q So you've only mentioned three women, two of whom you
9 believe slept with Keith, and the third you don't
10 think --

11 A No.

12 Q -- there's evidence of --

13 A I also -- I also mentioned Kathy Ethier, that I believed
14 that Keith was inappropriate with Kathy Ethier.

15 Q Okay. And did Kathy Ethier sleep with Keith Ranieri?

16 A That, I do not know.

17 Q All right. So you've only identified, in terms of
18 manipulation, two women --

19 A Right.

20 Q -- who actually slept with Keith Ranieri.

21 A No. I have mentioned three.

22 Q Three over a period of ten years.

23 A Right.

24 Q Okay.

25 A Well, the other thing is, though, in regards to that --

1 can I finish this? Are you going to let me finish?

2 **Q** I asked you over ten years. You said yes. There's no
3 question pending.

4 **A** But there's a pattern.

5 **Q** No question pending. I know you -- I know you believe
6 there's a pattern.

7 All right. Just a second. I'm almost done.

8 Do you have any evidence that Keith Ranieri was
9 involved in compulsive gambling outside of investing in
10 the commodities market, like, for instance, casino
11 gambling or Black Jack or cards or anything like that?

12 **A** No, but I can get an affidavit.

13 **Q** What?

14 **A** I said no, but I can get an affidavit.

15 **Q** From who?

16 **A** From Toni Natalie.

17 **Q** And what do you think Toni Natalie would say?

18 **A** That he gambled at the casinos.

19 **Q** And certainly you have no evidence of that; correct?

20 **A** I never saw him.

21 **Q** So gambling at casinos is considered an affront to
22 NXIVM's ethical system?

23 **A** Excuse me. I think based on Keith's position in the
24 company -- and I've stated this several times -- is that
25 taking members' -- like for me it's like taking members'

1 money and utilizing it in that capacity is not only
2 unethical, but it's a conflict of interest.

3 **Q** Do you think that Keith ever took NXIVM members' money to
4 gamble at the casinos?

5 **A** That, I don't know.

6 **Q** Do you think that's what --

7 **A** It's possible.

8 **Q** -- Natalie is going to say?

9 **A** I don't know what she's going to say.

10 **Q** Well, you said you had an affidavit -- or you could get
11 an affidavit.

12 **A** No. I can get an affidavit. What she'll say in it, I
13 don't know.

14 **Q** And is it correct to say that you have no clue as to how
15 a commodities transaction is executed?

16 **A** I don't know how that is, but I think 70-plus million
17 dollars is a lot of money to lose in the commodities
18 market.

19 **Q** So you're basing your conclusion that he's a compulsive
20 gambler on the amount of money that he lost?

21 **A** And based on my conversations with Yuri Plyam and Barbara
22 Bouchey, based on how he did that and the amount of time
23 that he did that. In my opinion, based on what I know,
24 that that's an addictive problem.

25 **Q** What do you think -- well, what did Yuri Plyam tell you

1 that led you to conclude that Keith Raniere was a
2 compulsive gambler?

3 **A** That he would hedge bets that were -- didn't make any
4 sense, that didn't make any logical sense, and the amount
5 of money that he would lose in a day.

6 **Q** He used the word "hedge bets"? Do you even know what
7 that term means?

8 **A** No. My assumption is, is that when you hedge a bet is
9 that you take a risk on something going one way and that
10 if it doesn't then you lose your money.

11 **Q** No.

12 **A** That's my understanding.

13 **Q** No. The word "hedge bet" means that you -- you're
14 protecting against a bet that you've made. It's the
15 opposite of what you've just said.

16 **A** Okay.

17 **Q** So did Yuri use the word "hedging bets" with you?

18 **A** That I can recall.

19 **Q** He said he hedged bets?

20 **A** That's what I recall. Whether he said that or not --

21 **Q** Did you know that a gambler who hedges bets is a very
22 conservative gambler?

23 **A** I don't consider losing \$70 million in a short period of
24 time conservative.

25 **Q** Well, I'm just trying to determine what exactly Yuri

1 Plyam told you that would lead you to believe Keith
2 Ranieri was a compulsive gambler other than the amount of
3 money that was lost.

4 **A** Well, then you might want to ask Yuri that.

5 **Q** No. I'm asking you. I'm asking you what you recall Yuri
6 told you.

7 **A** That he -- Keith would bet millions of dollars in a day
8 and lose it. To me, that's a compulsive gambling
9 problem.

10 **Q** And tell me what expertise you have in determining
11 compulsive gambling.

12 **A** Well, my expertise is, is that for six years in the
13 United States Navy, I worked in the addictions field, and
14 I think I have a pretty good understanding of addictive
15 nature and addictive problems.

16 **Q** How many compulsive gamblers did you work with?

17 **A** I didn't work with any compulsive gamblers. I worked
18 with people who were addicted to alcohol and drugs, but
19 the addiction cycle is the same in overeating, gambling,
20 sex, all different kinds of things.

21 **Q** Is there a DSM publication on compulsive gambling?

22 **A** I'm sure there is.

23 **Q** Okay. Have you read it?

24 **A** Not in a long time.

25 **Q** Have you ever read it?

1 **A** Yes.

2 **Q** So you've never treated a compulsive gambler?

3 **A** We had people that came into the treatment facility that
4 I worked at that had not only -- they were called
5 poly-addicted. So they were not only addicted to
6 alcohol, drugs, sometimes sex, sometimes gambling,
7 sometimes food. So we dealt with all different types of
8 addictions.

9 **Q** Did you have your master's degree in psychology when you
10 were in the Army?

11 **A** In the Navy.

12 **Q** In the Navy.

13 **A** No, I didn't.

14 **Q** You had a degree -- did you have your degree in holistic
15 healing?

16 **A** No.

17 **Q** Did you have any degree when you were in the Navy?

18 **A** I got my associate's degree when I was in the Navy, but I
19 was trained within the Navy treatment facility program.

20 **Q** So --

21 MR. CROCKETT: All right. Just a
22 second. Let's take a five-minute break.

23 THE VIDEOGRAPHER: As we go off the
24 record, the time is 3:04.

25 (Recess 3:04 - 3:08 p.m.)

1 THE VIDEOGRAPHER: Okay. We are back
2 on the record. The time is 3:08.

3

4

5 EXAMINATION (Continuing)

6 BY MR. CROCKETT:

7 Q Okay. Ms. Dones, you made two filings in the bankruptcy
8 court as a pro se. One was the -- your big declaration,
9 and the other was for time for the continuance of the
10 hearing and your deposition. Do you recall that?

11 A Mm-hm.

12 Q Did Ms. Bouchey help you on both of those documents?

13 A She didn't help me on the declaration, and I don't
14 believe she helped me on my extension. Her plate is
15 pretty full.

16 Q But you talked to her about both before you did it,
17 correct, before you did each one?

18 A I don't think I talked to her about my declaration at
19 all. I think -- and I don't recall talking to her about
20 my continuance.

21 Q Did --

22 A It's possible I did, but I am not recalling that right
23 now.

24 Q Did Mr. O'Hara help you with either one of those, give
25 you advice?

1 **A** I told you we talked about that with this.

2 **Q** Well, I'm now talking about both the declaration and the
3 application for continuance.

4 **A** I don't think he helped me with the application for
5 continuance.

6 **Q** Well, somewhere you would have had to have gotten the
7 idea that I was a table pounder and a screamer and
8 wouldn't let people go to the bathroom.

9 **A** And I have answered that question.

10 **Q** Well, so somebody must have helped you with that.

11 **A** And I answered that question.

12 **Q** Who was that?

13 **A** That was Barbara Bouchey's rendition of her first
14 deposition with you.

15 **Q** Okay. So you -- so Barbara Bouchey had some input with
16 respect to the application for the continuance; correct?

17 **A** Based on that, but she didn't say "Put that in your
18 thing."

19 **Q** All right.

20 **A** I just remember that conversation when you first deposed
21 her. I think it was in the Plyam case --

22 **Q** Yeah. Right.

23 **A** -- back in New York.

24 **Q** Now, did Mr. Skolnik give you advice on the first
25 application, the application for a continuance?

1 **A** No.

2 **Q** Did Mr. O'Hara give you advice on either one of those
3 two?

4 **A** The -- on the --

5 **Q** The application for continuance and the declaration.

6 **A** Yeah. He helped me with this one. We talked --

7 **Q** Yeah. How about the other one, the --

8 **A** No, I don't believe so. Actually, I asked the court
9 clerk a lot of questions about how to even go about that.
10 I didn't know --

11 **Q** Okay.

12 **A** -- how to go about that.

13 **Q** So I'd like to conclude this deposition, and I'd like to
14 propose to you that we treat this transcript
15 confidential.

16 **A** I don't agree to that.

17 **Q** All right. Is there a reason why not?

18 **A** Because I believe that it should be a public record.

19 **Q** And so it's your intention to publish this transcript
20 on -- in public?

21 **A** I don't publish any transcripts. I don't publish any
22 documents, but I do have an issue with preventing people
23 from knowing. So if the judge decides to seal it, I will
24 abide by that, but I don't agree to seal anything.

25 **Q** Will you agree not to release the transcript to any third

1 party other than your lawyer?

2 **A** Absolutely.

3 **Q** You will agree to that?

4 **A** I will not -- I will not give the transcript to anybody
5 other than my attorney or if I'm subpoenaed that in
6 another case.

7 **Q** Okay. If you're willing to agree to that, then that's
8 great.

9 Will you be willing to sign a stipulation to that
10 effect?

11 **A** Once I can review what the implications of that are, I
12 absolutely will. Just kind of like when you sent me
13 those -- the proposal --

14 **Q** Yeah.

15 **A** -- for -- to get out of the deposition today --

16 **Q** Yeah.

17 **A** -- what that would take, if you send me that, I will read
18 through that and do some research on the internet of what
19 exactly I am signing.

20 **Q** Are you going to show this transcript to Ms. Bouchey?

21 **A** No.

22 **Q** To Yuri Plyam?

23 **A** No.

24 **Q** To --

25 **A** I haven't seen anybody's -- I've never seen a

1 transcript --

2 **Q** Yeah.

3 **A** -- except for the ones -- I think there's one on Nancy --
4 on the internet. Other than that, I haven't seen
5 anybody's transcript.

6 **Q** And are you still abiding by the temporary restraining
7 order provisions?

8 **A** Yes, sir. I agreed to that, and I will do that.

9 MR. CROCKETT: All right. I have no
10 further questions of this witness.

11 THE VIDEOGRAPHER: There being no
12 further questions, at this time the deposition is
13 concluded. This is the end of Disk No. 3. We are going
14 off the record at 3:13 p.m. Thank you.

15 (Signature reserved.)

16 (Deposition concluded at
17 3:13 p.m.)

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF WASHINGTON) I, Valerie L. Torgerson, CCR, RPR,
) ss a certified court reporter
County of Pierce) in the State of Washington, do
 hereby certify:

That the foregoing deposition of **SUSAN F. DONES** was taken before me and completed on **November 23, 2010**, and thereafter was transcribed under my direction; that the deposition is a full, true and complete transcript of the testimony of said witness, including all questions, answers, objections, motions and exceptions;

That the witness, before examination, was by me duly sworn to testify the truth, the whole truth, and nothing but the truth, and that the witness reserved the right of signature;

That I am not a relative, employee, attorney or counsel of any party to this action or relative or employee of any such attorney or counsel and that I am not financially interested in the said action or the outcome thereof;

That the transcript will be securely sealed, and the said deposition will be promptly delivered to Attorney **Robert D. Crockett**.

IN WITNESS WHEREOF, I have hereunto set my signature on the 24th day of November.

Valerie L. Torgerson, CCR, RPR
Certified Court Reporter No. 2036.